



European Economic
and Social Committee

ANNUAL ACTIVITY REPORT 2019

Section VI of the EU-budget

June 2020

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European Economic
and Social Committee

SECRETARIAT-GENERAL
Secretary-General

Brussels, June 2020

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

I, the undersigned, Gianluca Brunetti,

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

In my capacity as authorising officer by delegation,

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

State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions;

This reasonable assurance is based on my own judgement and the information at my disposal, the rigorous verification procedures applied at the EESC in accordance with the internal financial rules, the result of ex-post controls, the observations of the Internal Audit service and the findings of the reports of the Court of Auditors for years prior to the year of this declaration;

I confirm that I am not aware of anything not declared here which could harm the interests of the institution.

Gianluca BRUNETTI
EESC Secretary-General

PART I

Presentation and main activities 2019

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1 PRESENTATION

1.1 WHAT IS THE EESC?

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

Treaty on the Functioning of the European Union

Article 300

1. The European Parliament, the Council and the Commission shall be assisted by an Economic and Social Committee and a Committee of the Regions, exercising advisory functions.
2. The Economic and Social Committee shall consist of representatives of organisations of employers, of the employed, and of other parties representative of civil society, notably in socio-economic, civic, professional and cultural areas.
4. The members of the Economic and Social Committee and of the Committee of the Regions shall not be bound by any mandatory instructions. They shall be completely independent in the performance of their duties, in the Union's general interest.
5. The rules referred to in paragraphs 2 and 3 governing the nature of the composition of the Committees shall be reviewed at regular intervals by the Council to take account of economic, social and demographic developments within the Union. The Council, on a proposal from the Commission, shall adopt decisions to that end.

1.2 WHAT ARE THE EESC'S OBJECTIVES?

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

EESC Mission Statement

The Committee has three key missions:

- ✓ helping to ensure that European policies and legislation are more in tune with economic, social and civic circumstances on the ground. It does this by making the expertise of its members, as civil society representatives, available to the European Parliament, the Council and the European Commission, and by stimulating dialogue and efforts to secure consensus serving the general interests of the EU;
- ✓ promoting the development of a more participatory European Union that is more in touch with public opinion, by acting as an institutional forum representing, informing, and being in dialogue with organised civil society;
- ✓ promoting the values on which European integration is founded and advancing the cause of participatory democracy, as well as the role of civil society organisations, in Europe and across the world.

1.3 ORGANISED CIVIL SOCIETY

Organised civil society is a wide range of organisations, networks, associations, groups and movements which are independent of government and sometimes come together to advance their common interests through collective action. These groups often act as intermediaries between decision-makers and the public, and enable people to get involved by playing an active role in their workplace or, for instance, taking part in a political organisation or supporting a good cause.

1.4 HOW IS CIVIL SOCIETY REPRESENTED?

Currently, the EESC is made up of 326¹ members from across the 27 Member States. The members are not politicians, but employers, trade unionists and representatives of groups such as professional and community associations, farmers, youth organisations, women's groups, consumers, environmental campaigners, and many more. They come from all social and professional backgrounds and have a vast range of knowledge and experience. They are not based full-time in Brussels, but rather have their own jobs in their home countries, which ensures that they maintain direct contact with their grassroots. Nominated by their governments, they are appointed by the EU Council for a period of five years. They then work independently in the

¹ The EESC had 350 Members from 28 Member States until Brexit (31.01.2020).



interests of all EU citizens. Debating issues involving and affecting civil society and adopting opinions, the Committee members play an integral part in the process of policy formation and the preparation of decisions at EU level. Through its Liaison Group, the EESC also connects European civil society organisations and networks that are not members of the EESC. The Liaison Group provides a framework for political dialogue and cooperation on cross-cutting issues of common interest.

1.5 NATIONAL ALLOCATION OF SEATS

EESC members are proposed by the Member States and appointed by the Council of the European Union for a renewable five-year term. The current term runs until 20 September 2020. The national distribution of seats is shown in the graphic on the left.

1.6 EESC OPINIONS

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

The EESC also adopts own-initiative opinions on any question pertaining to the European Union, its policies and how these might evolve. Exploratory opinions may be drawn up at the request of the EU presidencies and other EU institutions before the Commission has even drafted a proposal, enabling the various components of organised civil society to express their expectations, concerns and needs. The EESC may also publish information reports examining any aspect of EU policy.

An opinion is prepared as follows:



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

1.7 STRUCTURE OF THE EESC



Each EESC member belongs to one of three groups: Employers (Group I), Workers (Group II) and Diversity Europe (Group III). The aim is to build dialogue and consensus between all three so that EESC opinions reflect the economic and social interests of citizens. For the current term of office, Jacek Krawczyk (Poland) is president of the Employers' Group, Oliver Röpke (Austria) is president of the Workers' Group, and Arno Metzler (Germany) is president of the Diversity Europe Group.

The unique feature of Group III is the wide range of categories: Social Economy Category, Voluntary Sector Category, Farmers' Category, Consumers and Environment Category, Liberal Professions Category.

The EESC has six sections which cover different aspects of the EU's work, ranging from the economy to social affairs. Members participate in one or more of these sections depending on their areas of expertise, and it is here that most of the preparatory work on opinions is carried out. The EESC also has a Consultative Commission on Industrial Change (CCMI), which is concerned with helping EU industry anticipate and adapt to the impact of globalisation. The EESC has set up three observatories – on the single market, the labour market and sustainable development – as well as two cross-cutting Groups, the European Semester Group and the Group on Fundamental Rights and the Rule of Law.

Working bodies



Every two-and-a-half years the EESC elects a Bureau, currently made up of 39 members, along with a president and two vice-presidents chosen from each of the three groups in rotation. The Bureau has political responsibility for the general management of the Committee. In particular, it ensures that the activities of the Committee, its bodies and its staff are in keeping with its institutional aims.

The current president is Italian member Luca Jahier (Group III). As the president, he is responsible for the orderly conduct of the Committee's business and represents the EESC in its relations with

other institutions and bodies. The two vice-presidents, Bulgarian member Milena Angelova (Group I) and Spanish member Isabel Caño Aguilar (Group II), are responsible for the budget and communication, respectively. The Bureau's main task is to organise and coordinate the work of the EESC's various bodies and to lay down policy guidelines for that work.

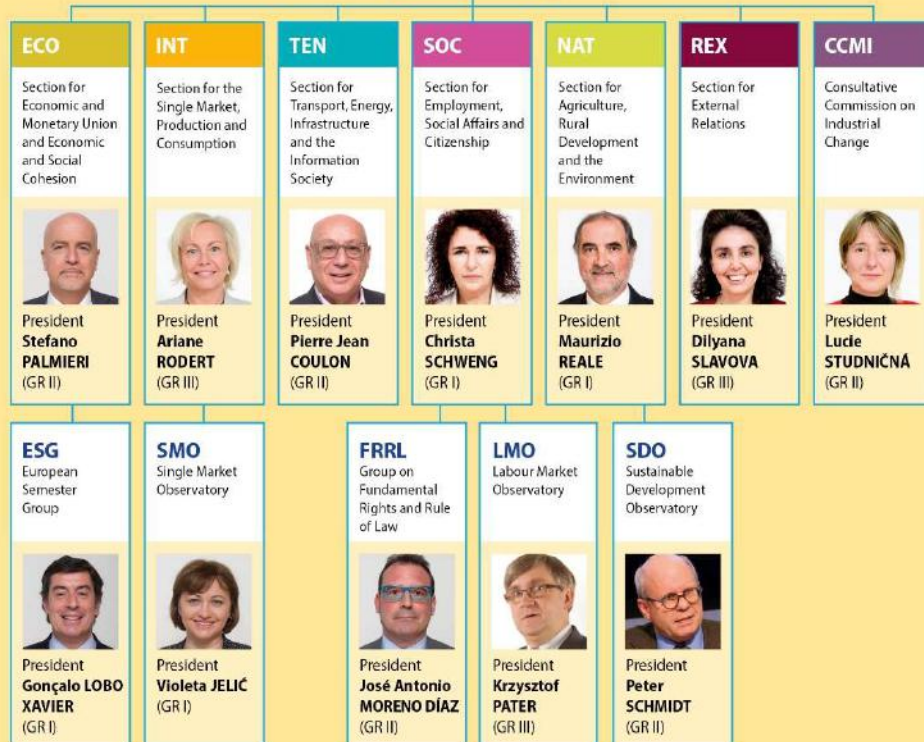
The Committee is served by a secretariat-general, headed by a secretary-general who has overall responsibility for managing the administration. Approximately 700 staff assist members in carrying out their duties.

Presidency and political bodies



ASSEMBLY
326 members*

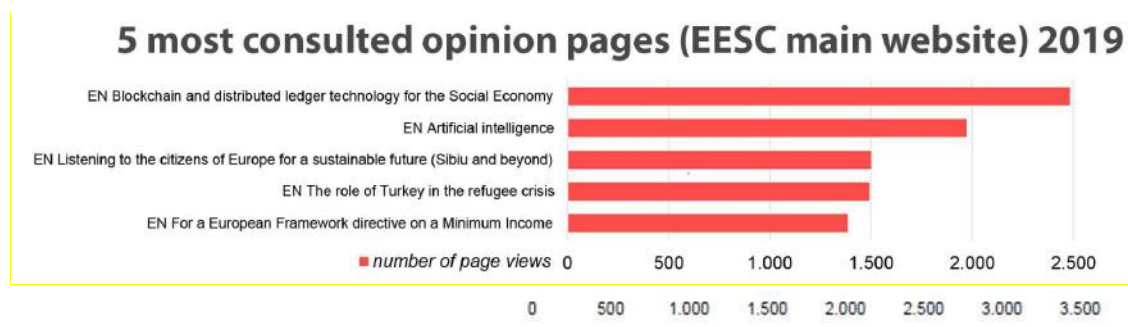
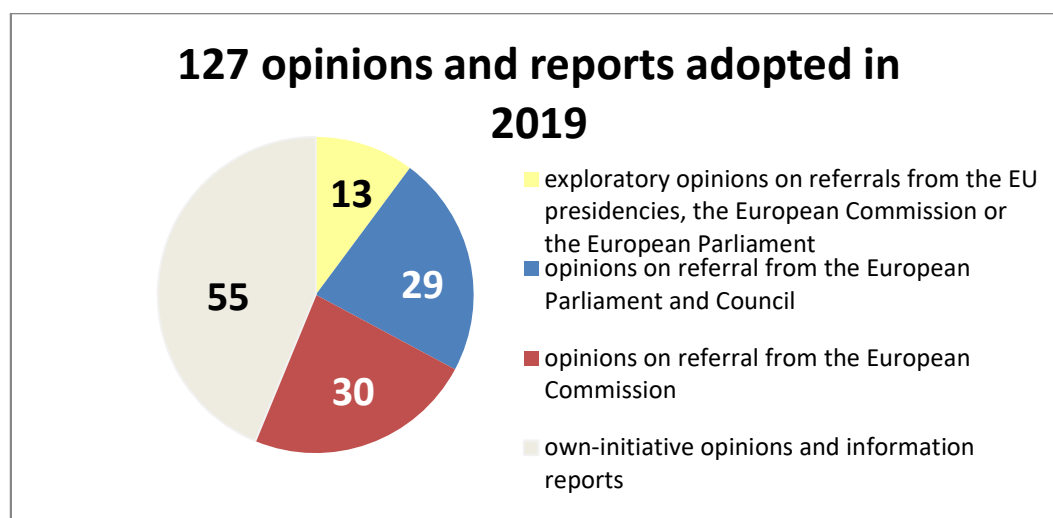
* Non-affiliated: 1 member



2 MAIN ACHIEVEMENTS 2019

2.1 LEGISLATIVE AND RELATED WORK

In 2019, the EESC adopted a total of 127 opinions and reports.



2.1.1 Plenary sessions

The Committee organised many high-level debates at its plenary sessions.

540th plenary session | 23 and 24 January 2019

- Debate on Brexit with Michel Barnier, chief negotiator heading the Commission's task force for the preparation and conduct of negotiations with the United Kingdom
- Debate on reforming the WTO to adapt to developments in world trade, with Karl Brauner, deputy director-general of the World Trade Organization
- Presentation of the priorities of the Romanian Presidency of the Council of the EU, with Viorica Dăncilă, prime minister of Romania

541st plenary session | 20 February 2019

- Debate on the Common Agricultural Policy 2021-2027, with Phil Hogan, European Commissioner for Agriculture and Rural Development

On the margins of the February plenary session

- The EESC welcomed the activists Greta Thunberg and Madeleine Kay for debates on EU climate action and Brexit, respectively
- *Civil Society for rEUnaissance* event attended by European Commission president Jean-Claude Juncker and European Committee of the Regions president Karl-Heinz Lambertz, national economic and social councils, civil society organisation leaders and inspirational speakers

542nd plenary session | 20 and 21 March 2019

- Debate on "Listening to the citizens of Europe for a sustainable future (Sibiu and beyond)"
- Debate on the European Citizens' Initiative "Stop Extremism", with its organisers Sebastian Reimer and Michael Laubsch
- Debate on the future of Europe with Patrick Bernasconi, president of the French Economic, Social and Environmental Council

543rd plenary session | 15 and 16 May 2019

- Debate on the resolution "Let's turn out and vote for a united Europe"
- Debate on the challenges of competition policy for the new European Commission and the new European Parliament, in particular in the context of the digital economy and sustainable development, with Margrethe Vestager, European Commissioner for competition
- Debate on antisemitism with Raya Kalenova, vice-president of the European Jewish Congress; Michał Bilewicz, assistant professor at the Centre for Research on Prejudice,

Faculty of Psychology, University of Warsaw; and Joël Kotek, professor at the Free University of Brussels and at the Paris Institute of Political Studies, member of the Scientific Council of the Museum of the Holocaust and Human Rights in Mechelen, and Belgian correspondent at the Moshe Kantor Centre, University of Tel Aviv

544th plenary session | 19 and 20 June 2019

- Debate on the strategy for long-term EU greenhouse gas emissions reduction, with Maroš Šefčovič, vice-president of the European Commission responsible for the Energy Union

545th plenary session | 17 and 18 July 2019

- Presentation of the priorities of the Finnish presidency of the Council of the EU, with Aino-Kaisa Pekonen, Finland's minister for social affairs and health
- Presentation of the results of the Civil Society Days and debate with Conny Reuter, co-president of the Liaison Group with European civil society organisations and networks

546th plenary session | 25 and 26 September 2019

- Presentation of the priorities of the European Parliament, with Klára Dobrev, vice-president of the European Parliament
- Review of the activities of the European Ombudsman, with Emily O'Reilly, European Ombudsman
- Debate on the Economic and Monetary Union and the European semester, with Valdis Dombrovskis, vice-president of the European Commission; Tuomas Saarenheimo, Finnish permanent under-secretary for international affairs and financial markets; Christian Ebeke, acting resident representative of the International Monetary Fund to the European Union; and Louka Katseli, chair of the National Bank of Greece (Cyprus) and former minister for the economy and labour

547th plenary session | 30 and 31 October 2019

- Debate on encouraging civil society dialogue with the United Kingdom post-Brexit, with Michel Barnier, chief negotiator of the European Commission for Brexit
- Presentation of the EESC's contribution to the Commission's 2020 work programme and beyond
- Adoption of the resolution *Opening accession negotiations with North Macedonia and Albania: EU credibility and geostrategic interests should be upheld*
- Debate on a cultural vision for Europe, with André Wilkens, director of the European Cultural Foundation; Pier Luigi Sacco, special adviser to Tibor Navracsics, European

Commissioner for Education, Culture, Youth and Sport; Airan Berg, artistic director of the Festival of the Regions; and Elke Kaschl-Mohni, director of the Goethe Institute in Brussels

548th plenary session | 11 and 12 December 2019

- 2019 Civil Society Prize award ceremony, on the theme *More women in Europe's society and economy*
- Address by Andrew Caruana Galizia, son of Daphne Caruana Galizia, the Maltese journalist assassinated when investigating cases of corruption at the highest level of government, on the need for EU values to be upheld in the fight for justice
- Debate on the theme *From development to partnership* with Jutta Urpilainen, European Commissioner for International Partnerships; Isabelle Durant, deputy secretary-general of the United Nations Conference on Trade and Development (UNCTAD); Mikołaj Dowgielewicz, permanent representative of the European Investment Bank (EIB) to the European institutions in Brussels; and the AU-EU Youth Cooperation Hub, with Elena Bonell de Pascual representing the Business, Job Creation and Entrepreneurship cluster and Oyewole Oginni representing the Peace and Security cluster

2.1.2 Cooperation with other institutions

The Committee maintains and develops high-quality interinstitutional cooperation and ensures a maximum of coherence in the Committee's relations with the other EU institutions and bodies.

European Parliament:

- **Legislative work**



Members of the EESC had over 30 meetings with Parliament rapporteurs and shadow rapporteurs, as well as other Members of the European Parliament (MEPs), and attended over 31 events in Parliament (committee meetings, hearings, intergroup events or MEP initiatives). MEPs took an active part in 32 EESC meetings.

In addition, numerous informal meetings took place at member and staff levels, and representatives of the EESC were regularly present at Parliament committee meetings.

- **Political cooperation**

2019 was marked by the European elections, which saw the highest turnout in 20 years. Following the signing of a joint declaration with the European Parliament in December 2018, the EESC organised 25 events in 2019 focused on raising civil society organisations' awareness of the elections and encouraging citizens to vote.

On 12 March 2019, EESC president Luca Jahier met with the Conference of Committee Chairs (CCC) of the European Parliament to discuss cooperation with the EESC and present a list of possible topics for cooperation.



Following the resumption of legislative activity, Mr Jahier met the newly elected leaders of the European Parliament: its president David Sassoli in July and the chair of the CCC, Antonio Tajani, in September. Mr Jahier also met European Parliament vice-presidents Mairead McGuinness, Pedro Silva Pereira, Katarina Barley, Klára Dobrev, and Fabio Massimo Castaldo. All of Parliament's leaders agreed on the importance of

continuing the constructive cooperation with the EESC in order to ensure delivery of the best possible policies for the EU.

At the EESC's September plenary session vice-president Klára Dobrev presented Parliament's priorities for the 2019-2024 legislature, underlining in particular the need for long-term political commitments.

The EESC also began discussing its role in the upcoming Conference on the Future of Europe, with Mr Jahier attending a hearing of Parliament's Committee on Constitutional Affairs (AFCO) to discuss the scope and objectives of the Conference.

European Commission



Cooperation between the Committee and the European Commission is enshrined in a 2012 protocol, a substantial and comprehensive instrument that underpins operations.

Regular high-level meetings were being held throughout 2019, with the Commission president and other Commissioners attending several EESC plenary sessions and events.

Jean-Claude Juncker, then president of the European Commission, took part in the EESC's *Civil Society for rEUnaissance* event on 21 February 2019.



2019 was a transition year for the Commission. After the European Parliament approved the appointment of Ursula von der Leyen as the new Commission president in July 2019, EESC president Luca Jahier met the Commission's president-elect on 25 September 2019.

The EESC adopted its contribution to the 2020 Commission Work Programme on 30 October 2019.

Vice-President of the European Commission for Interinstitutional Relations Maroš Šefčovič met Mr Jahier on 13 December 2019. They agreed to open new avenues of cooperation, in particular in relation to the Conference on the Future of Europe and through the possible revision of the Protocol of Cooperation between the European Commission and the EESC.

European Council and Council of the European Union



European Council

Romania held the presidency of the Council of the European Union in the first half of 2019, followed by Finland in the second half of the year. Cooperation between the EESC and both countries was excellent.

Romanian prime minister Viorica Dăncilă and Finland's Minister for Social Affairs and Health Aino-Kaisa Pekonen came to present the priorities of Romania's and Finland's EU presidencies at the plenary sessions in January and July 2019 respectively. The two presidencies formally requested a total of 11 exploratory opinions.

An extraordinary Bureau meeting was held in Helsinki on 6 June 2019 in preparation for the upcoming EU presidency. The EESC president and its section presidents attended a number of EU informal ministerial meetings on competitiveness and cohesion policy.

Ministers and representatives of the EU presidencies attended a variety of EESC events on the bioeconomy, cohesion policy, digital societies, and taxation.

An extraordinary Bureau meeting was held in Zagreb in November 2019 in preparation for the upcoming Croatian presidency.

European Committee of the Regions

The Administrative Cooperation Agreement between the EESC and the CoR established a firm legal framework for long-term, efficient and effective cooperation between the two bodies. In December 2019, with an eye to further strengthening of cooperation in the future, the two Committees agreed to extend the current cooperation agreement until 31 December 2020.

In August 2019, in line with their buildings strategy and in the spirit of the existing cooperation, the EESC and CoR signed an agreement with the European Commission to exchange the B68/TRE74 buildings for the VMA building, a move that will benefit all three parties. European Commissioner Günther Oettinger, EESC president Luca Jahier and CoR president Karl-Heinz Lambertz attended the signing ceremony, giving political endorsement to the agreement.

The buildings exchange will provide a high return on investment in the medium to long term, both financially once the Committees are no longer paying rent on the B68 and TRE74 buildings, and politically and operationally because they will have a fully interconnected single group of buildings.

The EESC was involved in the 17th European Week of Regions and Cities (7-11 October 2019), attended by a delegation of members from the ECO and TEN sections, and in EuroPCOM (7 and 8 November 2019). Members of both committees were actively involved in other major events. Finally, EESC president Luca Jahier attended an event celebrating the 25th anniversary of the European Committee of the Regions in December.

National Economic and Social Councils

In 2019, the EESC continued to be involved in many activities with national economic and social councils and similar institutions (ESCs), on a bilateral basis or within the network of national ESCs of the EU. This cooperation included joint action in the framework of the European semester and co-organisation of the annual meeting of the presidents and secretaries-general of the national ESCs and the EESC, held in Rome on 9 and 10 May 2019.

Brexit Follow-Up

A Brexit Follow-Up Group was created by a decision of the Extraordinary Bureau in Tallinn on 16 June 2017 in order to monitor issues relating to the UK's withdrawal from the EU and to assess

the potential need for responses or positions from the EESC. The Brexit Follow-Up Group is composed of 12 members, including section presidents, and has reported regularly to the Bureau on new developments.

In 2019, the Brexit Follow-up Group undertook three fact-finding trips to assess the current situation and hear the views of socio-economic and political players in the UK's devolved nations and in England. The trips were to Northern Ireland (Belfast) on 25 and 26 June 2019, Scotland (Edinburgh, Glasgow and Irvine) on 17 and 18 September 2019, and Wales (Cardiff) on 12 and 13 November 2019. They were followed by a visit to England on 12 and 13 January 2020. The purpose of the trips was to pave the way for formal relations between civil society organisations on both sides of the Channel and to facilitate communication and mutual information between British civil society and its EU-27 counterparts. Ultimately, the EESC's objective is to maintain close ties between the EU and the UK in a spirit of "responsibility and partnership", as Michel Barnier put it at the EESC's October plenary session. This was reiterated by the EESC in the farewell ceremony for UK members and delegates on 22 January 2020.

2.1.3 Structured dialogue with European citizens

Key EESC events promoting participatory democracy and engagement of citizens

Digital Voices



European Citizens' Initiative (ECI) Day 2019 marked a new stage in the development of the European Citizens' Initiative. Commission first vice-president Frans Timmermans had announced the start of the process to revise the ECI at the opening of ECI Day 2017. Two years on, the EESC was looking at the final text of the

newly negotiated agreement on the ECI proposal. This had just been adopted at the European Parliament's plenary session in March and was the main focus of the programme. The event was entitled *Digital Voices*, reflecting ongoing changes in global trends in voting and citizens' active participation. The ECI is intended to enable Europeans to cooperate and unite around a cause of common interest or concern, so that they can express their opinion, not only on election day but whenever they believe a new item needs to be placed on the EU's agenda.

Sustainable democracy in Europe

Sustainable Democracy in Europe was this year's topic at the **Civil Society Days** organised by the EESC's Liaison Group with European civil society organisations and networks. The EESC



underlined that sustainability should become the guiding principle of the new Commission. Society must not accept any trade-offs between environmental and social issues. Since the current economic model is magnifying social and environmental challenges, it needs to be reconsidered. Participants stressed the need for multi-stakeholder engagement that includes European citizens.

2.1.4 Conferences, debates and key topics in the spotlight in 2019



Future of the European Union



At its enlarged presidency meeting in Krakow in June 2018, the EESC decided to monitor the Future of Europe process in the EU and drew up a Sibiu Roadmap for this purpose. By way of follow-up in 2019, the EESC adopted an opinion in which it argued that the European Union must move closer to its citizens and become the global leader in sustainable development. The Committee is calling for a new EU strategy which takes a holistic and cross-sector policy approach focused on Europeans' needs and prioritising sustainability. The strategy must ensure that competitiveness, growth, investment and business can become sustainable and serve the well-being of all EU citizens so that nobody is left behind. This must be backed up by an ambitious EU budget. The EESC presented its vision for the EU in the run-up to the informal meeting on the Future of Europe that brought together heads of state or government in Sibiu on 9 May 2019.

Mainstreaming sustainable development in all EU policies

In response to the European Commission's Reflection Paper *Towards a Sustainable Europe by 2030*, the EESC persistently emphasised that **sustainable development** needs to be at the heart of Europe's future and that urgent action is needed to implement the UN Sustainable Development



Goals (SDGs) by 2030. The EESC made specific recommendations highlighting the imperative social dimension of the Green New Deal. The recent Council Conclusions on "Building a sustainable Europe by 2030" acknowledged the EESC's active role, and noted that civil society plays a critical part in implementing and achieving the SDGs.

The EESC also repeatedly called for a sustainable EU food policy. As well as giving a clear message directly to Commissioner Vytenis Andriukaitis at a high-level conference (*Towards a comprehensive EU food policy*) on 7 February, the EESC adopted two own-initiative opinions, on healthy diets and on agro-ecology. The EESC actively promoted its opinion on the ongoing reform of the common agricultural policy (CAP legislative proposals), which gave renewed impetus to the greening and climate objectives. At a joint event on 16 October 2019, the EESC, the CoR and the European Commission made recommendations on advancing the **EU's bioeconomy strategy**, notably by focusing on the blue bioeconomy.

The EESC has continued to actively support the **European Circular Economy Stakeholder Platform** (launched in 2017), through its 3 representative Members and Secretariat. Together with the Commission, the Committee hosted the third edition of the annual conference (6-7 March 2019) with more than 800 participants, and the third annual meeting (18-19 October 2019) of the 24-Member [Coordination Group](#) to mobilise stakeholders on the ground. The Platform serves as an information hub via its website (circulareconomy.europa.eu) and social media ([@CESTakeholderEU](#), >2000 Twitter Followers), gathering circular economy strategies at local, regional and national level, and leading good practices, research, news, networks and events from across Europe.

Climate action for all and by all



The EESC adopted a whole series of opinions emphasising the role of civil society in implementing the goals of the Paris Agreement and calling for an enabling framework for non-state and subnational **climate** players. In late 2018, the Commission published its 2050 long-term strategic vision for transforming Europe into a climate-neutral economy.

The EESC strongly welcomed the ambitious goal of climate neutrality and reiterated its call for citizens to be at the heart of the energy transition. In particular, the EESC advocated an ongoing citizens' dialogue to shape energy and climate policy, a social pact so that no one is left behind, significant public investment, and strong involvement of regions and municipalities in designing transition policies.

At the COP25 (Madrid, December 2019), the EESC's Sustainable Development Observatory co-organised two side events, on the circular economy and the social transition to climate neutrality. EESC members took part in several other activities, including a European Commission high-level event on *Scaling-up climate action through the circular economy and nature-based solutions* with the European Commission's executive vice-president, Frans Timmermans.

The social dimension of Europe's energy transition and social housing



In its annual analysis of the *State of the Energy Union* the EESC took stock of the successes and shortcomings of the Energy Union project launched in early 2015. While much has been achieved by the European Commission, the EESC still identified a lack of ambition in addressing energy poverty and other social questions linked to decarbonising Europe's economy. For this reason, in autumn 2019 the EESC embarked on an evaluation of the social and societal dimension of the Energy Union based on consulting relevant stakeholders in several Members States directly.

The EESC also addressed the issue of social housing and the need for a supply of decent, energy-efficient and affordable homes for all. To this end it organised a conference (on 4 December 2019) on *Social housing: a service of general interest to guarantee decent, energy-efficient and affordable accommodation for all*. The event drew attention to the increasing demand for an EU social housing strategy.

Clean mobility and evaluation of the Trans-European Transport Network (TEN-T) guidelines

In July 2019, the EESC held a debate on clean mobility as part of its continuing work in this field. The event provided an opportunity to discuss clean urban transport, in particular cycling, with participants, including Philippe Close, mayor of Brussels, and Christophe Najdovski, deputy mayor of Paris in charge of transport, mobility, roads and public spaces. A highlight of the event was the talk by Alberto Toscano, journalist and author of the book "A bike against Nazi barbarism: the incredible destiny of the champion Gino Bartali". Italian cycling champion Gino Bartali was a discreet hero who saved hundreds of Italian Jews from the Holocaust.

The latest (2019) edition of the EESC's European Cycling Lexicon, with cycling-related vocabulary in all the EU languages, was also launched on this occasion.

In 2019, at the European Commission's request, the EESC initiated a policy evaluation focusing on the achievements and goals of the TEN-T policy and how it contributes to better transport infrastructure, smooth traffic flow, less congestion, an efficient public transport system, and job

creation. The assessment, to be concluded in 2020, will also involve five fact-finding trips to gather information on different TEN-T corridors and projects of local civil society organisations.

Development: raising the profile of ACP civil society and strengthening ties with Latin America and the Caribbean

The EESC continued its efforts to move from assistance to peer-to-peer partnerships with the **ACP** countries, organising civil society joint consultations. For the first time the United Nations Economic Commission for Africa (UNECA) took part in the annual meeting of the EU-Africa Economic and Social Stakeholders' Network, held by the EESC on 3 and 4 July 2019. This marked a decisive step towards the ultimate goal of a stronger Africa-EU partnership that increases recognition of civil society on both sides and promotes synergies. Building on the EU's strong long-standing relations with **Latin America**, the EESC's Latin America Follow-up Committee continued to support more effective regional and bilateral cooperation and a stronger partnership based on shared values and a commitment to international cooperation and multilateralism.

Trade: civil society monitoring sustainability commitments in EU trade agreements



The EESC monitored developments in EU trade policy, including ongoing bilateral and multilateral negotiations. This follow-up was carried out by its International Trade Follow-up Committee. By providing part of the membership and the secretariat of the EU Domestic Advisory Groups (DAGs), the EESC has played an important role in ensuring monitoring of commitments to human, labour and environmental rights in trade agreements concluded with the EU's foreign trading partners, who must abide by commitments based on multilateral standards and agreements. Alongside the European Parliament, the EESC has consistently raised concerns about the Republic of Korea's compliance with international labour rights standards and commitments. The EU has now launched a dispute settlement procedure against South Korea for non-compliance with the labour provisions of the Trade and Sustainable Development chapter of the **EU-Korea** Free Trade Agreement. Under the 2019 **EU-Japan** Economic Partnership Agreement, a new EU DAG was set up to enable civil society monitoring of the Trade and Sustainable Development chapter. The 17th **EU-China Round Table** reaffirmed the partners' shared commitment to sustainable development in their discussion on the 2030 Agenda of the United Nations and the Paris Agreement.

The EESC continued to monitor developments in EU-US relations and in strengthening the EU's relations with Canada, with a particular focus on disinformation, the role of the media, and promotion of Western values. To mark the 25th anniversary of the European Economic Area

(EEA), the EEA Consultative Committee, composed of representatives of the EESC and the European Free Trade Association (EFTA), adopted a resolution on the *Benefits of 25 years of the EEA Agreement for the EEA countries*. The ongoing debate on WTO reform also remained high on the EESC's agenda. The Committee's International Trade Follow-up Committee strongly endorsed the WTO commitment to adapt the rules of international trade to reflect global challenges like climate change.

Neighbourhood: supporting civil society dialogue

The EESC supported civil society initiatives around the Mediterranean, creating new links between civil society organisations in the region. The Euromed Summit (22 and 23 October 2019) underlined civil society's capacity to bring about economic and social change in the **southern neighbourhood**.

In the context of an opinion on 10 years of **Eastern Partnership**, the EESC organised a high-level conference (5 September 2019) in which the participants from all the eastern neighbours and from the EU formulated a civil society vision for the future of this unique partnership.

In line with its focus on enforcement, the EESC and its partner countries continued to monitor implementation of the association agreements with Moldova, Georgia and Ukraine, making joint recommendations to the EU and the respective countries after each bilateral meeting.

Finally, the EESC took preliminary steps to establish a civil society platform with Armenia under the EU-Armenia Comprehensive and Enhanced Partnership Agreement.

The Committee continued to strengthen its well-established networks with the social partners and civil society organisations in the **Western Balkans** through meetings of the Western Balkans Follow-up Committee and the Joint Consultative Committees with Serbia and with Montenegro. It also organised its 7th Western Balkans Civil Society Forum (16 and 17 April 2019) and has been closely involved in supporting European Union enlargement to the six Western Balkans countries, provided they fulfil all the membership criteria. The Committee responded quickly to developments, issuing declarations on enlargement and organising special exploratory visits and events to make the voice of civil society heard and be a bridge between the EU institutions and governments in the Western Balkans.

Contributing to European Commission strategic evaluations

The EESC has taken part in the interinstitutional assessment of EU policies and legislation since 2016, and in 2019 it contributed information reports on three Commission strategic evaluations: the *Evaluation of the Environmental Crime Directive*, *Evaluation of the Consumer Credit*

Directive and Evaluation of the Impact of the CAP on Generational Renewal. The information report on the Environmental Crime Directive was taken on board in the European Commission's evaluation, and is thus an important contribution to protecting biodiversity and the environment. Throughout this process, EESC members cooperated with the relevant Commission representatives, who praised the EESC contributions and welcomed the fruitful collaboration between the two institutions.

Participating in the REFIT platform

The EESC has taken part in the REFIT platform since it was set up in 2015. In 2019, the EESC attended five REFIT meetings, contributing to REFIT platform opinions, which aim to make EU laws simpler and more efficient. With the upcoming conversion of the REFIT platform into the Fit-For-Future Platform, the EESC is keeping a close eye on developments and is gearing up to continue its work with the new platform. Its participation in the platform is a contribution to efforts to make EU legislation fitter for future (also by using strategic foresight).

Reviewing the Better Regulation Agenda

In 2019, the EESC contributed to the stocktaking exercise on the Better Regulation Agenda requested by the European Commission, and to the Briefing Paper on Better Regulation requested by the European Court of Auditors. The EESC pointed out that better regulation is not a substitute for political decisions and must on no account lead to deregulation or reduce the level of social, environmental and consumer protection and protection of fundamental rights. By taking part in these exercises, the EESC has been actively shaping the EU's Better Regulation Agenda.

Taxation in the digitalised economy



In 2019, the EESC continued its work on taxation in the digitalised economy. At a public hearing in January 2019, internationally renowned tax specialists from the US, the EU and the OECD pointed to the need for a global solution. In its subsequent opinion on the subject, the EESC proposed that the allocation key suggested for the Common Consolidated Corporate Tax Base, with its

three factors (labour, assets and sales), could be used and applied as a starting-point for allocation of residual profit, if agreed in the OECD. This civil society proposal was included in the international debate held by more than 130 countries of the OECD/G20 Inclusive Framework in the search for an agreement on taxation in the digitalised economy.

Towards a more resilient and sustainable European economy with a vision for completing Economic and Monetary Union

The EESC took forward the debate on deepening the Economic and Monetary Union (EMU), helping to shape the economic agenda of the new European legislature. It did so through two public hearings, attended by renowned European and international economists, and three opinions: on *Towards a more resilient and sustainable economy*, *A new vision for completing the Economic and Monetary Union*, and *A stronger international role of the euro*. All of these pointed to the need for a new EU economic strategy that should aim to develop more resilient and sustainable economic policies within an improved governance framework for the single currency. Such a strategy would pave the way towards much needed economic stability and prosperity for all Europeans, within a more integrated, more democratic and more socially and environmentally sustainable Union. The specific EESC proposals and recommendations along these lines were also discussed with representatives of the European Commission, the Finnish Council presidency and the IMF at the EESC plenary session in September.

The European semester



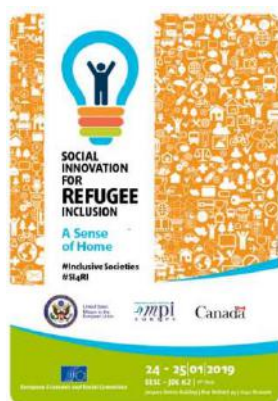
The lack of national ownership of proposed reforms and slow-moving implementation of country-specific recommendations feature amongst the many challenges faced in relation to the European semester. Involvement of organised civil society in the semester is therefore fundamental: stakeholder ownership of reforms improves their implementation and ensures positive outcomes. This is why the Committee – in addition to drawing up several opinions on the Annual Growth Survey, a recommendation on the Council Recommendation on the economic policy of the euro area, and texts on other semester-related issues – regularly organises country visits to hold on-the-ground consultations with organised civil society. In 2019, eight such visits were organised and an information report on the 2018-2019 European semester country visits was discussed at the EESC October plenary.

Future of cohesion policy

Cohesion policy is one of the most important tools for reducing disparities in the level of development between regions. At the Romanian presidency's request, the EESC drew up an opinion to reflect the most recent developments, with a view to a successful cohesion policy in the post-2020 period. The Committee organised a public hearing on the future of cohesion policy (22 February 2019), bringing together officials, experts and civil society representatives to engage in the necessary consensus-building on the way ahead for cohesion policy. The conclusions drawn in the opinion were presented at the informal ministerial debate on cohesion policy in April 2019.

Migration, asylum and migrant integration

In 2019, many EESC activities in the area of migration focused on the need for safe and legal pathways and on inclusion of migrants and refugees. At the 2019 European Migration Forum (3 April 2019), attended by the European Commissioner for Migration, Home Affairs and Citizenship, Dimitris Avramopoulos, civil society organisations and practitioners in the field discussed the role of civil society and local authorities and agreed on a set of ten recommendations. These recommendations were sent to all the EU institutions as a civil society contribution to the future strategic agenda on migration.



The third edition of the Social Innovation for Refugee Inclusion Conference (24 and 25 January 2019) looked at how innovations in the living situations of refugees can promote community-driven inclusion, overcome divisions, facilitate economic opportunities, and foster a 'sense of home'. In an own-initiative opinion on *Implementation of the global compact for safe, orderly and regular migration based on EU values*, the EESC noted the lack of progress made by the EU in delivering a common migration policy, a situation that is undermining solidarity between Member States and hindering the fulfilment of responsibilities under international law.

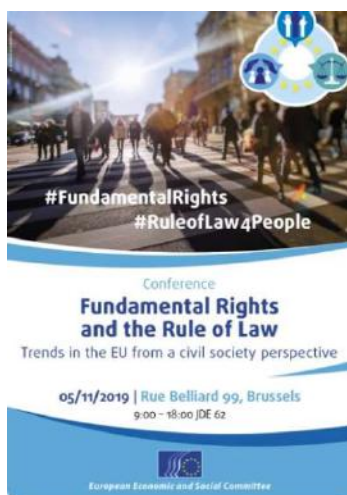
European Pillar of Social Rights

The European Pillar of Social Rights (EPSR), launched by the EU in November 2017 to strengthen its social dimension, is intended to provide support for people in work so that they can earn a decent living and for the unemployed so that they can acquire the skills and the jobs they need to make a decent living. From the start, the EESC has fully supported the Commission's efforts to put the 20 rights and principles of the EPSR into practice. Under the umbrella of the European semester, a number of country-specific recommendations (CSRs) were made to Member States in 2019 in relation to employment, education and social issues. The emphasis was on the first two chapters of the EPSR (*Equal opportunities and access to the labour market* and *Fair working conditions*), somewhat at the expense of social protection and inclusion. In its opinion on *The European Pillar of Social Rights – evaluation of the initial implementation and recommendations for the future*, the EESC therefore advocated upward convergence and a more effective social policy at both EU and Member State level. It is particularly important to establish basic standards for reliable and effective social protection systems and services of general interest.

Real rights of persons with disabilities to political participation

As European Parliament elections were held in 2019, the EESC was involved in several activities relating to the right of people with disabilities to political participation. There was a public hearing at the EESC and a dedicated side event during the Conference of States Parties to the UN Convention on the Rights of Persons with Disabilities, held in New York. The Committee also adopted an information report on the *Real rights of persons with disabilities to vote in European Parliament elections*. The report was the result of almost two years' work, including a survey of national governments and a survey of organisations representing people with disabilities. It was met with great interest at EU level and quoted more than 200 times in various media across Europe within the first two months of its publication. Many civil society organisations put direct links to the report on their websites. The report presented the legal framework for the right of people with disabilities to vote in European Parliament elections and the legal and organisational barriers they still face, demonstrating that millions of EU citizens are effectively deprived of this right.

Fundamental rights and the rule of law



2019 was the first full year of work for the EESC Group on Fundamental Rights and the Rule of Law (FRRL Group). It conducted five country visits, to document the state of fundamental rights and the rule of law in Romania, Poland, Hungary, France and Austria from the point of view of civil society in those countries. The FRRL group published an interim report on its findings and organised its first conference to share local civil society's assessment of the state of fundamental rights, democracy and rule of law in the Member States.

The EESC also adopted opinions on: *Resilient democracy through a strong and diverse civil society; Further strengthening the rule of law within the Union. State of play and possible next steps; and Populism and fundamental rights – suburban and rural areas*. These opinions called for a rule of law monitoring mechanism, substantial involvement of organised civil society and the EESC in policies on fundamental rights and the rule of law, the creation of an EESC fundamental rights and rule of law forum, and the adoption of a communication strategy to foster a rule of law culture.

Entrepreneurship and social economy enterprises

In 2019, the EESC organised a public hearing in Tampere (3 October) on the role of SMEs as the European basis for socio-economic sustainability and the main actors in the new framework for European competitiveness.

Based on its continuing support for the social economy, the EESC co-organised (with the European Parliament and the Committee of the Regions) an event on the *Social Economy for the future of the EU* (6 February) to raise awareness of the social economy as a policy issue. At the request of the Romanian presidency, the Committee adopted an exploratory opinion on *Social economy enterprises' contribution to a more cohesive and democratic Europe*. Other relevant opinions were *Towards an appropriate European legal framework for social economy enterprises* and *Blockchain and distributed ledger technology as an ideal infrastructure for the social economy*. With the French Ministry for Ecological and Inclusive Transition, the EESC organised the *Pact for Impact* event (10 and 11 July) with a view to creating a global alliance for the social economy. The 2019 European Day of Social Economy Enterprises was held in Strasbourg on 27 November 2019 in cooperation with the French Ministry for Ecological and Inclusive Transition and the city of Strasbourg.

Innovation and artificial intelligence



Research and innovation (R&I) are essential to increase competitiveness, promote growth, create jobs and address societal challenges. The EESC plays an active part in the R&I debate and cooperates on a regular basis with other institutions and stakeholders. It had an information stand at the Commission's European Research and Innovation Days (attended by over 3 000 participants) and actively contributed to the Commission's Industry Days, sharing its expertise on artificial intelligence (AI), the circular economy, and premature obsolescence.

EESC work on AI is widely recognised amongst the major stakeholders. Two opinions adopted in 2019 were widely disseminated and their main conclusions presented at a conference co-organised with the Finnish presidency in Helsinki (21 November 2019). Scheduled to coincide with European Robotics Week, the event provided an excellent opportunity to explore best practices in human-centric digital healthcare, digital mobility services and digital tools designed to improve well-being, in particular that of vulnerable groups. The EESC stressed that the digital revolution must have a human face, be inclusive, keep humans in control, and bring benefits for all Europeans.

The Committee's repeated message was that **sustainable development** must be central to Europe's future and that urgent action is needed to implement the UN Sustainable Development Goals (SDGs) by the 2030s. The Temporary Study Group on AI issued a position paper on artificial intelligence for Europe and organised a questionnaire and fact-finding trips to learn more about involvement of civil society in developing national AI strategies. There were fact-finding

trips to Belgium and France to get more detailed responses to some of the questions in the questionnaire and have discussions with stakeholders. The EESC also attends meetings of the European Commission High-Level Expert Group on Artificial Intelligence.

Round tables: European Commission's Platform for Coal Regions in Transition



Round table on coal regions in transition

In transitioning towards a low-emissions economy, the EU energy system faces a period of profound technological, economic and social change that will affect many energy sectors, including the coal industry, which has implications for the coal-mining regions of the EU. Currently active coal-mining regions have to prepare for the phasing-out of coal production, either to comply with EU energy and climate policy decisions on fossil fuel use or for economic reasons. The EESC has continued its round table series on coal transition. In 2019 there were visits to the United Kingdom, Spain, Poland and Greece. This activity complements that of the European

Commission's Coal Regions in Transition Platform. The results and conclusions of the round tables will be presented mainly to the European Commission.

2.1.5 Communication activities



In 2019 the EESC focused on two ways of increasing its visibility: strengthening relations with the media and on-line communication.

EESC communication action plan in the run-up to the European elections

In the first half of 2019, EESC communications focused mainly on the European elections. The joint declaration signed in December 2018 by EESC president Luca Jahier and then European Parliament president Antonio Tajani paved the way for implementation of the EESC communication action plan in the run-up to the European elections in 2019. As set out in the declaration, the EESC focused in particular on youth and stakeholders at local level. A whole range of audiovisual initiatives took place (short videos of members as part of the *This time I'm voting* campaign), on social media, in the press, and at local level (around 25 local events) to raise



awareness among civil society organisations and the general public about the European elections and to encourage participation. The EESC action plan contributed to the interinstitutional European election campaign by using the joint visual and core messages, while at the same time communicating the Committee's specificity and added value and adapting content to better target its audience.

Going Digital

A particular effort was made to strengthen social media communication. This was accompanied by a systematic training policy and on-demand tailored coaching sessions for both members and staff.



All the EESC plenary sessions were streamed via the website and some of the debates were also streamed on Facebook and Twitter, so that between 2.3 and 7.1 million people were potentially reached via social media. Overall engagement (retweets, likes, replies, etc.) is a more important benchmark, and this amounted to between 610 and 1 464 mentions per plenary. Among all the EESC activities promoted in 2019, there was a particular emphasis on the *Civil Society for rEUnaissance* event with Greta Thunberg, sustainable development as a recurring theme throughout the year, and the EU election campaign. These three topics generated very good results.

In December 2019 the EESC Twitter corporate account had 43 300 followers (+18%), while the main Facebook account had 32 600 followers (+33%). The increased number of followers on LinkedIn, now standing at 14 500 (+54%), is also noteworthy. The launch of the EESC Instagram account in December 2019 is particularly worth mentioning. The purpose of this new social media channel is to reach beyond the so called Brussels bubble – notably to younger people – by communicating in informal, jargon-free language and giving an insight, or backstage view, of the members and their work, while promoting interaction and dialogue on topics of interest to the EESC's audience.

Nine regular issues and two special editions of the EESC newsletter *EESCInfo* were published in 2019 in digital format as a web-first newsletter (printed copies available on demand only), with a minisite on the EESC web pages.

Other web projects included the development of a dedicated web presence for the EU election campaign, introduction of a comprehensive automated opinion timeline (EESC internal and interinstitutional) with links to the opinion pages, and further development of the interinstitutional European Circular Economy Stakeholder Platform.

The EESC also pledged to ensure equal access to its website for people with disabilities by making it compliant with the EU accessibility standards for public sector bodies and obtaining the relevant certification.

On the audiovisual side, the EESC produced several video clips of plenaries, events and specific opinions to promote the EESC and its members' work.

The Dynamics Customer Relationship Management software was used more often when organising conferences and other events. Following the entry into force of Regulation (EU) 2018/1725 (General Data Protection Regulation/GDPR) in December 2018, the EESC where necessary obtained valid consent for each EESC contact to make the contact database GDPR-compliant.

Events

Your Europe, Your Say! (YEYS) is the annual youth plenary session of the EESC. This flagship event was launched in 2010 with the goal of connecting teenagers with the European Union. Every year, pupils aged between 16 and 18 from all EU Member States and from the EU candidate countries come to the EESC for two days and work together to draw up resolutions containing their ideas, proposals and hopes for their future as European citizens. Any secondary school in Europe can apply to take part in YEYS.

The 10th edition of *Your Europe, Your Say!*, which received a record 1 038 applications, took place in Brussels on 21 and 22 March 2019 under the title *#YEYSturns10: vote for the future!* Over two days, 102 students and 36 teachers from all 28 EU Member States, the five EU candidate countries, and one Brussels-based European School met at the EESC to share their ideas and




Under the title *More Women in Europe's Society and Economy*, the 11th edition of the **Civil Society Prize** rewarded five initiatives by civil society organisations in the EU that aimed to raise awareness of and defend gender equality. The EESC received 177 applications from 27 Member States, 158 of which were eligible. In the words of EESC vice-president Isabel Caño Aguilar: "Time goes by. Inequality of opportunity between men and women remains".

**2019 EESC
CIVIL SOCIETY PRIZE**
Recognising excellence in civil society initiatives

12 December 2019
*Award Ceremony – Room J08.402 | During the primary session
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The EU is (for) YOU

EEESC CIVIL SOCIETY MEDIA SEMINAR 2019
The role of civil society in communicating the European Union
10-11 October 2019
 Virtual Meeting: Midday 12.00-13.00 (GMT+1)
 10-11 October 2019
 #EEESCmedia @EEESC_PRESS

Cooperation between the European Union and the European Parliament

Communication with the media and journalists

In 2019, the EESC increased its use of social media and other online platforms and tools (e.g. web stories) to reach journalists, while continuing to issue press releases (55 in 2019, compared with 60 in 2018) which went out to over 1 300 journalists in Brussels and to an increasing number of targeted national and specialist journalists across Europe. Thanks to media monitoring services, a total of around 8 701 press cuttings were collected during 2019 (compared with 3 364 in 2018: the 159% increase was partially due to the introduction of a more powerful media monitoring tool).



The EESC event receiving by far the most publicity was the conference **Civil Society for rEUnaiissance**, which took place on 21 February 2019 on Mr Jahier's initiative. Also thanks to the presence of climate activist **Greta Thunberg**, the event and the subsequent press conference attracted no less than 350 journalists and 14 TV crews. Social media activity and media presence generated a record 750 press cuttings. On 21 February, a large number of TV stations opened their evening news broadcast with reports on the event in Brussels.

Seven well-known EU journalists – Griselda Pastor, Lorenzo Consoli, Tomasz Bielecki, Nicolas Gros-Verheyde, Zoltan Gyevai, Michael Stabenow, and Jurek Kuczkiewicz (currently the strategic advisor for communication and media to the president of the European Council, Charles Michel) – were invited to the meeting of the EESC's Communication Commission to talk about their work as journalists and share suggestions on increasing the EESC's visibility in the media.

On 11 and 12 December 2019 the EESC organised its third information seminar for journalists, focusing on the new EU term (2019-2024) and the expectations and challenges it will bring. A total of 31 journalists from 23 countries were invited to the seminar to learn about the Committee and its members.

A number of press meetings with EESC members were organised in 2019 to introduce journalists to EESC opinions on topics such as strengthening the rule of law and voting rights for people with disabilities. Several articles written by EESC members were published in the European media. It is also worth mentioning that five EESC members spoke at EURACTIV events on topical subjects such as the bioeconomy and digitalisation. Additionally, several video clips and podcasts were released to promote the EESC and its members' work.

The broader public: from school visits to hosting of visitor groups

Around 30 EESC members and a dozen EESC staff members visited a school in their country of origin in order to promote the EU and the EESC.

In 2019 the EESC received 11 144 visitors (9 419 in 2018) at its headquarters, divided into 441 groups. In addition, the traditional Open Day on 5 May attracted some 2 620 visitors (down from 2 888 in 2018). In May 2019, EESC members also attended the Schuman Day celebrations in Italy, Lithuania and Portugal.

In addition, 118 of the 350 EESC members took part in local communication activities ("Going Local") involving a total of 177 events carried out at a local level to raise civil society's awareness of the work of the EESC and its role in the EU decision-making process.

As regards the theme of the activities, the following distinction can be made:

- 25 activities directly linked to the European elections and carried out as part of the EESC communication action plan in the run-up to the elections;
- 21 general awareness-raising activities;
- 103 activities directly linked to a specific policy or EESC opinion;
- 28 school activities as part of the youth event "Your Europe, Your Say" (YEYS).

39 activities involved two or more (mostly three to five) EESC members. This was the case in particular for most of the events organised in the run-up to the European elections. 52 members took part in two or more events at local level. Although this is not the main objective of Going Local, 21 members took part in one or more activities in a Member State other than their own. This mainly concerned specific policies.

In December 2019 the Communication Commission updated the rules applying to the local activities under the responsibility of Communication. While maintaining the possibility for members to participate in conferences as speakers, a new focus was put on events organised by EESC members and involving all the 3 Groups. In this context, new eligibility criteria were formulated to ensure gender equality among speakers and sustainability (green events).

Publications and graphics

The most relevant achievement in relation to graphics was the adoption of a new EESC logo on 29 October 2019. The new logo was developed by the EESC's graphic designers and came into use in 2020. It is consistent with the logos of the other EU institutions, with the EU flag as central and a grey design that alludes to the three groups and their dynamic way of reaching consensus.



In addition, over 100 publications were made available online. A digital publication was also issued for the 10th edition of the *Your Europe, Your Say!* youth plenary session.

Culture

The EESC organised 18 cultural events in 2019 (compared with 15 in 2018). Activities ranged from artwork, photo and painting exhibitions to music and dance performances, film screenings, and study/book presentations. Some events were linked to the Romanian and Finnish presidencies of the Council, while others were jointly organised with the EESC's sections, or in conjunction with some of the Committee's flagship events. Alongside the cultural activities, an online motivational campaign featuring artists was organised with the hashtag #LEuropaebella to promote participation and encourage people to vote in the EU elections.

Events to commemorate International Women's Day (8 March) and 30 years since the fall of the Berlin wall were particularly noteworthy in terms of their external partners (which included the Council of Europe and Médecins du Monde), involvement of EESC sections, and the number of external guests. The Women's Day event included a screening of the documentary "The Man who mends women" about the life and work of Dr Denis Mukwege (Congolese doctor and 2018 Nobel Peace prize winner), and the Berlin Wall event took the form of an exhibition of work by Greek photographer Constantin Pittas, who travelled to around 17 European countries between 1985 and 1989 capturing images of different realities in Europe during the era of the Iron Curtain.

Protocol and meetings

In 2019, the Conferences and Internal Services Unit of the Committee handled 1 289 meetings, welcoming 61 032 participants to the Committee. Its protocol service also took care of 270 official visitors.

2.2 ADMINISTRATION

The Committee is assisted by a secretariat-general, under a secretary-general who reports to the president as the Bureau's representative. The EESC has a staff of approximately 700 people. It seeks to attract, train and retain skilled staff, optimise its organisational structure, and actively promote an environment where respect at work is a key value and which supports a good work-life balance. Considerable efforts have also been made to adapt budgets to the constraints of the current financial and economic situation. Key administrative developments from 2019 are outlined below.

2.2.1 Interinstitutional administration

The close cooperation with the European Committee of the Regions continued in 2019, providing continual administrative synergies in the fields of translation, infrastructure, logistics, HR and IT. As well as cooperating in these areas on a daily basis, the two Committees signed an agreement with the European Commission to exchange the B68 and TRE74 buildings for the VMA building, and completed the security-related refurbishment of the entrance hall of the BvS building. Based on the positive experiences of joint management of certain linguistic units, additional efficiency gains were found through two further mergers. The current cooperation agreement was extended until 31 December 2020.

2.2.2 EESC administration

Internal communication

In 2019, the EESC stepped up its internal communication activities in order to ensure efficient information and communication, facilitate the exchange of good practices, and improve staff motivation. A monthly online newsletter was launched and an online tool for active participation (slido) was used at internal events. The EESC also hosted the annual informal meeting of the internal communications network in the EU institutions, extending the invitation to the EU agencies for the first time. More than 60 participants from about 30 EU institutions and agencies took part in the discussions.

Ethics and integrity

The EESC continued to promote respect in the workplace. In line with Internal Control Standard No 2 and with the aim of ensuring that all EESC staff are familiar with the current ethical framework, a wide-ranging awareness-raising campaign started in 2019 and will continue in 2020. An ethics course is compulsory not just for new staff, but also for anyone who has not attended such a course in the past ten years.

The network of confidential counsellors, whose role is to meet and listen to colleagues with difficulties in workplace relations and to raise awareness of ethical issues, was reinforced.

In order to further promote respectful workplace relations, the EESC organised an awareness-raising campaign called *respect@work*, taking on board a number of proposals from the European Ombudsman's report on dignity at work. The importance of a fair, inclusive and ethical work environment was highlighted through a series of measures with and for staff. The outcome of the consultations will also be taken into account when revising the EESC's ethics framework. A

dedicated intranet page, as well as other communication tools (e.g. a digital Advent calendar of kindness, *respect@work* post-its) were produced to remind staff of the importance of respectful workplace behaviour.

Following a European Ombudsman decision, the EESC adopted its *Guidelines on managing conflicts of interest of staff in the performance of their duties* and provided relevant information to all staff. The guidelines are intended to serve as a practical handbook for EESC staff in cases where they need to perform overlapping duties (e.g. management duties in parallel with staff representation activities).

Working conditions

The EESC continued to introduce measures to tackle the psychosocial risks identified in the 2016 staff survey. As planned, a mentoring system for newcomers was launched in 2019. This was well received, and experience has shown that the programme benefits not just new colleagues but also mentors and the EESC as a whole. Exchanges of best practice are organised twice a year to continuously improve the scheme.

A new teleworking decision entered into force in October 2019, extensively updating the rules on teleworking at the Committee and offering more flexibility for teleworkers.

An electronic portal was created to improve the process for integrating new staff: before they even arrive at the Committee, future colleagues can access important information about their rights and duties and read tips about life in Brussels. The initiative was accompanied by the relaunch of a mentoring scheme for newcomers, which is part of a preventative approach to managing psychosocial risks.

Electronic workflow for recruiting interim staff

An electronic workflow was developed for recruiting interim staff in order to ensure paperless document flows and simplify procedures.

Practical Guide to Recruitment

In order to facilitate interdepartmental communication, a comprehensive manual covering a wide range of aspects relating to recruitment processes was compiled and published on the EESC's intranet. It contains a detailed description of administrative procedures and steps to follow when recruiting staff from within and outside the European institutions.

Geographical and gender balance

Gender balance among the EESC's managerial staff already reached parity last year and remains relatively stable. A further slight improvement was achieved in geographical balance compared with 2018: currently 19% of EESC managers are from EU-13 countries (Member States who joined after 2004), meaning that the situation is moving towards the 'guiding rates' recommended by the Commission. In view of upcoming retirements and succession planning, a training cycle for emerging talent started in 2019 and will continue in 2020, with over 50% of participants being women and one third from EU-13 countries.

Improved support for members' training activities

A thorough revision of the rules on members' training took place in 2019 based on a survey asking EESC members for their feedback on the training possibilities offered by the EESC. The new rules allow for more flexible training days and a wider choice of training in the case of courses at the EESC premises.

Internal control standards

In 2019 a second exercise took place to assess compliance with internal control standards.

A new risk assessment methodology was developed in 2019 linking the objectives of the management plan with risks and controls. By the end of 2019 the first training sessions had been given to the directors and staff directly involved in risk assessment.

Electronic invoicing

11 500 invoices received by the EESC in 2019 (79% of the total) were in electronic format, which is compliant with the provisions of Directive 2014/55/EU on electronic invoicing. In 2019 the EESC had the highest take-up of e-invoices, in both absolute and relative terms, of all the EU institutions.

Reimbursement of members' travel and subsistence costs

During 2019, the vast majority of members' reimbursement requests were paid within one week of their date of submission. Improvements were proposed to the current framework for reimbursing members' travel and subsistence costs. These were discussed with the relevant stakeholders and eventually led to the EESC Bureau deciding to adopt some amendments to the relevant decision, with a view to improving efficiency.

Legal advice

In 2019 the Legal Service continued to assist the EESC in ensuring the legality of its decisions, by continuing to provide legal advice to the EESC on institutional and administrative issues (Rules of Procedure, public procurement, contracts, building projects, security, taxation, staff matters, personal data protection, procedures for accessing documents, etc.). The Legal Service issued a total of 89 legal opinions and replied to 97 other legal enquiries. It also took part in a number of meetings with other EESC departments and with the legal services of other institutions. The Legal Service also successfully represented the EESC in two cases before the courts of the European Union, obtaining two favourable rulings.

Data Protection

In 2019 the EESC appointed a new Data Protection Officer (DPO) for a five-year term. A new deputy DPO was also appointed. The DPO works independently to ensure the internal application of Regulation (EU) 2018/1725. He or she may make recommendations and can be consulted by any individual, without going through the official channels. Nobody bringing a matter to the attention of the DPO may suffer prejudice. The DPO works in close cooperation with the European Data Protection Supervisor. In 2019, the DPO dealt with a total of 229 cases.

Business continuity management

Efforts in relation to crisis management and business continuity focused mainly on setting up a website with all the information necessary for business continuity operations: these included up-to-date crisis management/business continuity management documents; an updated description of the various intervention teams, their composition, and their role (crisis management team, repatriation team, list of critical staff); the list of alerts; means of communication; and the various services of the travel agency.

A first full-scale exercise by the members' repatriation team was held in September, based on four scenarios. The conclusions of the exercise are subject to systematic follow-up.

Buildings strategy

A long-term buildings strategy was drawn up and approved by the Bureau in October 2017. The buildings strategy contains a set of guiding principles on real estate and provides a generic framework for any specific decision in relation to buildings. An administrative agreement on exchanging the B68 and the TR74 buildings for the VMA building was signed by the secretaries-general of both Committees and the director of the Office for Infrastructure and Logistics in

Brussels on 28 August 2019. The exchange will take effect on 16 September 2022. A notarial deed relating to the option to purchase the BvS and REM buildings was signed in December 2019.

Renovation of the entrance hall of the BvS building was completed in 2019, the main aim being to increase the security level and improve the service for members, staff and visitors. The perimeter of the BvS building (rue Remorqueur and rue Montoyer) was secured by fitting blast-resistant windows on the ground floor as well as the entire ground floor of the JDE building in rue Remorqueur (kitchen, restaurant, and offices).

IT and digital strategy

IT supports the Committees' activities in four broad domains: **policy work, document management, communications** and **HR/finance**. Important developments during the year included introducing an improved document management system for supporting paper-poor meetings, the deployment of new search engines, and continuous improvement of the other document and translation services and tools. The main achievements in terms of **IT infrastructure** during 2019 were migration of the e-mail system, a major upgrade of virtualisation software, replacement of the forward and reverse proxies, and phasing-out of the oldest generation of office automation and application servers. There was also a significant upgrade of network routing to streamline the configuration and improve efficiency. The main indicators for **IT User Support Services** in relation to activity (some 3 500 support requests per month) and performance (some 60% of incidents closed within one hour and an ongoing satisfaction ratio of 96%) remained stable. The principal project during 2019 was the completion of workstation upgrading. This project included not just the migration of the operating system but also many performance and security improvements. There was a significant increase in the number of 'one PC' (laptop) users during the year.

In June 2019 the Bureau adopted a digital strategy for the EESC that presents the vision for the EESC IT environment and identifies the major IT challenges supporting that vision, in particular user-driven design, sharing and reuse of data, and providing up-to-date and flexible IT solutions.

The low level of IT funding at the EESC compared to the other European institutions was recognised by the European Parliament in the 2017 and 2018 discharge procedure. Due to a lack of resources, the Committee could not dedicate more than 3% of its total budget to IT-related expenses, compared to over 7% at the European Parliament and the Council. One of the objectives of the Committee's digital strategy is therefore to progressively make up the gap in investment accumulated in recent years due to budgetary restrictions.

The new digital strategy will facilitate real-time data exchanges, free flow of data, and the provision of borderless digital services for both members and staff, while strengthening

cybersecurity. The digital strategy also provides for new applications to be developed and existing ones to be improved, with a particular focus on the deployment of digital solutions to fill the current gaps in IT tools for policy work. The new projects to be developed for policy activities are:

- 1) a 'diffing tool' for processing amendments, to be used by the administration as a back-office tool (without input from members);
- 2) printing documents on demand only;
- 3) conducting a study on an XML authoring tool, to assess the options, opportunities and risks for the EESC if it wants to exchange official documents electronically with the other EU institutions;
- 4) a strategic management tool;
- 5) revision of Agora and the Members' Portal from 2021/2022.

Security

In 2019 the security team attended a special training programme on dealing with criminal and terrorism threats. The EESC installed new access control equipment in the entrance hall of the BvS building, and new software was introduced for access badges. These updates brought the security standards for access control up to the standards of the European Parliament and Commission. A new IT tool that will allow better management of visitors' access to buildings was acquired in 2019 and will be implemented in 2020. Installation of a new CCTV system was completed for all EESC buildings in 2019.

Translation and other language services

- Translation demand is dependent on the legislative cycle. 2019 was a year of European Parliament elections and Commission renewal, and consequently translation output was 24.5% lower than in 2018.
- This had an impact on the outsourcing rate, which was also lower (at 16.5% overall).
- The staffing levels of the Joint Services continued to be adjusted by agreement between the two Committees, based on annual monitoring of workload and productivity levels in the Joint Services against interinstitutional benchmarks.
- As part of the transition to joint management of certain translation units, two more units (Danish and Slovak) were placed under joint management. Further efficiency gains through additional mergers to reduce managerial overheads will continue on a case-by-case basis.
- Work continued on implementing a new Translation Management System.
- Further efforts were made to consolidate relations and enhance communications with external and internal stakeholders. In particular, a clear writing campaign across both Committees was

proposed, and there was a drive to formulate guidelines for the use of inclusive language at the Committees.

- In September 2019, a conference for staff was held on *The Language Crowd: the impact of social and digital media on translation*, with speakers from the EU institutions, the private sector and academia. This was well attended by staff from within the directorate and other EU institutions.

2.2.3 Efficient environmental management



The European Union is taking measures to combat climate change and this commitment extends to the European administrations, which are gradually reducing their environmental impact thanks to the Eco-Management and Audit Scheme (EMAS). The EESC, in close cooperation with the CoR through the Joint Services, has set up an environmental management system as part of a process of continuous improvement in this sphere. These efforts have borne remarkable results over the last few years, and earned the Committees the Brussels Ecodynamic Enterprise label in 2009. In 2011, the Committees were awarded EMAS and ISO 14 001 certification. The Committees have continued to successfully renew all these certifications annually.

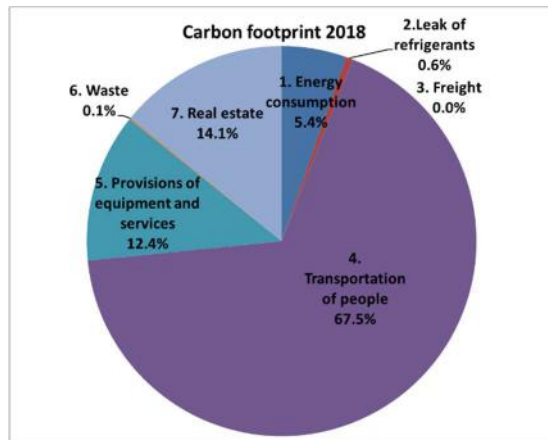
In 2019 work was completed on renovating and converting the existing roof of the JDE restaurant and cafeteria into a green roof designed to improve energy and environmental performance.

The Committee's canteen is the first EU institution canteen to go plastic-free. Disposable plastic and plastic packaging are no longer used. In addition, with a view to reducing single-use plastic consumption, all members and staff received reusable water bottles made of stainless steel. This measure was accompanied by the installation of several water fountains on the premises.

Carbon footprint

The carbon footprint calculation done in 2019 related to 2018 emissions, and shows that the EESC and CoR produced 15 076 tons of CO₂ equivalent, compared to 13 856 tons in 2017². The main sources of CO₂ are broken down in the diagram.

² This is the revised figure for 2017 (higher than the initial one) as for 2018 it was decided to include in the calculation the members' travels for plenary sessions and other meetings.



Main achievements in 2018 (2019 data will not be available until spring 2020): by choosing to operate as sustainably as possible, the Committees have already made significant savings in several areas (see table).

Results 2018



These efforts bring not only environmental benefits but also financial savings and improvements to management processes. Moreover, discussions about the use of paper have opened the way for an in-depth analysis of how administrative processes can be updated and made more efficient.

Useful links

EESC website: www.eesc.europa.eu

Facebook: www.eesc.europa.eu/facebook

Twitter: www.eesc.europa.eu/twitter

Instagram: https://www.instagram.com/eu_civilsociety/

YouTube: www.eesc.europa.eu/youtube

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

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

EESC president on Twitter: [@EESC_President](https://twitter.com/EESC_President)

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

Civil Society Prize: <https://www.eesc.europa.eu/en/initiatives/civil-society-prize>

PART II

Annual General Accounts 2019 (Accrual Accounting Principle)

(Final)

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1. CERTIFICATION BY THE ACCOUNTING OFFICER

Brussels, June 2020

The annual accounts of the European Economic and Social Committee for the year 2019 have been prepared in accordance with the Title IV Chapter 4 Section 3 and Title XIII of the Financial Regulation applicable to the general budget of the European Union, the accounting rules adopted by the Commission's Accounting Officer and the accounting principles and methods adopted by myself.

I acknowledge my responsibility for the preparation and presentation of the annual accounts of the European Economic and Social Committee in accordance with Article 77 of the Financial Regulation.

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

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

Stavros Giaprakis
Accounting Officer

2. ACCOUNTING POLICIES

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

The accounting policies remain unchanged from last year (2018).

2.1 LEGAL PROVISIONS AND THE FINANCIAL REGULATION

The main source of principles is the Financial Regulation (FR). Over and above this, the Accounting Officer of the Commission has issued rules regarding the Harmonised Chart of Accounts and, in addition, 20 accounting rules covering important accounting topics. The Commission also provides a Consolidation Manual.

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

2.2 ACCOUNTING PRINCIPLES

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

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

The accounting system of the European Institutions comprises general accounts and budget accounts. These accounts are kept in euros on the basis of the calendar year. The budget accounts (Part III of this report) give a detailed picture of the implementation of the budget. They are based on the modified cash accounting principle¹. The general accounts allow for the preparation of the financial statements as they show all charges and income for the financial year and are designed to establish the financial position in the form of a balance sheet at 31 December.

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

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

2.3 CURRENCY AND BASIS FOR CONVERSION

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

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

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

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

2.4 THE ECONOMIC OUTTURN ACCOUNT

2.4.1 Revenue

Revenue consists for the most part of funds transferred from the Commission. All transfers received in the bank account of the EESC within the reporting year are recognised as revenue.

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

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

2.4.2 Expenditure

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

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

2.5 BALANCE SHEET

2.5.1 Intangible fixed assets

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

2.5.2 Tangible fixed assets

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

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

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

2.5.3 Depreciation rates

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

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

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

2.5.4 Leases

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

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

2.5.5 Impairment of assets

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

2.5.6 Receivables

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

2.5.7 Cash and cash equivalents

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

2.6 THE CASH FLOW STATEMENT

Cash flow information is used to provide a basis for assessing the ability of the European Union to generate cash and cash equivalents, and its need to utilise those cash flows.

The cash flow statement is prepared using the indirect method. This means that the net surplus or deficit for the financial year is adjusted for the effects of transactions of a non-cash nature, any deferrals and accruals of past or future operating cash receipts or payments, and items of revenue or expenses associated with investing cash flows.

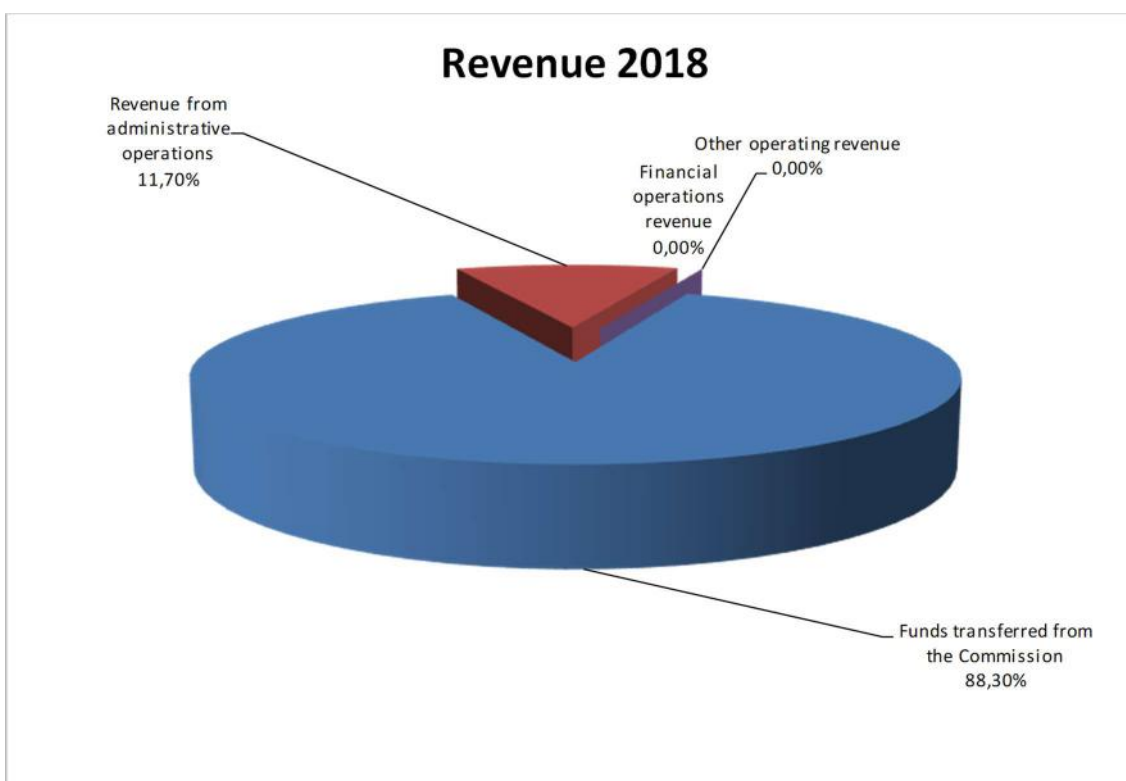
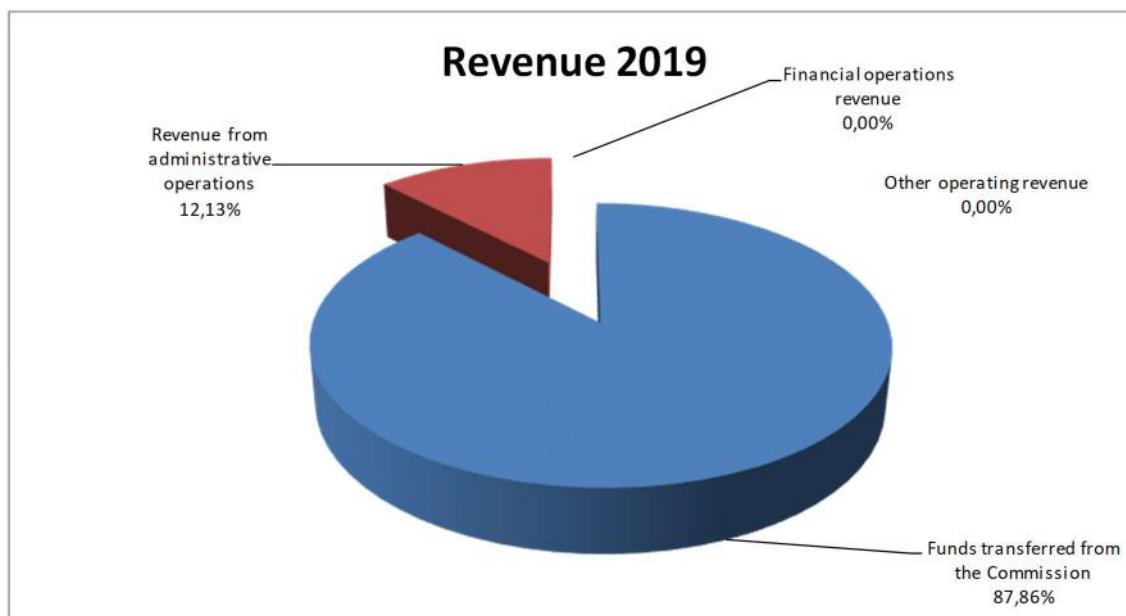
2.7 USE OF ESTIMATES

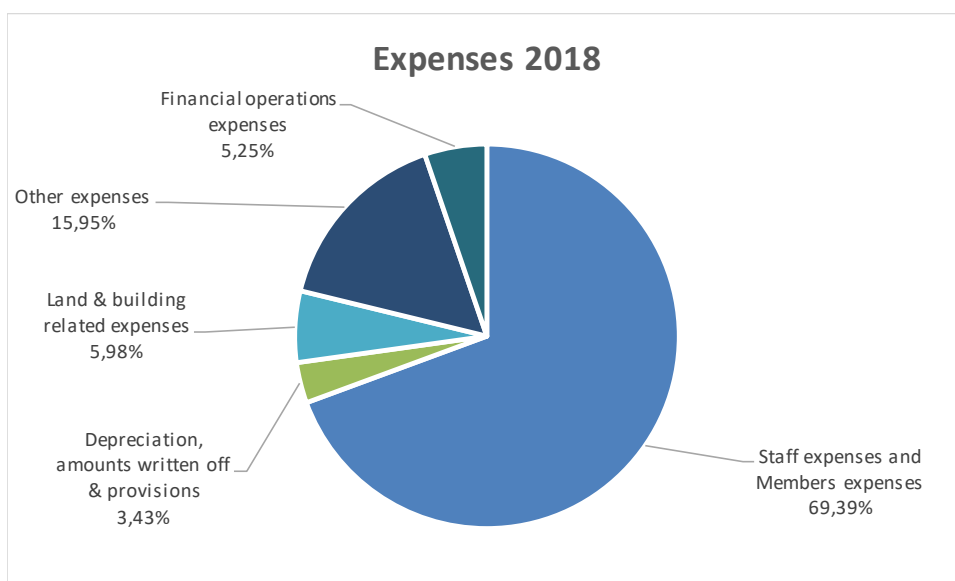
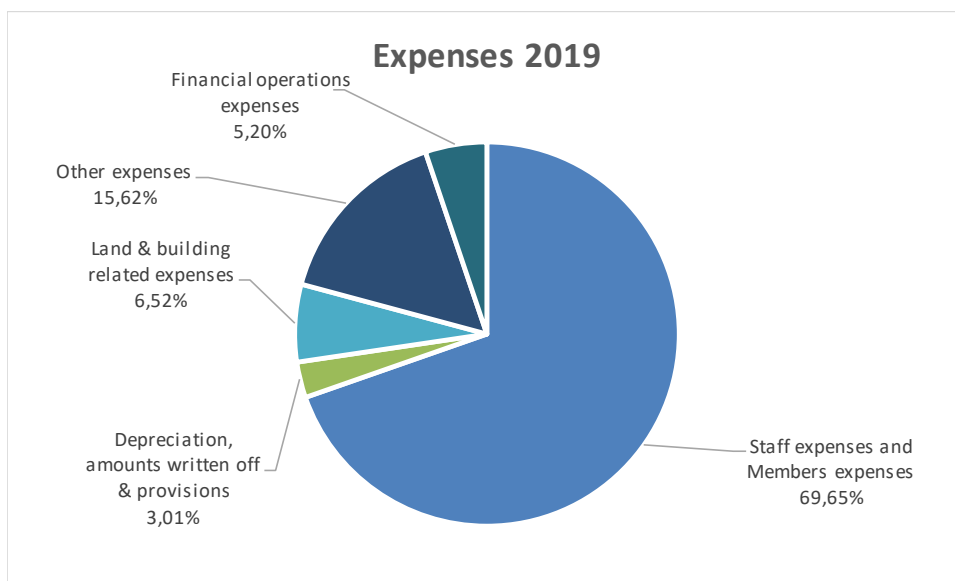
In accordance with generally accepted accounting principles, the financial statements necessarily include amounts based on estimates and assumptions by management. Significant estimates include, but are not limited to, amounts for employment benefits, provisions for future charges, financial risk on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

3. THE ECONOMIC OUTTURN ACCOUNT

	Note	2019	2018
From ordinary activities		8,633,111	8,785,829
<u>Revenue</u>			
Funds transferred from the Commission		121,000,000	121,000,000
Revenue from administrative operations		16,711,131	16,031,015
Other operating revenue		2,456	1,797
	1	<u>137,713,587</u>	<u>137,032,812</u>
<u>Expenses</u>			
Staff expenses and members' expenses		-93,864,175	-93,918,750
Depreciation, amounts written off, provisions and accruals		-4,092,168	-4,639,691
Land and building related expenses		-8,880,306	-8,099,732
Other expenses		-22,243,827	-21,588,810
		<u>-129,080,476</u>	<u>-128,246,983</u>
From financial activities		-7,073,384	-7,102,641
Financial operations revenue		0	0
Financial operations expenses	2	-7,073,384	-7,102,641
Economic result of the year		1,559,727	1,683,188

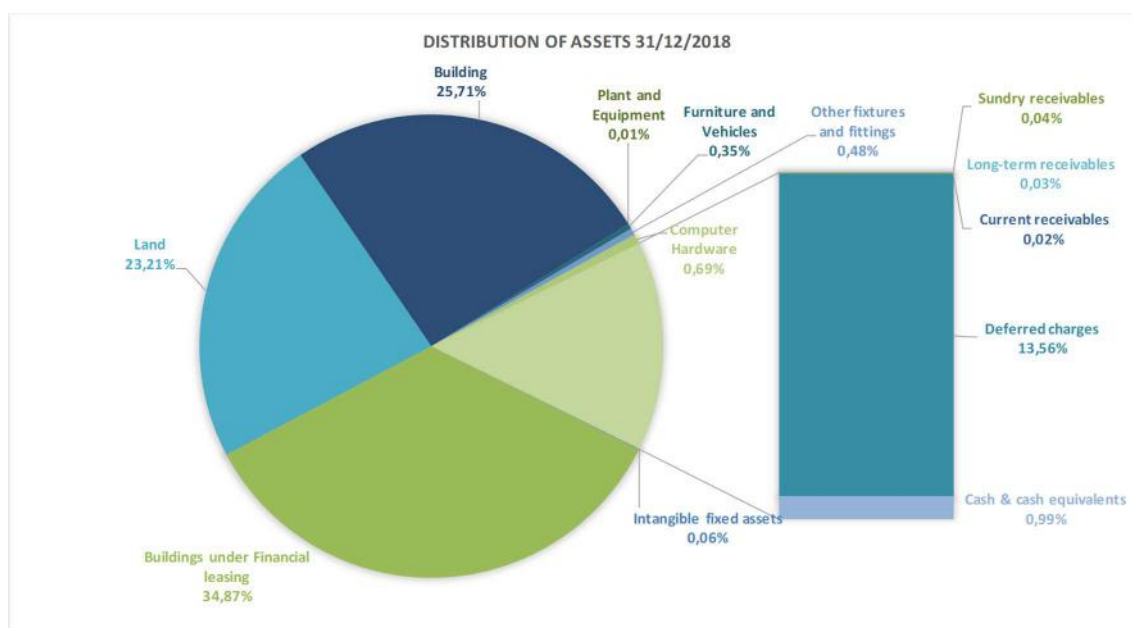
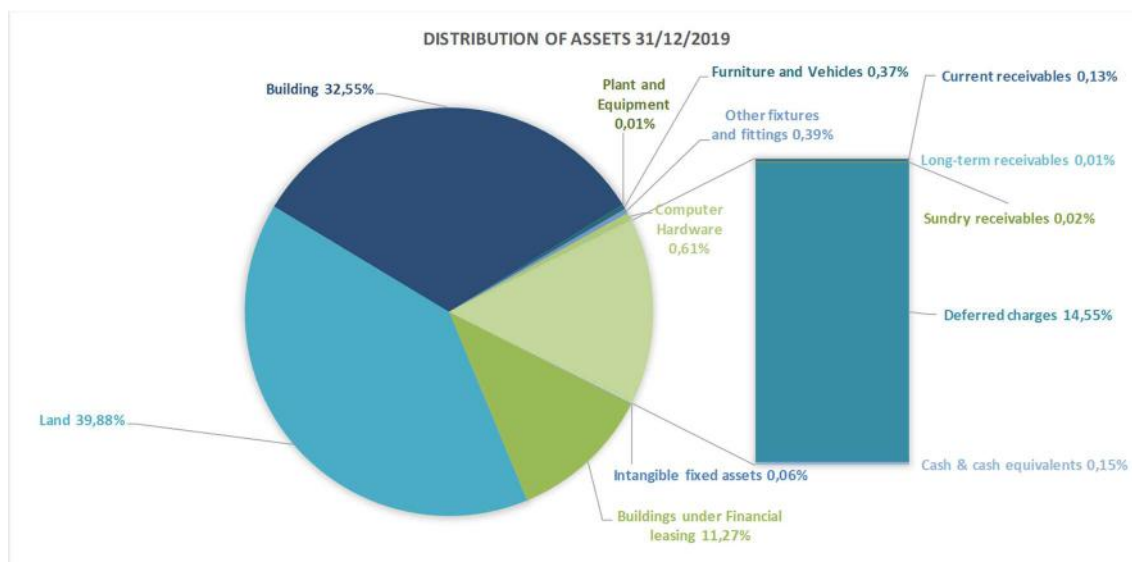
As the EESC is not a profit-making organisation, the economic result of the year should be interpreted with care, and no direct management conclusions should be derived from it. The revenue side is inherently difficult to predict. The funds transferred from the Commission are not based on accruals.





4. THE BALANCE SHEET

	Note	31/12/2019	31/12/2018
<u>I. Non-current assets</u>			
Intangible fixed assets	3	<u>59,373</u>	<u>64,375</u>
<u>Tangible fixed assets</u>			
Lands and buildings under financial leasing	4	12,048,221	39,160,638
Land	4	42,643,384	26,073,586
Building	4	34,805,270	28,878,375
Plant and equipment	5	8,933	6,438
Other fixtures and fittings	5	414,283	535,446
Furniture and vehicles	6	392,368	392,435
Computer hardware	7	<u>654,307</u>	<u>770,121</u>
		<u>90,966,766</u>	<u>95,817,039</u>
Long-term receivables	8	<u>14,848</u>	<u>31,027</u>
		<u>91,040,987</u>	<u>95,912,441</u>
<u>II. Current assets</u>			
<u>Short-term receivables</u>			
Current receivables	9	137,107	18,118
Sundry receivables		24,610	46,056
Deferred charges		<u>15,551,707</u>	<u>15,229,274</u>
		<u>15,713,424</u>	<u>15,293,448</u>
Cash and cash equivalents		<u>161,976</u>	<u>1,111,231</u>
		<u>15,875,400</u>	<u>16,404,679</u>
Total assets		106,916,387	112,317,120
<u>III. Non-current liabilities</u>			
Other long-term liabilities	10	<u>70,497,180</u>	<u>76,188,990</u>
		<u>70,497,180</u>	<u>76,188,990</u>
<u>IV. Current liabilities</u>			
Provisions for risk and charges	11	<u>-51,900</u>	<u>25,000</u>
		<u>-51,900</u>	<u>25,000</u>
<u>Accounts payable</u>			
Current payables	12	4,415,165	3,402,118
Long-term liabilities falling due within the year	13	5,691,810	5,364,774
Sundry payables		17,531	62,123
Accrued charges		<u>5,842,759</u>	<u>8,330,000</u>
		<u>15,967,265</u>	<u>17,159,015</u>
Total liabilities		86,412,545	93,373,005
Net assets		20,503,842	18,944,115
Contingent assets	14		
Contingent liabilities and commitments for future funding	15		



5. STATEMENT OF CHANGES IN NET ASSETS

	Accumulated surplus(/deficit)	Economic outturn of the year	Total net assets
<u>Balance as of 31 December 2018</u>	17,260,927	1,683,188	18,944,115
Allocation of the economic outturn 2018	1,683,188	-1,683,188	0
Economic outturn 2019	0	1,559,727	1,559,727
<u>Balance as of 31 December 2019</u>	<u>18,944,115</u>	<u>1,559,727</u>	<u>20,503,842</u>

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

6. THE CASH FLOW STATEMENT

	31/12/2019	31/12/2018
Cashflows from ordinary activities		
Surplus/(deficit) from ordinary activities	1,559,727	1,683,188
Operating Activities		
Amortisation (intangible fixed assets)	29,656	30,676
Depreciation (tangible fixed assets)	5,312,513	5,309,015
Increase/(decrease) in provision for risks and liabilities	-76,900	-38,000
(Increase)/decrease in long-term receivables	16,179	5,763
(Increase)/decrease in short-term receivables	-419,976	-378,331
Increase/(decrease) in other long-term liabilities	-5,691,810	-5,364,774
Increase/(decrease) in accounts payable	-1,191,750	-48,438
Other non-cash movements		
Net cash flow from operating activities	-462,361	1,199,099
Investing activities		
Increase in intangible and tangible fixed assets (-)	-486,894	-937,570
Net cash flow from investing activities	-486,894	-937,570
Net Increase/(decrease) in cash and cash equivalents	-949,255	261,529
Net increase/(decrease) in cash and cash equivalents	-949,255	261,529
Cash and cash equivalents at the beginning of 2019	1,111,231	849,702
Cash and cash equivalents at the end of 2019	161,976	1,111,231

7. NOTES

NOTE 1

Operating revenue

	2019	2018
Funds transferred from the Commission	<u>121,000,000</u>	<u>121,000,000</u>
Revenue from staff	12,514,480	12,291,352
Other administrative revenue	<u>4,196,651</u>	<u>3,739,663</u>
Revenue from administrative operations	<u>16,711,131</u>	<u>16,031,015</u>
Other operating revenue	0	0
Exchange rate gains	<u>2,457</u>	<u>1,797</u>
Other operating revenue	<u>2,457</u>	<u>1,797</u>
	137,713,588	137,032,812
Non-exchange revenue	133,514,480	133,396,566
Exchange revenue	4,199,108	3,636,246
	137,713,588	137,032,812

According to the EU Accounting Rules, all revenue needs to be split into revenue from exchange transactions and revenue from non-exchange transactions.

In a non-exchange transaction, an entity receives (gives) value from (to) another entity without directly giving (receiving) an approximately equal value in exchange.

Non-exchange revenue includes mainly the treasury replenishment and revenue from staff (miscellaneous taxes).

II.

Annual General Accounts 2019

NOTE 2

Financial operations expenses

	2019	2018
Other interest expenses	-7,062,171	-7,374,712
Other financial expenses (bank charges)	-11,213	272,071
	-7,073,384	-7,102,641

NOTE 3

Intangible fixed assets

	31/12/2019	31/12/2018
<u>Computer software</u>		
Gross carrying amount 1 January	1,289,975	1,243,634
Additions	24,653	46,341
Disposals	-11,302	0
Transfers between headings	0	0
Other changes	0	0
Gross carrying amount 31 December	<u>1,303,326</u>	<u>1,289,975</u>
Accumulated amortisation 1 January	-1,225,600	-1,194,924
Amortisation	-29,655	-30,676
Disposals	11,302	0
Transfers between headings	0	0
Other changes	0	0
Accumulated amortisation 31 December	<u>-1,243,953</u>	<u>-1,225,600</u>
Net carrying amount 31 December	59,373	64,375

Non-capitalised research costs	0	0
Non-capitalised development costs	16,454	38,923
	16,454	38,923

At 31 December 2019, the EESC and the European Committee of the Regions (CoR) had external research and development costs for a total amount of EUR 27,424. This amount was split according to an agreed division between the two Committees as follows:

60% EESC: EUR 16,454

40% CoR: EUR 10,970

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

NOTE 4

Lands and buildings (owned and under financial leasing)

	31/12/2019	31/12/2018
Gross carrying amount, 1 January	163,684,283	163,684,283
Additions	0	0
Gross carrying amount, 31 December	163,684,283	163,684,283
Accumulated amortisation, 1 January	-69,571,684	-64,950,071
Depreciation	-4,615,724	-4,621,613
Accumulated amortisation, 31 December	-74,187,408	-69,571,684
Net carrying amount, 31 December	89,496,875	94,112,599

	Capital	Interest
<u>Distribution of charges</u>		
Cumulative charges paid	86,896,369	118,307,690
<u>Charges to be paid</u>		
< 1 year	5,691,810	3,883,611
1-5 years	26,442,263	11,981,841
> 5 years	44,054,917	5,807,217
	76,188,990	21,672,669
Gross carrying amount 31 December	163,085,359	139,980,359

At 31 December 2019, the EESC and the CoR jointly held two buildings² under long-term leases and three owned shared building:

	Total net asset value	Total debt
Bertha von Suttner building (BvS), Rue Montoyer 92-102	32,588,362	29,405,032
Remorqueur building (REM), Rue Belliard 93	6,869,628	0
Rue de Trèves 74 building (TR74)	14,316,468	16,999,714
Rue Belliard 68-72 building (B68-72)	15,728,399	14,650,998
Jacques Delors building (JDE), Rue Belliard 103-113	77,880,056	65,413,930
TOTAL	147,382,913	126,469,674

Since 19 November 2018, both Committees acquired the JDE building by exercising the purchase option. Since 9 December 2019, both Committees acquired the BvS and REM buildings by

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

exercising the purchase option. Consequently, both institutions became owners of these 3 buildings.

The long-term leases of the TR74 and B68-72 buildings are defined as finance leases and are thus recognised and accounted for as assets, and their associated lease obligations as liabilities.

The EESC's part of the total net asset value is EUR 89,466,600. On the liability side, the EESC's part of the total debt is EUR 76,188,990 (other long-term liabilities amount to EUR 70,497,180 and long-term liabilities falling due within one year amount to EUR 5,691,810).

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

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

In 2016, the EESC and the CoR introduced a new administrative cooperation agreement prolonged this year until end 2020. In accordance with practice in previous years, each Committee's share in the net asset values and the liabilities of the five buildings is fixed as follows:

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

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

NOTE 5**Plant and equipment**

	31/12/2019	31/12/2018
Gross carrying amount, 1 January	86,445	80,382
Additions	4,092	6,063
Disposals	0	0
Transfers between headings	0	0
Other changes	0	0
Gross carrying amount, 31 December	<u>90,537</u>	<u>86,445</u>
Accumulated amortisation, 1 January	-80,007	-78,827
Depreciation	-1,597	-1,180
Disposals	0	0
Transfers between headings	0	0
Other changes	0	0
Accumulated amortisation, 31 December	<u>-81,604</u>	<u>-80,007</u>
Net carrying amount, 31 December	8,933	6,438

Other fixtures and fittings

	31/12/2019	31/12/2018
Gross carrying amount, 1 January	2,550,987	2,150,433
Additions	103,148	400,554
Disposals	-122,393	0
Transfers between headings		
Other changes	0	0
Gross carrying amount, 31 December	<u>2,531,742</u>	<u>2,550,987</u>
Accumulated amortisation, 1 January	-2,015,541	-1,772,717
Depreciation	-224,625	-242,824
Disposals	122,707	0
Transfers between headings	0	0
Other changes	0	0
Accumulated amortisation, 31 December	<u>-2,117,459</u>	<u>-2,015,541</u>
Net carrying amount, 31 December	414,283	535,446

NOTE 6

Furniture and vehicles

	31/12/2019	31/12/2018
Gross carrying amount, 1 January	3,449,976	3,360,797
Additions	105,725	108,751
Disposals	-7,936	-19,572
Transfers between headings	0	0
Other changes	<u>0</u>	<u>0</u>
Gross carrying amount, 31 December	<u>3,547,765</u>	<u>3,449,976</u>
Accumulated amortisation, 1 January	-3,057,541	-2,976,609
Depreciation	-105,792	-100,488
Disposals	7,936	19,556
Transfers between headings	0	0
Other changes	0	0
Accumulated amortisation, 31 December	<u>-3,155,397</u>	<u>-3,057,541</u>
Net carrying amount, 31 December	392,368	392,435

NOTE 7

Computer hardware

	31/12/2019	31/12/2018
Gross carrying amount, 1 January	4,360,301	4,210,645
Additions	249,276	375,861
Disposals	-903,595	-226,205
Transfers between headings	0	0
Other changes	0	0
Gross carrying amount, 31 December	<u>3,705,982</u>	<u>4,360,301</u>
Accumulated amortisation, 1 January	-3,590,180	-3,473,492
Depreciation	-365,090	-332,733
Disposals	903,595	216,045
Transfers between headings	0	0
Other changes	0	0
Accumulated amortisation, 31 December	<u>-3,051,675</u>	<u>-3,590,180</u>
Net carrying amount, 31 December	654,307	770,121

Since 1 January 2019, the EESC has increased the threshold beyond which goods purchased are considered as assets from the previous acquisition value of 420€ to the new one of 1000€.

The depreciation rates are applied as per table of depreciation in point 2.5.3.

II.

Annual General Accounts 2019

NOTE 8

Long-term receivables

	31/12/2019	31/12/2018
Other (advances to members)	14,848	31,027
	14,848	31,027

NOTE 9

Current receivables

	31/12/2019	31/12/2018
<u>Customers</u>		
Gross total	15,323	4,410
Amounts written down	0	0
Net value	<u>15,323</u>	<u>4,410</u>
<u>Member States</u>		
Gross total	4,640	13,708
Amounts written down	0	0
Net value, VAT to be recovered	<u>4,640</u>	<u>13,708</u>
<u>Other institutions</u>		
Gross total	117,144	0
Amounts written down	0	0
Net value	<u>117,144</u>	<u>0</u>
	137,107	18,118

NOTE 10**Other long-term liabilities**

	31/12/2019	31/12/2018
Buildings and buildings under financial leasing*	70,497,180	76,188,990
	70,497,180	76,188,990

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

II.

Annual General Accounts 2019

NOTE 11

Provisions for risks and charges

	31/12/2019	31/12/2018
Possible outcome of pending court case	51,900	25,000
	51,900	25,000

NOTE 12

Current payables

	31/12/2019	31/12/2018
<u>Vendors</u>		
Gross total	<u>924,823</u>	<u>147,710</u>
<u>Other institutions</u>		
European Commission	3,470,554	3,241,720
European Parliament	19,788	12,688
European Committee of the Regions	0	0
Gross total	<u>3,490,342</u>	<u>3,254,408</u>
	4,415,165	3,402,118

NOTE 13**Long-term liabilities falling due within the year**

	31/12/2019	31/12/2018
Buildings under financial leasing*	5,691,810	5,364,774
	5,691,810	5,364,774

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

NOTE 14**Contingent assets**

	31/12/2019	31/12/2018
Performance guarantees*	0	0
	0	0

* The sum of performance guarantees in supplier contracts was EUR 332,370 at 31 December 2019. As the probability of inflow of economic benefits is low (estimated by management to be less than 5%) the value is insignificant.

NOTE 15**Contingent liabilities and commitments for future funding**

	31/12/2019	31/12/2018
<u>Commitments for future funding</u>		
Commitments against appropriations not yet consumed (RAL)	2,574,058	284,945
Operating leases	7,062,908	7,640,400
Contractual commitments	3,431,117	19,686,154
Other	0	0
	13,068,083	27,611,499

NOTE 16**Events after issuance of the EESC' 2019 annual accounts**

During the first half of 2020, the coronavirus outbreak has had huge impacts on the EU economy. As a non-adjusting event, the outbreak of the coronavirus does not require any adjustments to the figures reported in these annual accounts. For subsequent reporting periods, COVID-19 may affect the recognition and measurement of some assets and liabilities on the balance sheet and also of some revenue and expenses recognised in the statement of financial performance. Based on the information available at the date of signature of these annual accounts, the financial effects of the coronavirus outbreak cannot be reliably estimated.

PART III

Annual Budgetary Accounts 2019 (Modified Cash Accounting Principle) and Report on Budgetary and Financial Management

PART III - INDEX

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1. GENERAL REMARKS ON THE BUDGET

1.1 BUDGET OUTTURN 2019

The total 2019 budget was EUR 138.5 million, of which EUR 135.9 million was spent or carried forward to 2020 as commitments¹. This equals a take-up rate of 98.1%, compared to 98.7% in 2018. On the other hand, the take-up of appropriations carried forward from 2018 to 2019 was higher than in 2018: 82.1% (EUR 7.1 million) in 2019 as compared to 77.5% in 2018 (EUR 7.6 million)².

1.2 ESTABLISHING THE BUDGET 2019

The EESC 2019 budget estimates submitted to the Commission totalled EUR 140 337 652, an increase of 3.47% on the 2018 budget totalling EUR 135 630 905. The main reason behind the rise in expenditure was salary-related expenses, totalling EUR 2 193 921 and representing a share of the overall increase of 1.62% on the 2018 budget. The second most important budget increase is linked to addressing the backlog in buildings (including security) and IT, accounting for around EUR 1 698 125 and representing a share of the overall increase of 1.25% compared to the 2018 budget.

The estimates for salary-related expenditure imply an unchanged number of establishment posts but include the impact of actual or expected salary adjustments, based on the parameters provided by the Commission.

During the budgetary procedure, the European Commission applied several downward adjustments on the EESC budget request, totalling EUR 1 586 844.

The Commission cut the EESC budget request mainly in the following areas: by EUR 211 075 on "Supplementary services for the translation service", by EUR 200 000 on "Interpreting", by EUR 825 769 on buildings and by EUR 250 000 on IT. However, the European Commission excluded roughly EUR 0.9 million of additional expenditure, mainly related to security, from the nominal freeze.

In its reading, the Council introduced further reductions on eleven different budget lines which curtailed the EESC draft budget by a further EUR 1 682 293, to EUR 137 068 515, keeping only a small increase of 1.06 % compared to the 2018 budget.

¹ See table "Use of final appropriations (C1) in 2019", page 18.

² See table "Use of appropriations automatically carried forward from 2018 to 2019 (C8)", page 28.

The European Parliament subsequently suggested restoring all the appropriations cut by the Council, amounting to EUR 1 682 293, and a part of the cuts made by the European Commission (EUR 540 000). The proposal to reinstate part of the budget reduced by the Commission gave a signal that it supports, in particular, the EESC's efforts to address its backlog in buildings and IT. The EESC budget after the EP's reading amounted to EUR 139 290 808, an increase of EUR 3 659 903 or 2.70% compared to 2018.

As the Parliament and the Council failed to conclude negotiations on the draft budget for 2019 before the end of the 21-day conciliation period on 19 November, the European Commission submitted a new draft budget on 30 November 2018 (Article 314 of the Treaty on the Functioning of the EU). The new proposal was based largely on the European Parliament's position on the initial draft budget. To facilitate convergence between the European Parliament and the Council, the Commission incorporated the effects of a 0.3 percentage point lower than initially budgeted salary update as of 1 July 2018, which meant a reduction of the EESC budget by EUR 220 825. In addition, the European Commission reversed the EP's proposed reinstatement of cuts made on buildings and IT (EUR 540 000). Furthermore, across all institutions, appropriations for the annual lease of buildings were curtailed, with a share of EUR 27 215 for the EESC.

On 4 December 2018, the negotiators from the European Parliament and the Council reached a provisional agreement on the 2019 EU budget. This agreement was confirmed the following week by the decision of the General Affairs Council on 11 December. The final adoption of the budget took place on 12 December 2018 in the European Parliament during its plenary session.

The budget procedure resulted in a total budget of EUR 138 502 768 for 2019, corresponding to an increase of 2.12% on 2018. The establishment plan approved by the Budgetary Authority confirmed the number of staff posts for 2019 as 668, which corresponds to the same number as in 2018.

1.3 BUDGET GOVERNANCE 2019

In line with Rule 11 of the new Rules of Procedure, adopted by the plenary on 20 February 2019 and entering into force on 15 March 2019, the Budget Group was replaced by the Commission for Financial and Budgetary Affairs (CAF). Its competences were revised and its size increased from nine to twelve members.

The CAF, the EESC's supervisory body for financial and budgetary affairs, prepares all decisions of a financial or budgetary nature for the EESC Bureau. The CAF meets before each EESC Bureau meeting, normally 11 times per year. In order to be able to deal with special subjects more efficiently, the CAF can set up subgroups on different topics, which are composed of three members, one from each Group represented in the Committee.

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

Each year, in preparation for the next budget, a three-member subgroup is set up by the CAF to analyse the draft estimates prepared by the Secretary-General. After deliberation, the CAF then submits the proposed draft estimates to the Bureau for approval and subsequent submission to the Budgetary Authority.

As from 2018, the CAF/former Budget Group focused its attention on IT to encourage the set-up of a long-term digital strategy. The Budget Group therefore invited the chair and members of the Members' IT Group to attend Budget Group meetings in March, July and September 2018, for discussions on the IT strategy. On 18 June 2019, the Bureau adopted the new digital strategy, as proposed by the Members' IT Group after consulting the Quaestors and the CAF.

Furthermore, the CAF/former Budget focussed on improving spending forecasting on the budget line "Members' travel and subsistence allowances" to address some impreciseness in the existing projection system. Following a call for tender launched in October 2018 on the "Analysis and proposal for improvements of the current projection system concerning cost reimbursement of EESC members, delegates and experts", the EESC selected a contractor and mandated them with this task.

On 16 September 2019, the contractor submitted its final report, offering three scenarios for improvement. The whole process was closely monitored by the CAF and two extraordinary CAF meetings were set up to discuss the intermediate reports. On 10 December 2019, the EESC Bureau decided to implement the scenario recommending the improvement of the existing forecasting system, as proposed by the CAF. The Bureau further decided to set up an ad hoc group to supervise the implementation of an action plan needed to achieve this improvement.

Following the close monitoring of spending on buildings and IT, the CAF/former Budget Group also backed a mopping-up transfer at the end of 2018 and again at the end of 2019. These transfers aimed to address a significant backlog that has been developing in the two Committees – in particular as concerns buildings (including security) and IT – because of the budgetary restraints applied over the last decade.

For a number of years now, the EESC has been extremely moderate in its budget estimates and has largely followed the Commission guidelines indicating a nominal freeze for all non-salary related expenses. From 2016 to 2020, the nominal increase in the EESC's budget was EUR 12.0 million or 9.2% – a small increase in real terms of 1.9%.

2. REVENUE

		Revenue and income recognised	
		2019	Carried over
Total		16,821,231	1,389
4	Revenue accruing from persons working with the institutions and other union bodies	12,514,480	0
40	Miscellaneous taxes and deductions	6,546,089	0
400	Proceeds from taxation of the salaries, wages and allowances of Members of the institution, officials, other servants and persons in receipt of a pension	5,466,823	0
404	Proceeds from the special levy and the solidarity levy on the salaries of Members of the institution, officials and other servants in active employment	1,079,267	0
41	Contributions to the pension scheme	5,968,391	0
410	Staff contributions to the pension scheme	5,685,193	0
411	Transfer or purchase of pension rights by staff	283,198	0
5	Revenue accruing from the administrative operation of the institution	4,306,751	1,389
50	Proceeds from the sale of movable property (supply of goods) and immovable property	0	0
500	Proceeds from the sale of movable property (supply of goods)	0	0
5001	Proceeds from the sale of other movable property — Assigned revenue	0	0
51	Proceeds from letting and hiring	1,570,064	0
511	Proceeds from letting and subletting immovable property and reimbursement of charges connected with lettings	1,570,064	0
5110	Proceeds from letting and subletting immovable property — Assigned revenue	1,570,064	0
52	Revenue from investments or loans granted, bank and other interest	0	0
520	Revenue from investments or loans granted, bank and other interest on the institution's accounts	0	0
55	Revenue from the supply of services and work	2,254,144	0
550	Revenue from the supply of services and work to other institutions or bodies, including refunds by other institutions or bodies of mission allowances paid on their behalf — Assigned revenue	2,254,144	0
57	Other contributions and refunds in connection with the administrative operation of the institution	475,239	1,389
570	Revenue arising from the repayment of amounts wrongly paid — Assigned revenue	271,900	0
573	Other contributions and refunds in connection with the administrative operation of the institution — Assigned revenue	203,340	1,389
59	Other revenue from administrative operations	7,304	0
590	Other revenue from administrative operations	7,304	0

2019			2018				
Revenue and income cashed		Outstanding Balance	Revenue and income recognised		Revenue and income cashed		Outstanding Balance
2019	Carried over		2018	Carried over	2018	Carried over	
16,702,770	0	119,850	16,180,999	3,357	16,179,610	3,357	1,389
12,514,480	0	0	12,291,352	0	12,291,352	0	0
6,546,089	0	0	6,409,753	0	6,409,753	0	0
5,466,823	0	0	5,352,615	0	5,352,615	0	0
1,079,267	0	0	1,057,138	0	1,057,138	0	0
5,968,391	0	0	5,881,599	0	5,881,599	0	0
5,685,193	0	0	5,631,491	0	5,631,491	0	0
283,198	0	0	250,108	0	250,108	0	0
4,188,290	0	119,850	3,889,647	3,357	3,888,258	3,357	1,389
0	0	0	0	22	0	22	0
0	0	0	0	22	0	22	0
0	0	0	0	22	0	22	0
1,570,064	0	0	1,550,061	0	1,550,061	0	0
1,570,064	0	0	1,550,061	0	1,550,061	0	0
1,570,064	0	0	1,550,061	0	1,550,061	0	0
0	0	0	1	0	1	0	0
0	0	0	1	0	1	0	0
2,254,083	0	62	2,077,000	0	2,077,000	0	0
2,254,083	0	62	2,077,000	0	2,077,000	0	0
356,839	0	119,789	255,198	3,335	253,809	3,335	1,389
153,500	0	118,400	69,696	0	69,696	0	0
203,340	0	1,389	185,501	3,335	184,112	3,335	1,389
7,304	0	0	7,388	0	7,388	0	0
7,304	0	0	7,388	0	7,388	0	0

3. FINAL APPROPRIATIONS

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

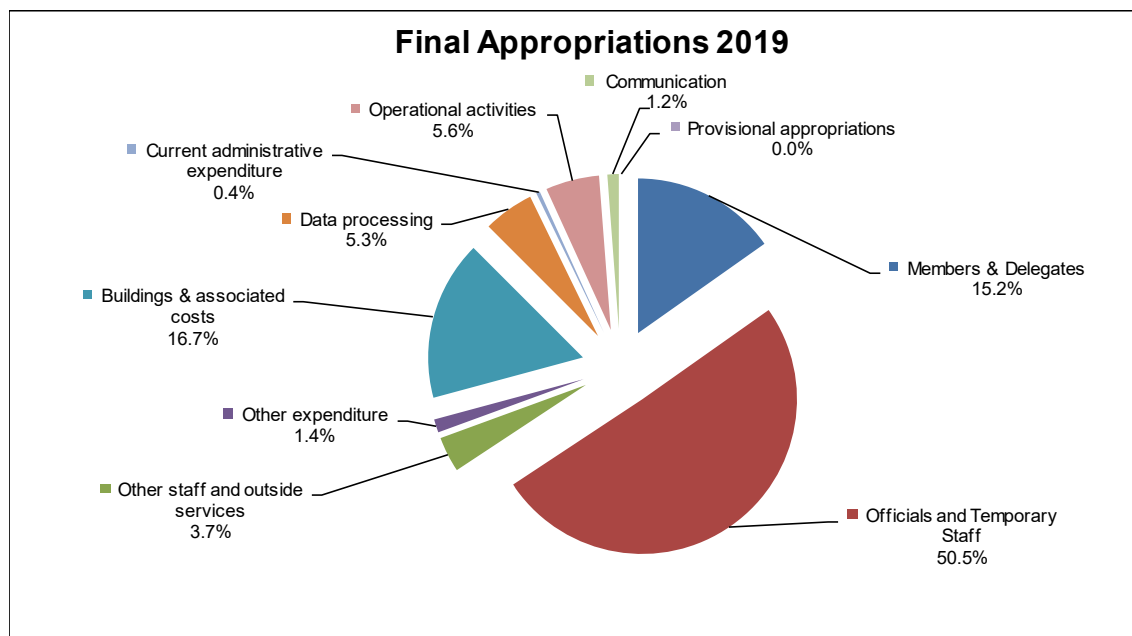
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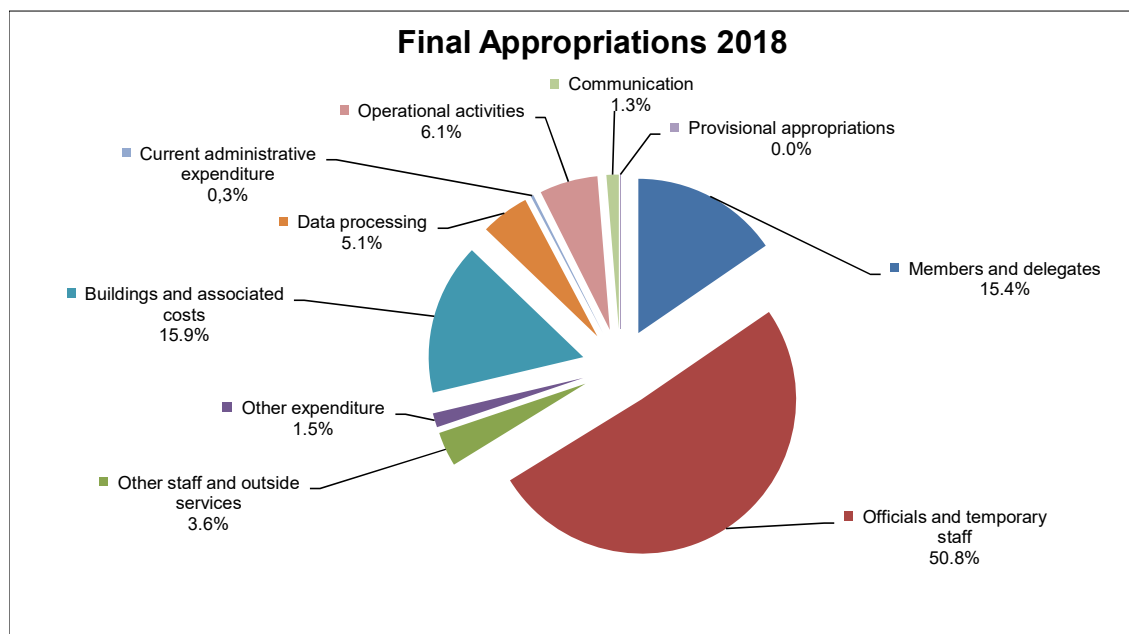
2019			2018
Initial	Transfers	Final	Final
138,502,768	0	138,502,768	135,630,905
99,949,579	-1,869,000	98,080,579	96,729,265
21,047,507	-14,000	21,033,507	20,898,223
20,981,087	-14,000	20,967,087	20,831,803
144,200	-14,000	130,200	96,080
20,333,977	50,000	20,383,977	20,247,625
502,910	-50,000	452,910	488,098
66,420	0	66,420	66,420
71,469,285	-1,532,000	69,937,285	68,954,962
71,142,250	-1,500,000	69,642,250	68,700,962
70,813,220	-1,635,000	69,178,220	68,227,962
29,912	0	29,912	10,000
299,118	135,000	434,118	463,000
327,035	-32,000	295,035	254,000
327,035	-32,000	295,035	254,000
5,412,987	-275,000	5,137,987	4,896,289
3,390,279	-82,000	3,308,279	2,958,506
2,507,384	0	2,507,384	2,317,121
823,072	-82,000	741,072	606,385
59,823	0	59,823	35,000
2,022,708	-193,000	1,829,708	1,937,783
1,200,000	-120,000	1,080,000	1,131,075
731,708	-73,000	658,708	731,708
91,000	0	91,000	75,000
2,019,800	-48,000	1,971,800	1,979,791
584,300	0	584,300	621,700
46,100	0	46,100	43,500
538,200	0	538,200	578,200
403,500	20,000	423,500	398,191
1,032,000	-68,000	964,000	959,900
50,000	0	50,000	50,000
175,000	0	175,000	154,900
120,000	0	120,000	120,000
687,000	-68,000	619,000	635,000

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

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2019			2018
Initial	Transfers	Final	Final
138,502,768	0	138,502,768	135,630,905
38,553,189	1,869,000	40,422,189	38,901,640
21,715,254	1,428,530	23,143,784	21,577,919
15,234,037	1,428,530	16,662,567	15,856,664
2,189,398	-259,985	1,929,413	2,156,467
12,384,737	47,972	12,432,709	12,212,997
0	0	0	23,052
594,061	1,538,165	2,132,226	1,222,712
65,841	102,378	168,219	241,436
6,481,217	0	6,481,217	5,721,255
3,198,921	138,634	3,337,555	2,670,606
806,284	0	806,284	790,311
2,389,004	-138,634	2,250,370	2,173,362
87,008	0	87,008	86,976
6,336,417	963,256	7,299,673	6,876,061
4,964,363	970,000	5,934,363	5,391,700
1,642,241	599,405	2,241,646	1,988,463
1,983,016	466,722	2,449,738	2,156,275
1,339,106	-96,128	1,242,978	1,246,962
145,088	5,764	150,852	145,073
1,149,466	-12,508	1,136,958	1,250,988
77,500	0	77,500	88,300
561,911	-37,986	523,925	452,277
169,741	-14,986	154,755	152,179
6,000	0	6,000	6,000
150,000	-15,000	135,000	63,000
81,600	-8,000	73,600	71,750
154,570	0	154,570	159,348
8,096,149	-362,800	7,733,349	8,207,339
8,096,149	-362,800	7,733,349	8,207,339
225,100	15,000	240,100	253,800
641,049	-53,800	587,249	614,289
40,000	0	40,000	50,000
90,000	-24,000	66,000	75,000
7,100,000	-300,000	6,800,000	7,214,250
1,843,458	-122,000	1,721,458	1,788,044
1,345,540	-114,000	1,231,540	1,288,326
789,880	-60,000	729,880	789,880
457,660	-45,000	412,660	437,660
98,000	-9,000	89,000	60,786
497,918	-8,000	489,918	499,718
250,000	-8,000	242,000	250,000
155,900	0	155,900	157,700
92,018	0	92,018	92,018





4. USE OF FINAL APPROPRIATIONS (C1) IN 2019

		Final Appropriations
	Total	138,502,768
1	Persons working with the institution	98,080,579
10	Members of the institution and delegates	21,033,507
100	Specific allowances and payments	20,967,087
1000	Specific allowances and payments	130,200
1004	Travel and subsistence allowances, attendance at meetings and associated expenditure	20,383,977
1008	Travel and subsistence allowances, attendance at meetings and associated expenditure of delegates of the CCMI	452,910
105	Further training, language courses and other training	66,420
12	Officials and temporary staff	69,937,285
120	Remuneration and other entitlements	69,642,250
1200	Remuneration and allowances	69,178,220
1202	Paid overtime	29,912
1204	Entitlements on entering the service, transfer and leaving the service	434,118
122	Allowances upon early termination of service	295,035
1220	Allowances for staff retired or placed on leave in the interests of the service	295,035
14	Other staff and external services	5,137,987
140	Other staff and external persons	3,308,279
1400	Other staff	2,507,384
1404	Graduate traineeships, grants and exchanges of officials	741,072
1408	Entitlements on entering the service, transfer and leaving the service	59,823
142	External services	1,829,708
1420	Supplementary services for the translation service	1,080,000
1422	Expert advice connected with legislative work	658,708
1424	Interinstitutional cooperation and external services in the field of personal management	91,000
16	Other expenditure relating to persons working with the institution	1,971,800
161	Expenditure relating to staff management	584,300
1610	Expenditure on recruitment	46,100
1612	Further training	538,200
162	Missions	423,500
163	Activities relating to all persons working with the institution	964,000
1630	Social welfare	50,000
1632	Social contacts between members of staff and other social measures	175,000
1634	Medical service	120,000
1638	Early childhood centre and approved day nurseries	619,000

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Committed	Committed (%)	Payments	Appropriations carried forward to 2020	Unused appropriations	Unused Appropriations (%)
135,923,436	98.14%	128,084,101	7,839,335	2,579,332	1.86%
96,577,605	98.47%	94,487,069	2,090,535	1,502,974	1.53%
20,946,894	99.59%	19,583,408	1,363,486	86,613	0.41%
20,900,387	99.68%	19,569,803	1,330,584	66,700	0.32%
81,500	62.60%	73,155	8,346	48,700	37.40%
20,365,977	99.91%	19,076,333	1,289,644	18,000	0.09%
452,910	100.00%	420,315	32,595	0	0.00%
46,507	70.02%	13,605	32,902	19,913	29.98%
69,276,508	99.06%	69,222,194	54,315	660,777	0.94%
69,054,277	99.16%	68,999,962	54,315	587,973	0.84%
68,659,644	99.25%	68,634,858	24,787	518,576	0.75%
10,084	33.71%	10,084	0	19,828	66.29%
384,549	88.58%	355,021	29,528	49,569	11.42%
222,231	75.32%	222,231	0	72,804	24.68%
222,231	75.32%	222,231	0	72,804	24.68%
4,569,188	88.93%	4,218,555	350,633	568,799	11.07%
3,127,461	94.53%	3,064,488	62,974	180,818	5.47%
2,431,968	96.99%	2,407,398	24,569	75,416	3.01%
676,389	91.27%	637,984	38,404	64,683	8.73%
19,105	31.94%	19,105	0	40,718	68.06%
1,441,727	78.80%	1,154,067	287,660	387,981	21.20%
830,000	76.85%	704,279	125,721	250,000	23.15%
531,708	80.72%	384,337	147,371	127,000	19.28%
80,019	87.93%	65,451	14,568	10,981	12.07%
1,785,014	90.53%	1,462,913	322,101	186,786	9.47%
541,420	92.66%	399,379	142,041	42,880	7.34%
24,750	53.69%	20,060	4,690	21,350	46.31%
516,670	96.00%	379,319	137,351	21,530	4.00%
423,500	100.00%	363,004	60,496	0	0.00%
820,094	85.07%	700,530	119,564	143,906	14.93%
16,600	33.20%	7,877	8,723	33,400	66.80%
156,516	89.44%	118,842	37,675	18,484	10.56%
111,400	92.83%	38,233	73,167	8,600	7.17%
535,578	86.52%	535,578	0	83,422	13.48%

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		Final Appropriations
2	Buildings, furniture, equipment and miscellaneous operating expenditure	40,422,189
20	Buildings and associated costs	23,143,784
200	Buildings	16,662,567
2000	Rent	1,929,413
2001	Annual lease payments and similar expenditure	12,432,709
2007	Fitting-out of premises	2,132,226
2008	Other expenditure on buildings	168,219
202	Other expenditure on buildings	6,481,217
2022	Cleaning and maintenance	3,337,555
2024	Energy consumption	806,284
2026	Security and surveillance	2,250,370
2028	Insurance	87,008
21	Data processing, equipment and furniture: purchase, hire and maintenance	7,299,673
210	Equipment, operating costs and services relating to data-processing and telecommunications	5,934,363
2100	Purchase, servicing and maintenance of equipment and software, and related work	2,241,646
2102	Outside assistance for the operation, development and maintenance of software systems	2,449,738
2103	Telecommunications	1,242,978
212	Furniture	150,852
214	Technical equipment and installations	1,136,958
216	Vehicles	77,500
23	Current administrative expenditure	523,925
230	Stationery, office supplies and miscellaneous consumables	154,755
231	Financial charges	6,000
232	Legal costs and damages	135,000
236	Postage on correspondence and delivery charges	73,600
238	Removals and other administrative expenditure	154,570
25	Operational activities	7,733,349
254	Meetings, conferences, congresses, seminars and other events	7,733,349
2540	Miscellaneous expenditure on internal meetings	240,100
2542	Expenditure on the organisation of and participation in hearings and other events	587,249
2544	Costs of organising the CCMI	40,000
2546	Representation expenses	66,000
2548	Interpreting	6,800,000
26	Communication, publications and acquisition of documentation	1,721,458
260	Communication, information and publications	1,231,540
2600	Communication	729,880
2602	Publishing and promotion of publications	412,660
2604	Official Journal	89,000
262	Acquisition of information, documentation and archiving	489,918
2620	Studies, research and hearings	242,000
2622	Documentation and library expenditure	155,900
2624	Archiving and related work	92,018

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Committed	Committed (%)	Payments	Appropriations carried forward to 2020	Unused appropriations	Unused Appropriations (%)
39,345,831	97.34%	33,597,032	5,748,799	1,076,358	2.66%
23,094,386	99.79%	21,457,587	1,636,799	49,399	0.21%
16,643,589	99.89%	15,486,188	1,157,401	18,978	0.11%
1,916,199	99.32%	1,557,528	358,671	13,214	0.68%
12,426,945	99.95%	12,426,945	0	5,764	0.05%
2,132,226	100.00%	1,464,151	668,075	0	0.00%
168,219	100.00%	37,564	130,655	0	0.00%
6,450,797	99.53%	5,971,399	479,398	30,420	0.47%
3,313,795	99.29%	2,884,839	428,956	23,761	0.71%
806,284	100.00%	806,284	0	0	0.00%
2,249,666	99.97%	2,200,177	49,489	704	0.03%
81,053	93.16%	80,100	953	5,955	6.84%
7,033,181	96.35%	4,625,170	2,408,011	266,492	3.65%
5,877,706	99.05%	3,934,867	1,942,839	56,657	0.95%
2,241,644	100.00%	1,404,686	836,958	3	0.00%
2,448,814	99.96%	1,458,501	990,313	924	0.04%
1,187,248	95.52%	1,071,680	115,568	55,730	4.48%
144,134	95.55%	73,675	70,459	6,718	4.45%
968,683	85.20%	576,521	392,161	168,275	14.80%
42,659	55.04%	40,107	2,552	34,841	44.96%
365,063	69.68%	255,438	109,625	158,862	30.32%
133,185	86.06%	100,833	32,352	21,570	13.94%
6,000	100.00%	782	5,218	0	0.00%
16,450	12.19%	16,359	92	118,550	87.81%
61,766	83.92%	31,982	29,784	11,834	16.08%
147,662	95.53%	105,483	42,179	6,908	4.47%
7,293,124	94.31%	6,445,456	847,669	440,225	5.69%
7,293,124	94.31%	6,445,456	847,669	440,225	5.69%
240,100	100.00%	169,697	70,403	0	0.00%
456,200	77.68%	358,648	97,552	131,049	22.32%
11,825	29.56%	7,984	3,841	28,175	70.44%
50,000	75.76%	25,614	24,386	16,000	24.24%
6,535,000	96.10%	5,883,514	651,486	265,000	3.90%
1,560,077	90.63%	813,381	746,696	161,381	9.37%
1,108,420	90.00%	612,458	495,962	123,120	10.00%
727,360	99.65%	426,813	300,546	2,520	0.35%
344,211	83.41%	148,795	195,416	68,449	16.59%
36,849	41.40%	36,849	0	52,151	58.60%
451,657	92.19%	200,923	250,734	38,261	7.81%
210,200	86.86%	0	210,200	31,800	13.14%
149,439	95.86%	117,784	31,655	6,461	4.14%
92,018	100.00%	83,139	8,879	0	0.00%

4.1 COMMENTS ON USE OF FINAL APPROPRIATIONS (C1) IN 2019

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

1000: Specific allowances and payments

- ❖ Amount not committed: EUR 48 700 (37.40%)

These appropriations cover insurances and some medical costs for members, the special duty allowance for the president and the vice-presidents and specific interventions in favour of members with disabilities. A certain safety margin is needed to cover measures for members with disabilities and unforeseen expenses not covered by the insurance contract. Furthermore, medical care for members was used less than expected.

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

- ❖ Amount not committed: EUR 49 569 (11.42%)

These appropriations cover various statutory allowances and removal costs for officials and temporary agents entering or leaving the service and their number is inherently difficult to predict. Likewise, the various allowances are highly dependent on the personal situation of the official concerned (family composition, place of recruitment, grade). Removals can take place up to two years after entering the service and three years after leaving the service. Due to this unpredictability, reinforcement of the budget item by EUR 135 000 was considered necessary in 2019. However, out of the additional amount transferred, around a third remained unused in the end.

1220: Allowances for staff retired or placed on leave in the interests of the service

- ❖ Amount not committed: EUR 72 804 (24.68%)

These appropriations are intended to cover allowances for officials assigned non-active status following a reduction in the number of posts in the institution, for officials placed on leave in the interests of the service or for officials holding a senior executive post who are retired in the interests of the service. When preparing the 2019 budget, the estimates were made for an AD 13 official to leave in the interests of the service (Article 42(c)). The official who eventually benefited from Article 42(c) and who was paid during the year 2019 was of grade AST 4.

Difficulties in predicting the exact grade of the beneficiary 14 months in advance have led to the under-consumption of appropriations.

1404: Graduate traineeships, grants and exchanges of officials

- ❖ Amount not committed: EUR 64 683 (8.73%)

The budget appropriations for 2019 corresponded to eight full-time equivalents of seconded national experts (SNEs) over the full period. One Belgian SNE was not entitled to daily allowances and reimbursement of travel expenses. In addition, the unexpected early termination of one secondment at the end of August 2019, as well as an open request for a new secondment, announced in April 2019 but not formally introduced, contributed to reduced consumption of the allocated budget.

1408: Entitlements on entering the service, transfer and leaving the service

- ❖ Amount not committed: EUR 40 718 (68.06%)

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

1420: Supplementary services for the translation service

- ❖ Amount not committed: EUR 250 000 (23.15%)

These appropriations cover mainly external translations. Appropriations under this budget heading increased in the context of the cooperation agreement signed with the EP to compensate for the resulting reduction in translation staff. The allocated budget is used for outsourcing translation. Amounts not used for this outsourcing can be transferred to political activities (according to the terms of the EP/EESC-CoR agreement of 2013), for which the agreement of the budgetary authority is needed. However, the timeframe for requesting this transfer at the end of 2019 was too short. The general workload for translation in 2019 was comparatively low due to the reduced legislative activities namely because of the EP elections and the European Commission renewal. Outsourcing only reached 16.5 %, falling behind the target of 20%. The number of requests for outsourcing is difficult to predict and depends fully on the overall translation demand.

1422: Expert advice connected with legislative work

- ❖ Amount not committed: EUR 127 000 (19.28%)

The need for expert advice depends on the type and number of opinions that the Committee has to produce, and costs depend on the country of origin of the experts. Close monitoring of costs and a reduced need for expert advice helped to limit spending.

1630: Social welfare

- ❖ Amount not committed: EUR 33 400 (66.80%)

This appropriation is intended to assist staff and family members with disabilities and staff in particularly difficult situations. Due to the nature of this expense, the number of potential requests and the corresponding amount is difficult to forecast. The lower use of appropriations in 2019 reflects fewer incoming requests for assistance for people with disabilities. Since 2016, requests for help have steadily increased and as a single case can entail considerable costs, a sufficient safety margin must be kept.

1638: Early Childhood Centre and approved day nurseries

- ❖ Amount not committed: EUR 83 422 (13.48%)

These appropriations cover the EESC's contributions to the costs of the Union nursery centre (Early Childhood Centre of the Commission) and other day nurseries and after-school centres. The appropriations are the result of an estimate communicated by the Commission and may vary depending on the number of children and infrastructure expenditures made in the centres. The Commission, however, revised downwards the estimated annual cost at the end of 2019. The resulting under-consumption is equivalent to the cost of approximately four additional childcare places and represents a reasonably sufficient margin to ensure that all accepted requests can be accommodated.

214: Technical equipment and installations

- ❖ Amount not committed: EUR 168 275 (14.80%)

In the Joint Services (shared with the CoR), spending by the infrastructure service was lower due to fact that the new contract for the restaurant could not be awarded as foreseen in November 2019. As the Committees had planned to involve the future contractor in the choice of new

equipment and the refurbishment, appropriations foreseen for the modernisation of the restaurant and the cafeterias, as well as for the purchase of the equipment for the kitchen, remained unspent.

216: Vehicles

- ❖ Amount not committed: EUR 34 841 (44.96%)

Following lower consumption over the whole period, the leasing company returned an exceptional amount of EUR 28 356 when the leasing of the service cars came to an end.

232: Legal costs and damages

- ❖ Amount not committed: EUR 118 550 (87.81%)

Given a limited number of files and the uncertainty about the timing and the outcome of Court decisions, it is difficult to predict actual expenses with accuracy. In recent years, the Legal Service was successful in all cases before the Courts of the EU in obtaining favourable rulings. This explains the low execution of this budget heading.

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

- ❖ Amount not committed EUR 131 049 (22.32%)

Travel costs for external participants in hearings and other events are often covered by their own organisations and, when this is not the case, vary considerably depending on the country of origin and the venue of the event. Costs are therefore difficult to predict. In 2019, several participants' attendances were less costly than estimated and some events were postponed to 2020. One planned event changed place from a non-EU to an EU country and in other cases the co-organiser covered a major part or all of the foreseen expenses. As in previous years, the EESC continued to reduce expenses for receptions.

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

- ❖ Amount not committed: EUR 28 175 (70.44%)

This budget item covers expenses similar to those on budget line 2542 but specifically for the Consultative Commission on Industrial Change (CCMI). In 2019, there were fewer opinions than initially foreseen in the work programme. Various major conferences with several speakers were replaced by mini-hearings. Furthermore, fewer meetings were held abroad and in the case of the

four round tables, organised costs for guests going abroad and catering were taken over mostly by the host organisations. Debates on tariff barriers to steel initially scheduled had to be postponed.

2602: Publishing and promotion of publications

❖ Amount not committed: EUR 68 449 (16.59%)

The main reason for the low consumption is partially due to the continuing transition towards digital publications from printed publications. Furthermore, two planned projects did not materialize, namely a new digital publication for a big communication event and the refurbishing of a game for the public during the Open Days. Ordering of promotional items was postponed in view of the introduction of the new EESC logo as of 1 January 2020.

2604: Official Journal

❖ Amount not committed EUR 52 151 (58.60%)

The number of opinions adopted by the EESC varies from year to year. The number of EESC opinions published in 2019 was lower than expected due to the end of the term of office at the European Commission. Moreover, the EESC has applied an appropriate safety margin to cater for the change of invoicing policy announced by the Publications Office. Following a further change to the Publications Office invoicing arrangements, direct billing will end from 2020, rendering this item redundant.

2620: Studies, research and hearings

❖ Amount not committed: EUR 31 800 (13.14%)

This appropriation is intended to cover the cost of hearings with experts in specific fields and studies contracted out to experts and research institutes. The lower than expected consumption is partly linked to the fact that no offers were received regarding one planned study. Furthermore, the offers received for several other studies were lower than the amount initially estimated.

5. USE OF APPROPRIATIONS AUTOMATICALLY CARRIED FORWARD
FROM 2018 TO 2019 (C8)

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

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Appropriations	Payments	Payments (%)	Unused	Unused (%)
8,614,946	7,073,176	82.10%	1,541,770	17.90%
2,087,189	1,306,851	62.61%	780,337	37.39%
1,367,472	806,772	59.00%	560,700	41.00%
1,340,510	793,735	59.21%	546,775	40.79%
11,609	2,297	19.79%	9,312	80.21%
1,262,157	768,041	60.85%	494,116	39.15%
66,744	23,397	35.05%	43,347	64.95%
26,962	13,037	48.35%	13,925	51.65%
80,586	64,270	79.75%	16,315	20.25%
80,586	64,270	79.75%	16,315	20.25%
40,182	38,755	96.45%	1,427	3.55%
40,404	25,515	63.15%	14,889	36.85%
313,093	219,790	70.20%	93,304	29.80%
104,713	87,010	83.09%	17,703	16.91%
36,222	29,849	82.41%	6,372	17.59%
58,725	48,249	82.16%	10,475	17.84%
9,767	8,912	91.24%	855	8.76%
208,380	132,779	63.72%	75,600	36.28%
136,108	111,478	81.90%	24,630	18.10%
61,510	10,540	17.14%	50,970	82.86%
10,761	10,761	100.00%	0	0.00%
326,038	216,020	66.26%	110,018	33.74%
156,598	123,948	79.15%	32,651	20.85%
5,224	280	5.36%	4,944	94.64%
151,374	123,668	81.70%	27,706	18.30%
58,149	30,925	53.18%	27,224	46.82%
111,290	61,147	54.94%	50,144	45.06%
9,397	1,725	18.35%	7,672	81.65%
32,352	15,115	46.72%	17,237	53.28%
68,777	44,308	64.42%	24,469	35.58%
765	0	0.00%	765	100.00%

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

**Annual Budgetary Accounts 2019
and Report on Budgetary and Financial Management**

Appropriations	Payments	Payments (%)	Unused	Unused (%)
8,614,946	7,073,176	82.10%	1,541,770	17.90%
6,527,757	5,766,324	88.34%	761,433	11.66%
2,651,924	2,309,071	87.07%	342,853	12.93%
1,007,660	974,947	96.75%	32,714	3.25%
435,486	434,388	99.75%	1,098	0.25%
15,382	3,809	24.77%	11,573	75.23%
322,782	318,994	98.83%	3,788	1.17%
234,011	217,755	93.05%	16,256	6.95%
1,644,263	1,334,124	81.14%	310,139	18.86%
1,230,166	957,260	77.82%	272,907	22.18%
412,933	376,761	91.24%	36,172	8.76%
1,164	103	8.82%	1,061	91.18%
2,370,510	2,238,786	94.44%	131,724	5.56%
1,509,413	1,467,458	97.22%	41,955	2.78%
658,400	652,410	99.09%	5,989	0.91%
736,370	734,820	99.79%	1,550	0.21%
114,643	80,228	69.98%	34,415	30.02%
132,049	129,986	98.44%	2,062	1.56%
717,486	635,587	88.59%	81,899	11.41%
11,562	5,755	49.77%	5,808	50.23%
163,906	87,336	53.28%	76,570	46.72%
45,103	32,226	71.45%	12,877	28.55%
5,406	2,052	37.96%	3,354	62.04%
35,500	12,000	33.80%	23,500	66.20%
32,000	4,909	15.34%	27,090	84.66%
45,896	36,148	78.76%	9,748	21.24%
571,055	429,753	75.26%	141,302	24.74%
571,055	429,753	75.26%	141,302	24.74%
53,294	40,345	75.70%	12,949	24.30%
71,733	49,252	68.66%	22,480	31.34%
3,841	3,841	100.00%	0	0.00%
18,747	6,702	35.75%	12,045	64.25%
423,440	329,612	77.84%	93,828	22.16%
770,362	701,379	91.05%	68,983	8.95%
556,539	489,389	87.93%	67,151	12.07%
313,752	253,501	80.80%	60,251	19.20%
242,787	235,888	97.16%	6,899	2.84%
213,823	211,990	99.14%	1,833	0.86%
192,817	191,317	99.22%	1,500	0.78%
4,296	3,967	92.35%	328	7.65%
16,710	16,706	99.98%	4	0.02%

5.1 COMMENTS ON USE OF APPROPRIATIONS AUTOMATICALLY CARRIED FORWARD FROM 2018 TO 2019 (C8)

For all budget headings with appropriations carried forward from 2017 to 2018 of which more than EUR 25 000 remained unused, representing more than 5% of the amount carried forward, more detailed information is provided below.

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

❖ Unused amount: EUR 494 116 (39.15%)

This budget heading covers travel expenses and allowances for members. Reimbursement claims for meetings in 2018 could be submitted until the end of 2019. Therefore, a certain amount had to be carried forward to cover any remaining expenditure for 2018. As it is not possible to precisely determine the amounts still to be claimed by EESC members, since travel costs are very variable, it was to be expected that some appropriations carried forward in order to allow a certain security margin would not be used. Furthermore, the Commission's pricing policy for the laissez-passer, under which the individual price charged is calculated *a posteriori* based on the number of laissez-passer ordered across all the institutions, makes it difficult to estimate the budget required. Laissez-passer costs were therefore lower than expected.

1008: Travel and subsistence allowances, attendance at meetings and associated expenditure of delegates of the Consultative Commission on Industrial Change

❖ Unused amount: EUR 43 347 (64.95%)

This budget heading covers travel expenses and allowances for delegates of the Consultative Commission on Industrial Change. Reimbursement claims for meetings in 2018 could be submitted until the end of 2019 and a certain amount therefore had to be carried forward to cover any remaining expenditure for 2018. As it is not possible to precisely determine the amounts still to be claimed by delegates, since travel costs are very variable, it was to be expected that some appropriations carried forward in order to allow a certain security margin would not be used.

1422: Expert advice connected with legislative work

❖ Unused amount: EUR 50 970 (82.86%)

This budget heading covers travel expenses and allowances for external experts providing advice in relation to consultative work. Reimbursement claims for meetings in 2018 could be submitted until the end of 2019 and an amount had to be carried forward to cover any remaining expenditure

for 2018. As it is not possible to precisely determine the amounts still to be claimed by experts, since travel costs are very variable, it was to be expected that some appropriations carried forward in order to allow a certain security margin would not be used.

1612: Further training

- ❖ Unused amount: EUR 27 706 (18.30%)

The amount carried forward from 2018 to 2019 was overestimated. This resulted in the non-use of appropriations related to missions and external language training. Furthermore, some appropriations remained unused due to coaching sessions, which were not finished, and to other only partially completed or delivered training sessions.

162: Missions

- ❖ Unused amount: EUR 27 224 (46.82%)

The amount carried forward from 2018 to 2019 was slightly overestimated, due to the variability in forecasting the real costs of missions.

2022: Cleaning and maintenance

- ❖ Unused amount: EUR 272 907 (22.18%)

The underutilisation results from the discrepancy between the estimated costs for various building maintenance services, technical assistance and possible other interventions and the final invoices received for these services. This difference arises from a certain safety margin included in the estimation to cover any unforeseen events as well as interventions at the year-end. The exact amount to be paid was only known upon receipt of the final invoices during 2019.

2026: Security and surveillance

- ❖ Unused amount: EUR 36 172 (8.76%)

The costs for security services connected to the work in the BvS building were lower than initially planned. The definite amount of the invoices to be paid was only known in 2019. Also during 2019, it became clear that an amount put aside for the screening of external staff to be paid to the Belgian government was not due.

2103: Telecommunications

- ❖ Unused amount: EUR 34 415 (30.02%)

EESC members are entitled to receive a contribution to their IT, telecommunications and electronic office equipment expenses during their term of office, if they attend at least 50% of the plenary sessions and their section meetings. This also applies to CCMI delegates who attend at least 50% of the CCMI meetings. The period for which attendance is calculated extends into the following year, and the corresponding appropriations are carried forward to ensure that legitimate requests from all members can be met. Several beneficiaries, however, did not meet the conditions necessary to obtain the allowance. For telecommunications expenses managed by the joint services, the definite amount due is only known in the following year. Therefore, commitments contain a safety reserve for changes in communications consumption and prices, a margin that in the end turned out to be too high.

214: Technical equipment and installations

- ❖ Unused amount: EUR 81 899 (11.41%)

In the infrastructure service, orders for water fountains were lower than foreseen due to uncertainty regarding their supply by the contractor. In the printing service, the amounts planned to cover the lease of the copy machines were not used in full as this contract ended earlier than initially foreseen. Furthermore, the reserve kept for repairing the machines at the year-end was not necessary. It only became clear in 2019 that some technical adaptations planned in relation to security access control were not feasible.

236: Postage on correspondence and delivery charges

- ❖ Unused amount: EUR 27 090 (84.66%)

Costs for sending mail and parcel delivery vary depending on the mailing activity of the requesting services. As costs are difficult to estimate and invoices arrive only in 2019, a reserve has to be kept to meet all obligations incurred by the end of the year.

2548: Interpreting

- ❖ Unused amount: EUR 93 828 (22.16%)

Appropriations carried forward cover the expenditure that could not be paid in 2018, with a certain safety margin. The safety margin covers any possible extra hours and any last-minute orders for

interpreting. Forecasting is based on a scenario where all languages requested are obtained. Actual consumption cannot be foreseen with 100% accuracy as changes in agendas, participants and the varying availability of languages have an impact on the calculation. The exact amount is only known when invoices are received.

2600: Communication

❖ Unused amount: EUR 60 251 (19.20%)

The unused amount is partially due to a high reserve which was kept for communication projects based on framework contracts. However, fewer activities than expected were undertaken during the year 2019 regarding gadgets, semi-prestigious promotional items and visual support for events. For some other activities related to photography, catering, travel etc. reserves had to be kept in order to cover the costs for late bills. However, many events did not materialise and often, actual amounts were lower than initially forecast.

6. USE OF ASSIGNED REVENUE IN 2019 (C4)

		Final Appropriations
	Total	3,838,290
1	Persons working with the institution	1,357
12	Officials and temporary staff	4
120	Remuneration and other entitlements	4
1200	Remuneration and allowances	4
14	Other staff and external services	999
142	External services	999
1420	Supplementary services for the translation service	999
16	Other expenditure relating to persons working with the institution	353
163	Activities relating to all persons working with the institution	353
1632	Social contacts between members of staff and other social measures	353
2	Buildings, furniture, equipment and miscellaneous operating expenditure	3,836,933
20	Buildings and associated costs	3,381,135
200	Buildings	1,655,074
2000	Rent	1,573,210
2007	Fitting-out of premises	81,863
202	Other expenditure on buildings	1,726,061
2022	Cleaning and maintenance	800
2026	Security and surveillance	1,725,261
21	Data processing, equipment and furniture: purchase, hire and maintenance	432,704
210	Equipment, operating costs and services relating to data-processing and telecommunications	167,236
2103	Telecommunications	167,236
214	Technical equipment and installations	265,467
23	Current administrative expenditure	6,772
232	Legal costs and damages	6,500
236	Postage on correspondence and delivery charges	272
25	Operational activities	3,595
254	Meetings, conferences, congresses, seminars and other events	3,595
2542	Expenditure on the organisation of and participation in hearings and other events	3,595
26	Communication, publications and acquisition of documentation	12,728
260	Communication, information and publications	30
2600	Communication	30
262	Acquisition of information, documentation and archiving	12,699
2622	Documentation and library expenditure	12,699

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Committed	Committed (%)	Payments	Payments (%)	Outstanding commitments	Available credits	Available percentage
3,769,932	98.22%	2,894,977	76.79%	874,956	68,357	1.78%
357	26.33%	357	100.00%	0	999	73.67%
4	100.00%	4	100.00%	0	0	0.00%
4	100.00%	4	100.00%	0	0	0.00%
4	100.00%	4	100.00%	0	0	0.00%
0	0.00%	0		0	999	100.00%
0	0.00%	0		0	999	100.00%
0	0.00%	0		0	999	100.00%
353	100.00%	353	100.00%	0	0	0.00%
353	100.00%	353	100.00%	0	0	0.00%
353	100.00%	353	100.00%	0	0	0.00%
3,769,575	98.24%	2,894,619	76.79%	874,956	67,358	1.76%
3,328,245	98.44%	2,711,987	81.48%	616,258	52,890	1.56%
1,606,984	97.09%	1,606,984	100.00%	0	48,090	2.91%
1,570,054	99.80%	1,570,054	100.00%	0	3,156	0.20%
36,930	45.11%	36,930	100.00%	0	44,933	54.89%
1,721,261	99.72%	1,105,003	64.20%	616,258	4,800	0.28%
0	0.00%	0		0	800	100.00%
1,721,261	99.77%	1,105,003	64.20%	616,258	4,000	0.23%
428,670	99.07%	182,632	42.60%	246,037	4,034	0.93%
165,197	98.78%	165,197	100.00%	0	2,039	1.22%
165,197	98.78%	165,197	100.00%	0	2,039	1.22%
263,472	99.25%	17,435	6.62%	246,037	1,995	0.75%
272	4.01%	0	0.00%	272	6,500	95.99%
0	0.00%	0		0	6,500	100.00%
272	100.00%	0	0.00%	272	0	0.00%
0	0.00%	0		0	3,595	100.00%
0	0.00%	0		0	3,595	100.00%
0	0.00%	0		0	3,595	100.00%
12,389	97.33%	0	0.00%	12,389	339	2.67%
0	0.00%	0		0	30	100.00%
0	0.00%	0		0	30	100.00%
12,389	97.56%	0	0.00%	12,389	310	2.44%
12,389	97.56%	0	0.00%	12,389	310	2.44%

7. RE-USED ASSIGNED REVENUE FROM 2018 (C5)

		Final Appropriations
	Total	37,729
2	Buildings, furniture, equipment and miscellaneous operating expenditure	37,729
20	Buildings and associated costs	13
202	Other expenditure on buildings	13
2026	Security and surveillance	13
21	Data processing, equipment and furniture: purchase, hire and maintenance	30,646
210	Equipment, operating costs and services relating to data-processing and telecommunications	2,290
2103	Telecommunications	2,290
216	Vehicles	28,356
23	Current administrative expenditure	7,001
232	Legal costs and damages	7,001
25	Operational activities	70
254	Meetings, conferences, congresses, seminars and other events	70
2546	Representation expenses	70

Committed	Committed (%)	Payments	Payments (%)	Outstanding commitments	Available credits	Available percentage
30,659	81.26%	22,501	73.39%	8,158	7,071	18.74%
30,659	81.26%	22,501	73.39%	8,158	7,071	18.74%
13	100.00%	13	100.00%	0	0	0.00%
13	100.00%	13	100.00%	0	0	0.00%
13	100.00%	13	100.00%	0	0	0.00%
30,646	100.00%	22,489	73.38%	8,158	0	0.00%
2,290	100.00%	2,290	100.00%	0	0	0.00%
2,290	100.00%	2,290	100.00%	0	0	0.00%
28,356	100.00%	20,199	71.23%	8,158	0	0.00%
0	0.00%	0		0	7,001	100.00%
0	0.00%	0		0	7,001	100.00%
0	0.00%	0		0	70	100.00%
0	0.00%	0		0	70	100.00%
0	0.00%	0		0	70	100.00%

8. APPROPRIATIONS FROM EXTERNAL ASSIGNED REVENUE (R0)

		Final appropriations
Total		450,992
2	Buildings, furniture, equipment and miscellaneous operating expenditure	450,992
25	Operational activities	450,992
254	Meetings, conferences, congresses, seminars and other events	450,992
2542	Expenditure on the organisation of and participation in hearings and other events	450,992

III.

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Committed	Committed (%)	Payments	Payments (%)	Outstanding commitments	Available credits	Available percentage
423,865	93.99%	290,986	68.65%	132,879	27,126	6.01%
423,865	93.99%	290,986	68.65%	132,879	27,126	6.01%
423,865	93.99%	290,986	68.65%	132,879	27,126	6.01%
423,865	93.99%	290,986	68.65%	132,879	27,126	6.01%
423,865	93.99%	290,986	68.65%	132,879	27,126	6.01%

9. EESC BUDGET RESULT

2019	EUR
Revenue for the financial year	16,702,770
Payments against current year's budget appropriations	-128,084,101
Payments against assigned revenue appropriations	-3,208,464
Payment appropriations carried over to year N+1	-7,839,335
Cancellation of unused payment appropriations carried over from year N-1	1,541,770
Evolution of assigned revenue	-1,080,818
Exchange differences for the year (symbolic)	0
Budget result	-121,968,177

PART IV

Appendices

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1. INTERNAL CONTROL ENVIRONMENT: STATE OF PLAY

Following the formal adoption of 16 internal control standards (ICS) in 2018, the EESC launched its annual exercise to assess compliance with these ICS at the end of 2019. Compliance was assessed through an ad hoc questionnaire, composed of 35 questions. The 2019 questionnaire was redrafted to obtain more detailed answers together with a list of tangible actions/measures taken in 2019. Each directorate had to answer more questions than they did during the 2018 assessment exercise.

The degree of compliance with each control standard was demonstrated with quantitative and qualitative indicators.

After evaluating the questionnaires, the internal control coordinator presented a final report to the authorising officer by delegation.

In 2019, there was an improvement in terms of compliance with the ICS when compared to 2018. However, not all standards were fully implemented.

On the basis of the ICS report, the authorising officer by delegation decided that the following action to further improve compliance with the control standards would be taken in 2020:

ICS 6: Risk management

The risk assessment exercise started at the end of 2019 within one directorate. The other directorates did not carry out the exercise in 2019. This action has been postponed to 2020.

- ICS 7: Sensitive functions not implemented
In 2019, there was no formal assessment of sensitive functions as the risk analysis exercise was not fully carried out. This action has been postponed to 2020.
- ICS 12: Information and communication
In 2019, the EESC started the process of approving and implementing a multiannual internal communication strategy. However, there was no final decision as regards its implementation. This action has been postponed to 2020.
- ICS 8: Processes and procedures
Despite the fact that processes and procedures exist in each directorate/unit, there was a lack of harmonised written documentation. A template for procedures, with a centralised registry, will ensure greater respect for existing processes and procedures and will make sure that all main activities are covered by a procedure.

2. MAIN RECOMMENDATIONS OF THE INTERNAL AUDITOR CONTAINED IN AUDIT REPORTS PRODUCED IN 2019 AND ACTION TAKEN TILL DATE

2.1 AUDIT UNIVERSE

The EESC's Internal Audit Service (IAS) covers all activities, services and appropriations managed by the EESC, both in its own services and in the Joint Services, i.e. the directorates for logistics and translation. For audits in the Joint Services the IAS collaborates closely with the Internal Audit Service of the European Committee of the Regions (CoR), under the provisions of the EESC-CoR Cooperation Agreement¹.

2.2 INTERNAL AUDIT SERVICE

Staffing of the IAS has a direct impact on the capacities of the service and thus on its ability to provide assurance as to the strength of the EESC's risk and control environment. Currently, three posts are earmarked for the IAS: the Internal Auditor, an administrator and an assistant. The issue of staffing was raised with the Audit Committee in 2019.

The IAS reports to the president of the EESC but is administratively attached to the secretary-general.

2.3 STATEMENT OF ASSURANCE, DISCHARGE AND COMMUNICATIONS WITH EXTERNAL CONTROL BODIES

In its own risk assessment and planning the IAS relies inter alia on the annual statement of assurance from the European Court of Auditors (ECA) and the discharge resolution from the European Parliament. EESC action in these areas is coordinated by the Budget Unit (under the Directorate for Human Resources and Finance), which is also tasked with keeping the IAS informed. Besides, according to the audit charter, the IAS must be notified of official communications with external control bodies. In 2019, the IAS was not advised of any such communications containing issues of relevance to its assurance activities.

2.4 AUDITS AND INVESTIGATIONS

In 2019, two audits were finalised, one entitled "Compliance with institutional deadlines" and one on interpretation.

¹ The current cooperation agreement runs until the end of 2020 (originally 2016-2019 but extended for one year).

2.4.1. Compliance with institutional deadlines

According to the Treaty on the Functioning of the European Union (TFEU), the institutions may set a time limit of not less than one month for the submission of EESC opinions. In the current audit, the IAS looked at the EESC's compliance with deadlines set by the institutions in relation to mandatory referrals, i.e. requests for EESC opinions based directly on the TFEU. The five-year period from mid-2013 to mid-2018 was examined.

At the time of writing, the EESC is in the process of implementing administrative measures set out in the action plan, such as making institutional deadlines appear prominently in the documents used by the EESC in organising its work, and compiling statistics on the Committee's compliance with deadlines in a consistent manner. The IAS also recommended that relevant governing bodies revisit an internal report on optimising EESC working methods and opinions that was adopted by the Bureau in 2012.

2.4.2. Audit on interpretation

Interpretation is an important component of EU decision-making and thus also in the dialogue that takes places between representatives of European civil society in the EESC. In the past, resources were relatively abundant under the budget heading in question, but due both to significant cuts and to the higher costs of interpretation the EESC can now afford only around 75% of the interpretation it could afford in 2014. So far this has not led to any further restrictions on the provision of language services but this could be the case in the future². The purpose of this operational audit was to examine procedures to gauge if there were any cost-savings to be made without compromising the quantity and the quality of interpretation provided.

An analysis of selected cases showed that procedures for provision of interpretation were well established and worked well. In the vast majority of cases, interpretation was provided as requested. According to a survey conducted in 2017 by the Commission's Directorate-General for Interpretation (SCIC), the main provider of interpretation to the EESC, overall satisfaction among end-users was high. The IAS made a series of recommendations related to the compilation and analysis of statistics on the actual use of interpretation. An agreed action plan is currently being implemented and includes ongoing identification of areas with potential for cost-saving.

2.4.3. Other audits in the 2019 work programme

An audit on verification was included in the 2019 work programme and reached the stage of the contradictory procedure in 2019. That audit is expected to be finalised in early 2020.

An audit on "Ethics – well-being at work" was envisaged in the 2019 work programme and now reappears in the 2020 work programme under the title "Ethics". The preparatory work on that

² Currently, the number of working languages in study groups is limited to four, with the possibility of increasing it to six.

audit was started in 2019, but the approach has been altered following the special report from the ECA on ethics published on 19 July 2019³. The ECA audit assessed whether ethical frameworks were well-established in the European Parliament, the Council of the European Union (and the European Council) and the European Commission, without assessing their implementation. It is the intention of the IAS to follow the approach chosen by the ECA and assess the ethical framework established within the EESC.

An audit on "Maintenance" envisaged in the work programme was ultimately abandoned, as the CoR's Internal Audit Service currently carries out a comprehensive audit on the regularity of procurement procedures in the Directorate for Logistics. In agreement with the IAS, the CoR audit may take a position on the maintenance contract that was the subject of the EESC audit.

In 2019, the bar was set too high in terms of completing audits, and the intention now is to conduct 2.5 audits per year, counted over a four-year period. It should be stressed that even this target is rather ambitious compared to 2013-2018.

2.4.4. Cooperation

Overall, cooperation has been excellent, with auditees seeming to embrace the IAS's role as a "critical friend".

2.5 OTHER ACTIVITIES

IAS activities in 2019 also included:

- *Follow-up on agreed action plans*
In 2019, this mainly concerned the audit on "Salary payments" finalised in 2018, where further progress was made on the agreed action plan. The ongoing audit on verification and an envisaged audit on "Statutory rights" are closely linked to the 2018 audit.
- *Organisation of meetings and other technical and secretarial assistance to the Audit Committee*
See point 2.6.
- *Establishment of control standards and risk analysis*
Following the adoption of 16 internal control standards in July 2018, a new framework for the assessment of risks is being developed. The IAS remains in close contact with the Finance and Financial Verification Unit, under the Directorate for Human Resources and Finance, which is responsible for this task.
- *Cooperation with other institutions*
The cooperation with the CoR's Internal Audit Service has already been mentioned. The IAS also maintains direct contacts with the ECA (as mentioned above, the Budget Unit is the ECA's formal contact point at the EESC).

³ The ethical framework of the audited institutions: scope for improvement, European Court of Auditors' Special Report No 13/2019.

- *Training*
Continuous upgrading of knowledge and skills, which also allows for experience-sharing with colleagues in other institutions, is crucial for a small entity such as the IAS. In 2019, staff continued to complete training courses offered by the European Commission, including the Commission's Internal Audit Training Programme, which consists of presentations and lectures.
- *Physical archiving*
In 2019, the IAS started reorganising all documents stored for the last 20 years. All material will over time be put in one secured room that has been fitted out for the purpose.
- *Electronic archiving*
The development of a clearly defined electronic environment (based on SharePoint) was initiated alongside the physical archiving.

2.6 AUDIT COMMITTEE

The Audit Committee consists of three EESC members, supported by an external expert. The Audit Committee ensures the independence of the Internal Auditor, monitors the quality of the internal audit work, and ensures that internal and external audit recommendations are properly taken into account and followed up on by the EESC. The IAS provides technical and secretarial assistance to the Audit Committee. The Audit Committee held four meetings in 2019: on 16 February, 22 October, 4 November and 9 December (between March and October the Audit Committee was not operational pending the appointment of its chair).

2.7 CONCLUSION

With the continued engagement of auditees in implementing audit recommendations, the audits completed or followed up on in 2019 enable the IAS to provide reasonable assurance as to an improved and enhanced application of the principles of sound financial management and performance at the EESC. The proportion of the audit universe that can be covered, even over time, remains limited.

3. DISPOSING OF FIXED ASSETS 2019

Financial Regulation, Article 87: The inventory of assets

1. *Union institutions and agencies or Union bodies referred to in Section 2 of Chapter 3 of this Title shall keep inventories showing the quantity and value of all their tangible, intangible and financial assets in accordance with a model drawn up by the accounting officer of the Commission.
They shall also check that entries in their respective inventories correspond to the actual situation.
All items acquired with a period of use greater than one year, which are not consumables, and whose purchase price or production cost is higher than that indicated by the accounting procedures referred to in Article 77 shall be entered in the inventory and recorded in the fixed assets accounts.*
2. *The sale of the Union's tangible assets shall be suitably advertised.*
3. *Union institutions and agencies or Union bodies referred to in Section 2 of Chapter 3 of this Title shall adopt provisions on safeguarding the assets included in their respective inventories and decide which administrative departments are responsible for the inventory system.*

Internal financial rules, Article 36: Inventory

In accordance with Article 87 of the FR the authorising officer by delegation, assisted by the accounting officer, shall adopt provisions on the inventory of tangible, intangible and financial assets.

3.1 DISPOSING OF IMMOVABLE PROPERTY OR MAJOR INSTALLATIONS FREE OF CHARGE IN 2019

No immovable property or major installations were made available free of charge by the European Economic and Social Committee during 2019.

In 2019, the Committees signed an administrative agreement with the Commission for exchanging the continuation of the long-term lease on the VMA building against the two leases of the B68 and TRE building. This exchange will be effective in September 2022 when the present value of both sets of buildings will be identical.

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

4.1 INTRODUCTION

According to the Financial Regulation (articles 33.2 and 247.1 (e)), every institution must define and report annually on a set of performance indicators.

The EESC secretariat has therefore developed a set of indicators for all its directorates. Some measure the level of performance (e.g. payment lead times), whilst others measure the level of activity (e.g. a production volume). These are referred to as Key Activity and Performance Indicators (KAPIs). The KAPIs in this appendix refer to the situation in 2019, unless otherwise indicated.

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

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

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

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

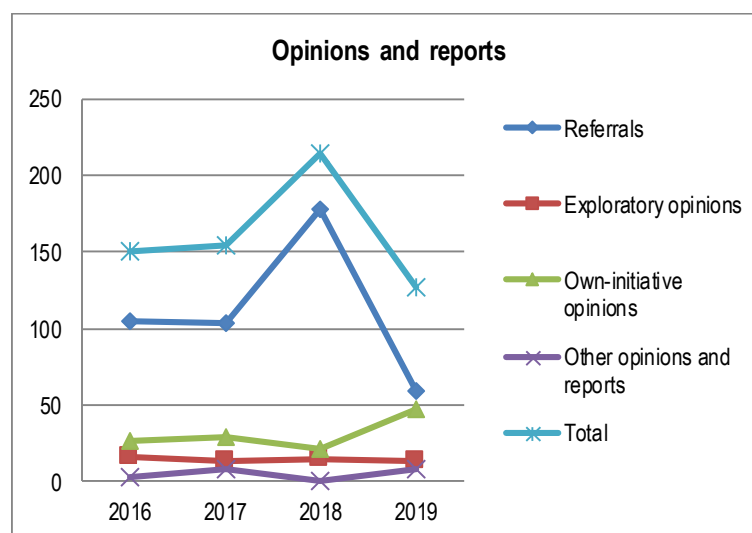
KAPIs evolve along with the secretariat's activities and organisation and are reviewed regularly.

4.2 DIRECTORATES FOR LEGISLATIVE WORK

Opinions and reports

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

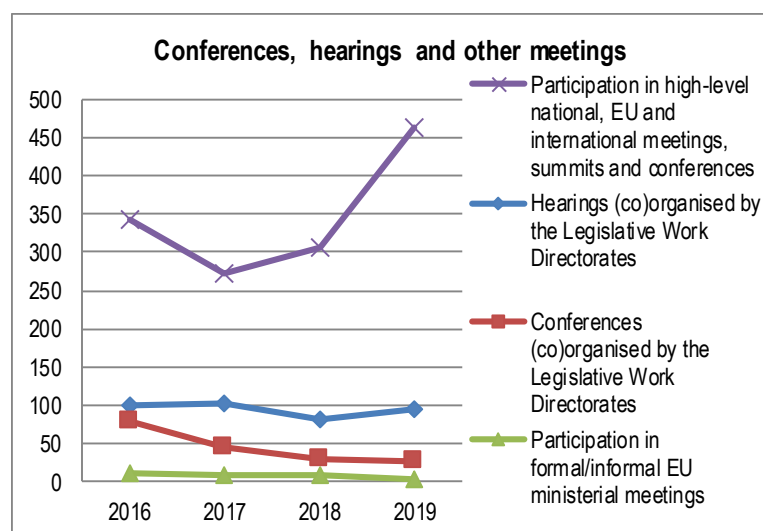
	Opinions and reports				
	Referrals	Exploratory opinions	Own-initiative opinions	Other opinions and reports	Total
2019	59	13	47	8	127
2018	178	15	21	1	215
2017	104	13	29	9	155
2016	105	16	27	3	151



Conferences, hearings and other meetings

This indicator measures the number of meetings organised by the Legislative Work Directorates of the EESC and the participation of EESC members in high-level conferences as part of their work within these Directorates.

Conferences, hearings and other meetings				
	Hearings (co)organised by the Legislative Work Directorates	Conferences (co)organised by the Legislative Work Directorates	Participation in formal/informal EU ministerial meetings	Participation in high-level national, EU and international meetings, summits and conferences
2019	95	28	5	462
2018	81	30	8	307
2017	102	46	9	273
2016	100	79	11	343



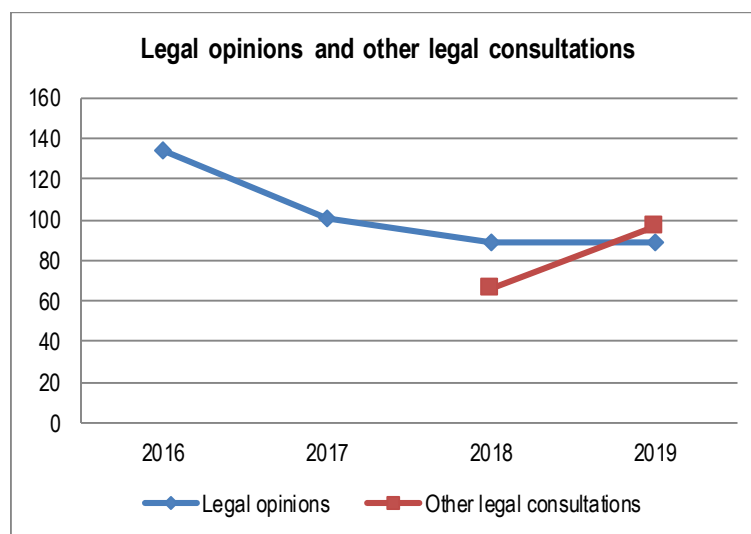
4.3 DIRECTORATE FOR LEGISLATIVE PLANNING, RELATIONS WITH INSTITUTIONS AND CIVIL SOCIETY

Legal opinions

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

	Legal opinions	Other legal consultations
2019	89	97
2018*	89	66
2017	101	-
2016	134	-

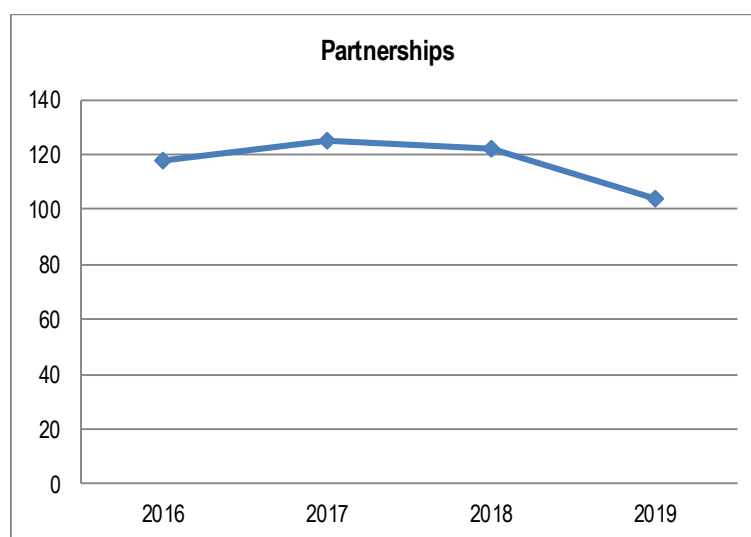
* The LS counting methodology changed in 2018 because in the previous years, the "other legal consultations" were very few. In 2018, the number of "other legal consultations" (informal consultations) increased considerably and the LS decided to take stock of them as they are time consuming and for the need of keeping track of them.



Partnerships

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

	Partnerships
2019	104
2018	122
2017	125
2016	118

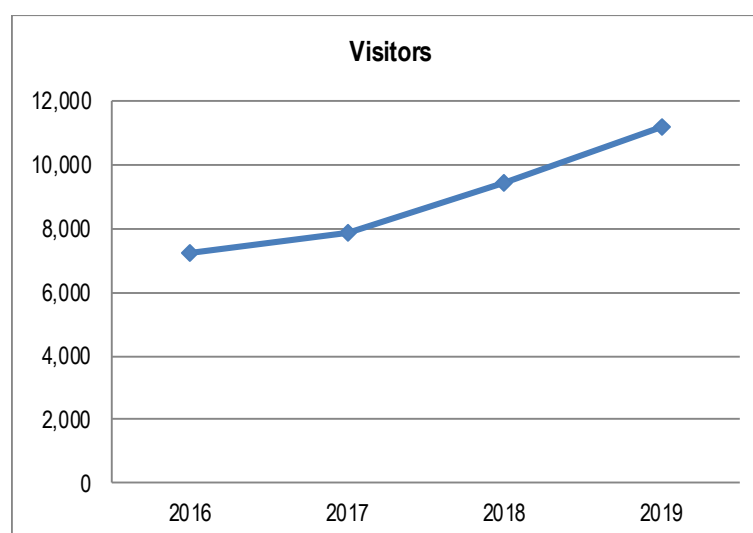
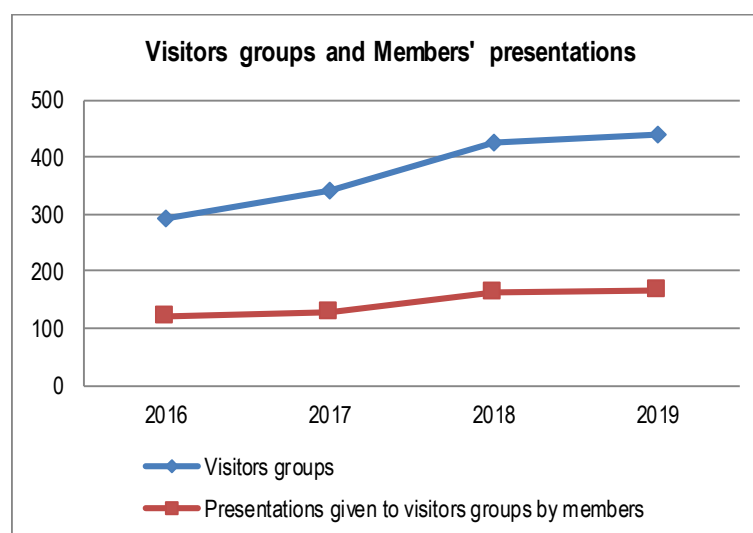


4.4 DEPARTMENT FOR COMMUNICATION

Visitors groups

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

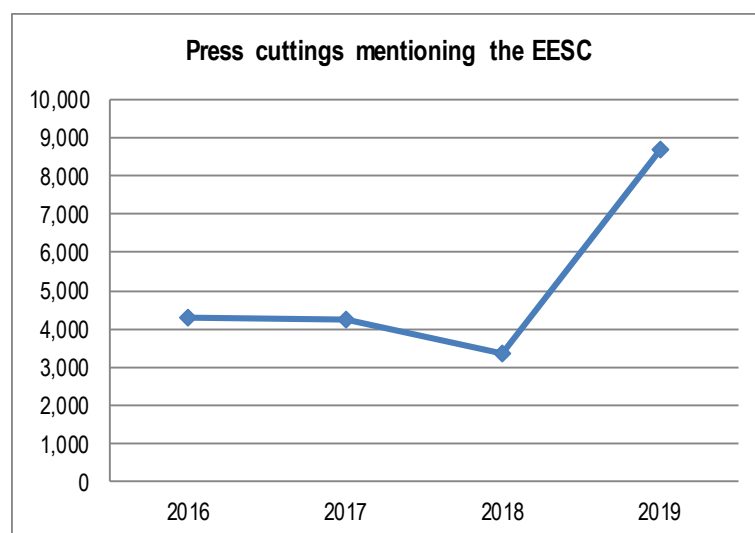
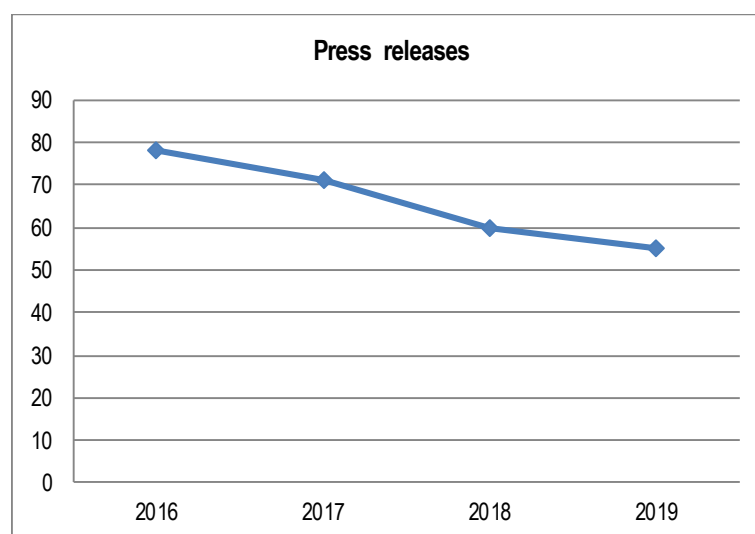
	Visitors groups	Presentations given to visitors groups by members	Visitors
2019	441	165	11,144
2018	424	164	9,419
2017	342	128	7,847
2016	293	121	7,237

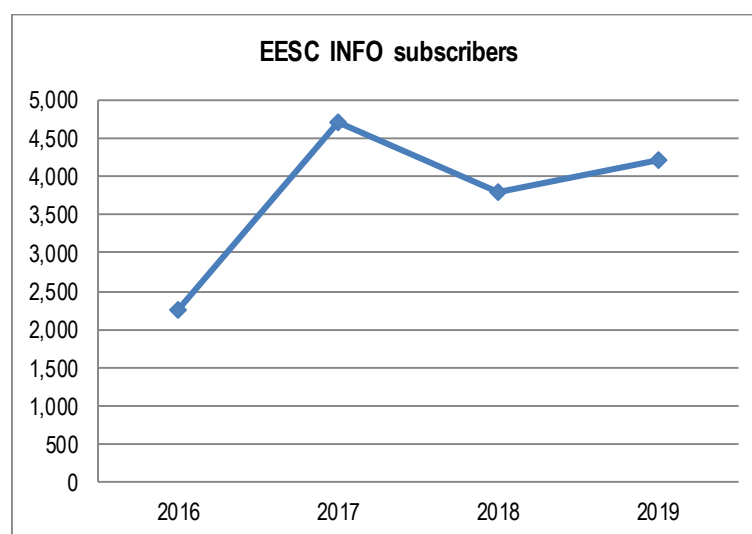


Press activities

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

	Press releases	Press cuttings mentioning the EESC	EESC INFO subscribers
2019	55	8,701	4,214
2018	60	3,364	3,782
2017	71	4,247	4,717
2016	78	4,307	2,244

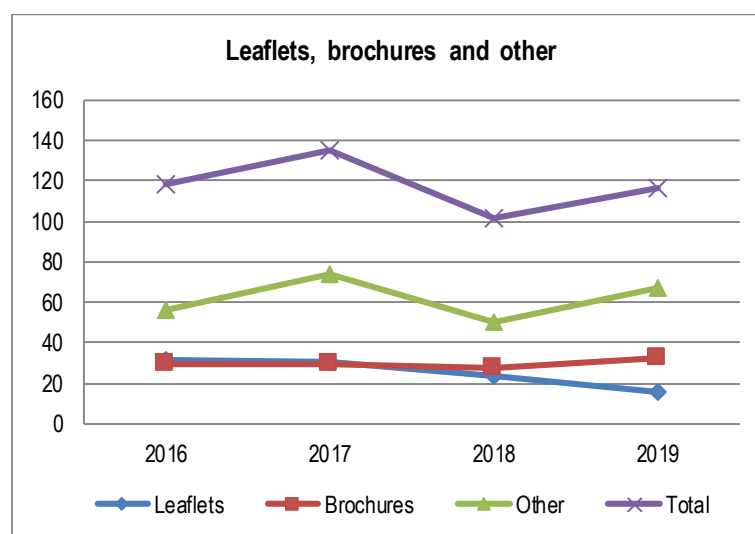




Publications

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

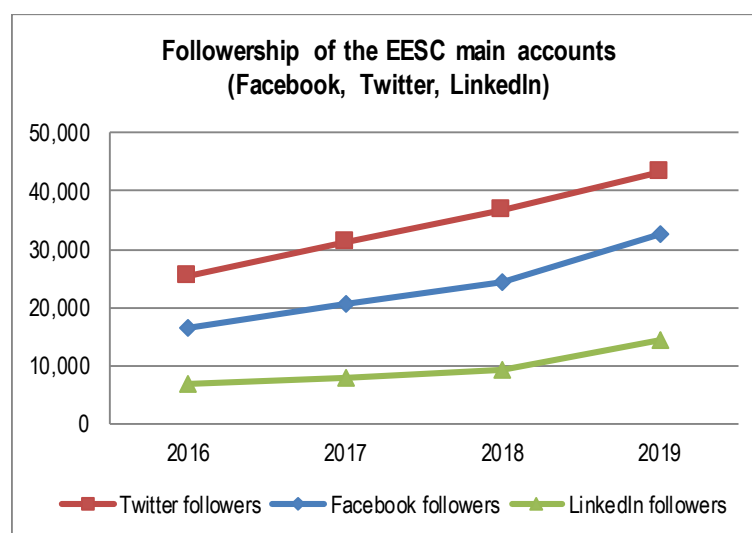
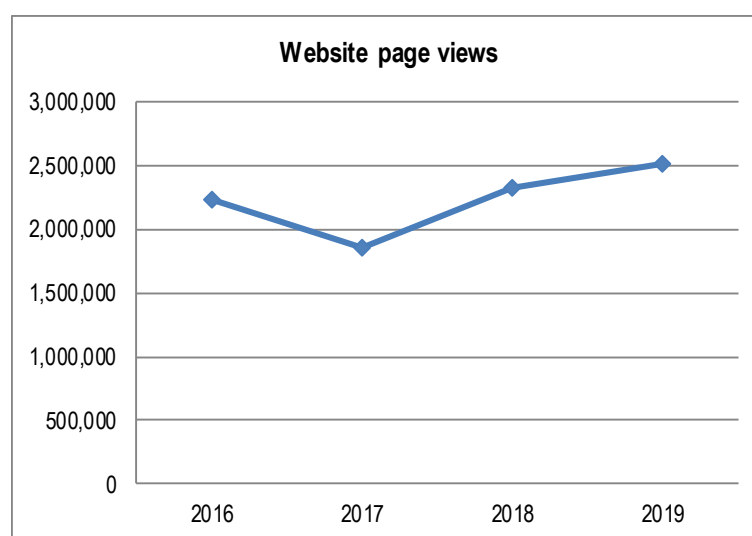
	Leaflets	Brochures	Other	Total
2019	16	33	67	116
2018	24	28	50	102
2017	31	30	74	135
2016	32	30	56	118



Internet and social media

This indicator measures the number of pages viewed on the Internet site of the Committee and the number of followers on the EESC corporate Twitter, Facebook and LinkedIn accounts.

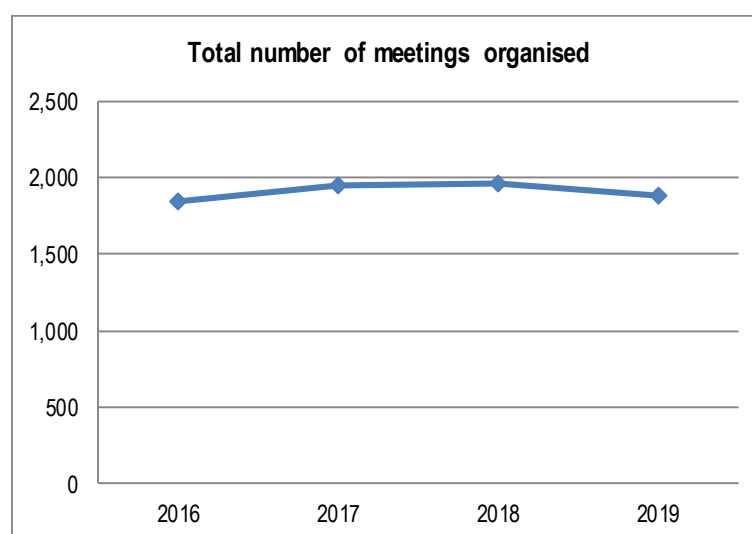
	Website page views	Twitter followers	Facebook followers	LinkedIn followers
2019	2,514,496	43,307	32,622	14,562
2018	2,329,129	36,634	24,486	9,407
2017	1,851,141	31,091	20,674	7,829
2016	2,236,026	25,303	16,352	6,728



Meetings organised

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

	EESC		CoR		JS		Total	FTE	Meetings / FTE
	Number	%	Number	%	Number	%			
2019	962	51.3%	876	46.7%	39	2.1%	1,877	20.2	93.0
2018	1,086	55.3%	861	43.8%	17	0.9%	1,964	20.5	95.8
2017	1,075	55.0%	856	43.8%	22	1.1%	1,953	21.2	92.3
2016	1,029	55.8%	778	42.2%	37	2.0%	1,844	21.8	84.7

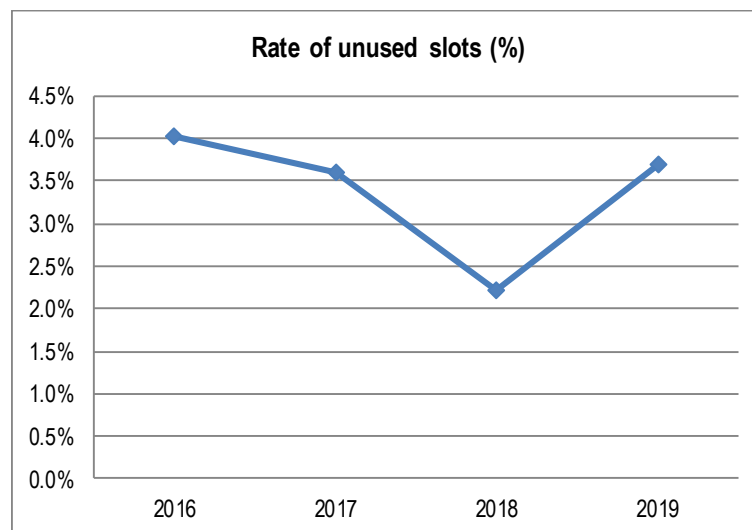
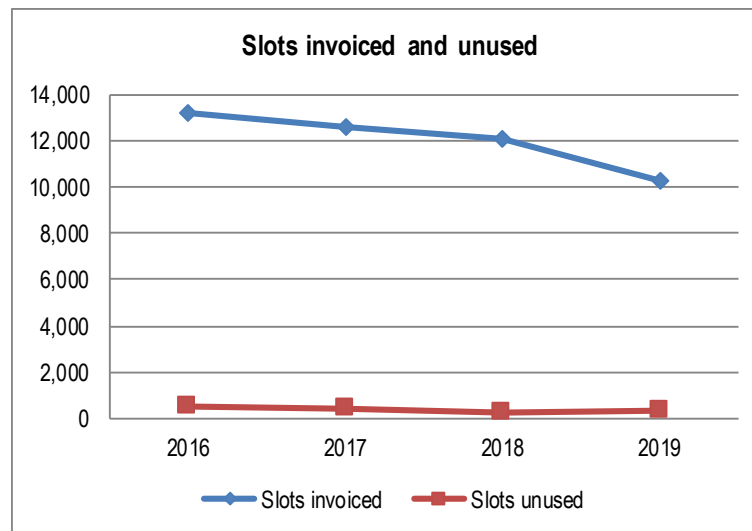


* All types of occupation of rooms (meetings, visits, conferences, etc.).

Interpretation activity and rate of unused interpretation

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

	Slots invoiced		Slots unused		
	Number	Amount (€)	Number	Amount (€)	Rate of unused slots (%)
2019	10,304	5,131,392	381	189,738	3.7%
2018	12,043	5,876,984	266	129,808	2.2%
2017	12,630	6,651,440	456	212,040	3.6%
2016	13,214	5,880,230	533	237,185	4.0%



4.5 DIRECTORATE FOR HUMAN RESOURCES AND FINANCE

In 2019, the number of posts made available by the budgetary authority was 668. Only the KAPI on the post occupation rate refers to the number of posts, whereas the other KAPI refer to the workforce. The number of staff employed (officials, temporary agents, contract agents, seconded national experts and medical adviser) was 702 on 31 December 2019. All references to the composition of staff refer to that date.

When not differently specified, the AD function group includes contract agents of FG IV, SNEs and the medical adviser; likewise, when not differently specified, the AST function group includes contract agents of FGII and FGIII, and the AST/SC function group includes contract agents of FGI.

Abbreviations

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

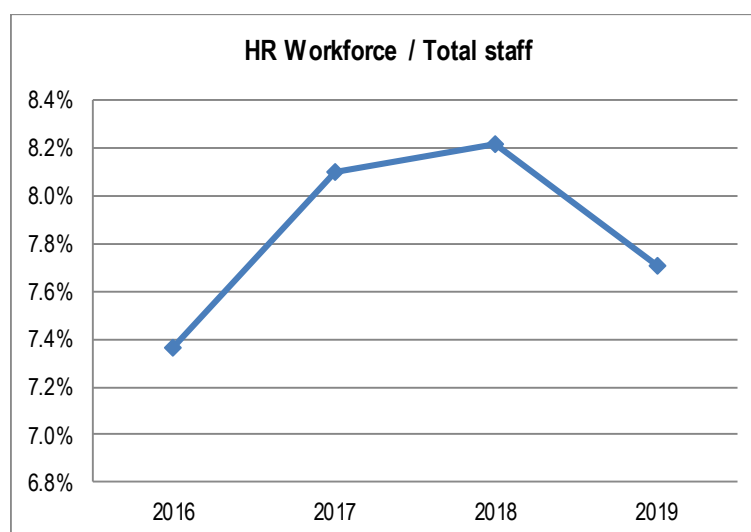
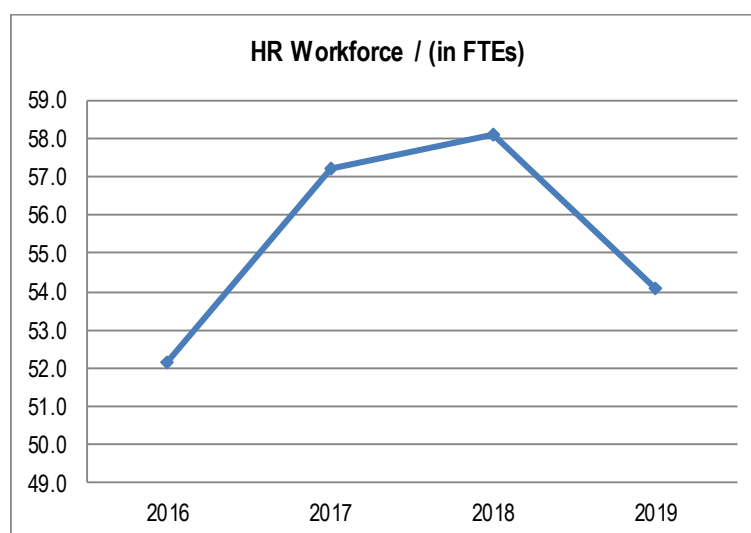
AD = administrators
AST = assistants
CS = special adviser (Conseiller special - doctor)
CT = contract agents
SNE = seconded national experts
F = female
FG = function group
FS = officials on probation (fonctionnaire stagiaire)
FT = established officials (fonctionnaire titulaire)
FTE = full-time equivalents
JS = Joint Services (shared by the EESC and the CoR)
M = male
SC = secretaries/clerks
TP = temporary agents

HR workforce

This indicator measures, at the end of the year, the ratio between the HR resources of the DHRF, in "full-time equivalents" (FTE's), and the total number of staff (officials, temporary and contract agents, SNE's, special advisers) of the Committee. Due to a change of the methodology, the numbers for previous years were recalculated according to this new methodology.

* In 2017 the Directorate of Human Resources was merged with the Directorate of Finances, increasing the number of staff at the horizontal level

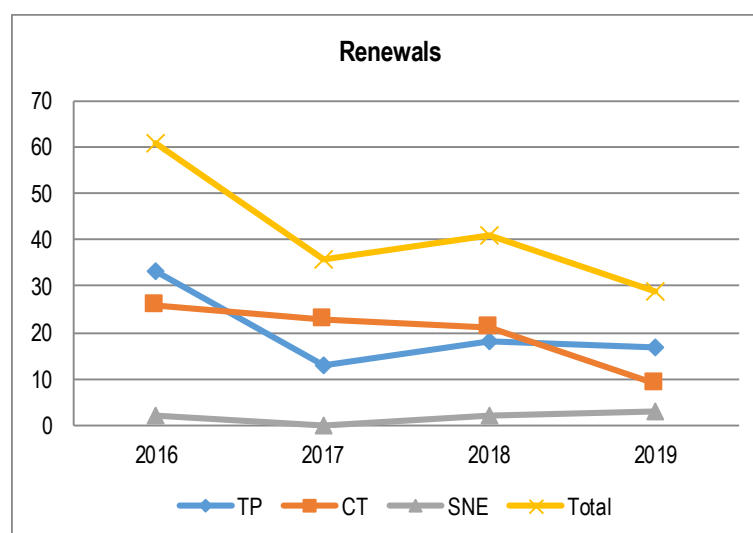
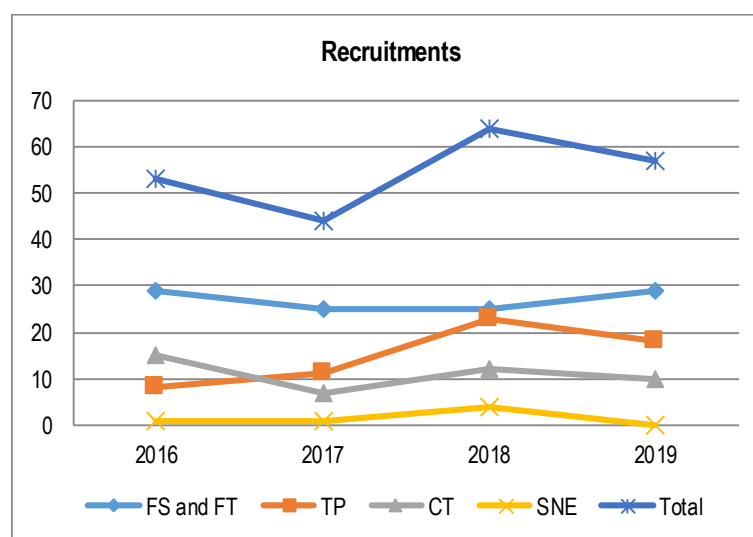
	HR Workforce (in FTEs)	Total staff	HR Workforce (in FTE) / Total staff
2019	54.1	702	7.7%
2018	58.1	707	8.2%
2017	57.2	707	8.1%
2016	52.1	708	7.4%



Number of recruitments/renewals

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

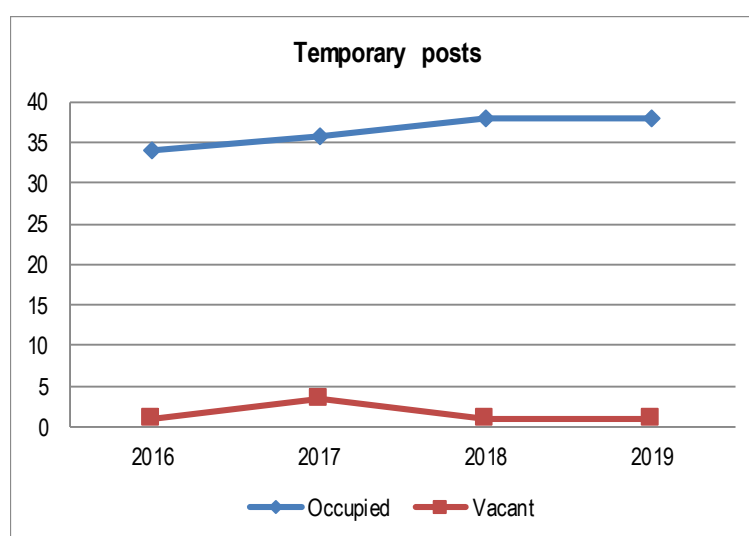
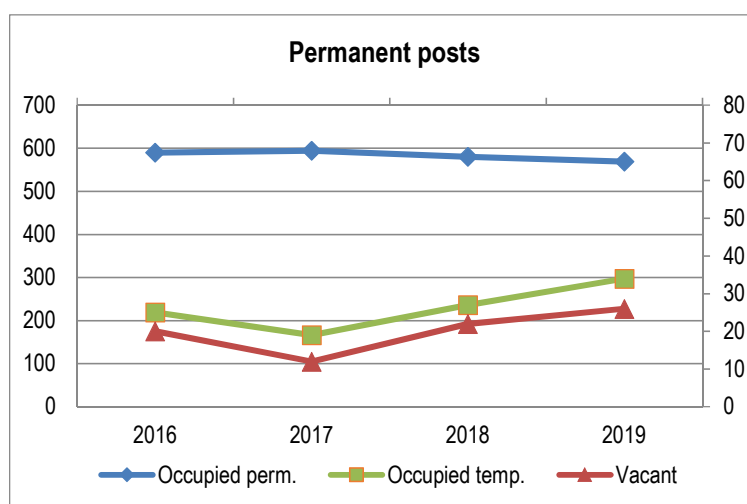
	Recruitments					Renewals			
	FS and FT	TP	CT	SNE	Total	TP	CT	SNE	Total
2019	29	18	10	0	57	17	9	3	29
2018	25	23	12	4	64	18	21	2	41
2017	25	11	7	1	44	13	23	0	36
2016	29	8	15	1	53	33	26	2	61

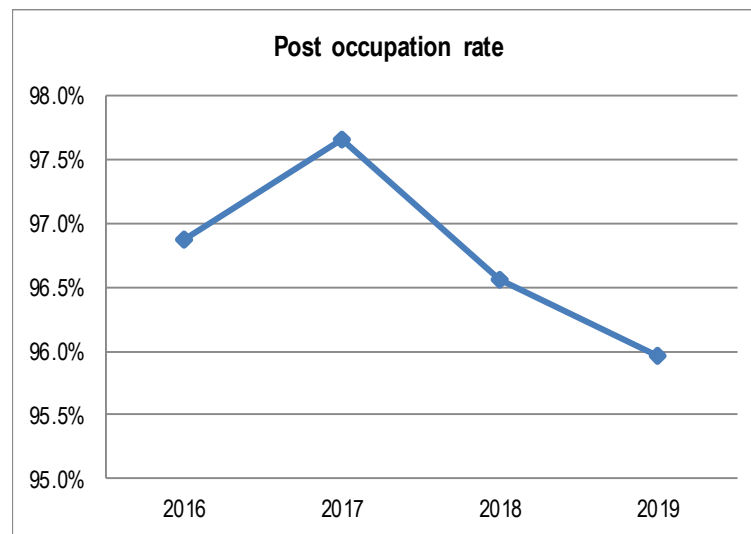


Post occupation rate

This indicator measures, at the end of the year, the occupation rate of the Committee's posts. It distinguishes between an occupation of permanent and temporary posts (staff on parental or family leave are considered to permanently occupy the post).

	Total	Post occupation rate	Permanent posts							Temporary posts		
			All	AD	AST	SC	Occupied perm.	Occupied temp.	Vacant	All	Occupied	Vacant
2019	668	96.0%	629	313	279	37	569	34	26	39	38	1
2018	668	96.6%	629	313	281	35	580	27	22	39	38	1
2017	665	97.6%	626	311	288	27	595	19	12	39	36	3
2016	670	96.9%	635	315	300	20	590	25	20	35	34	1

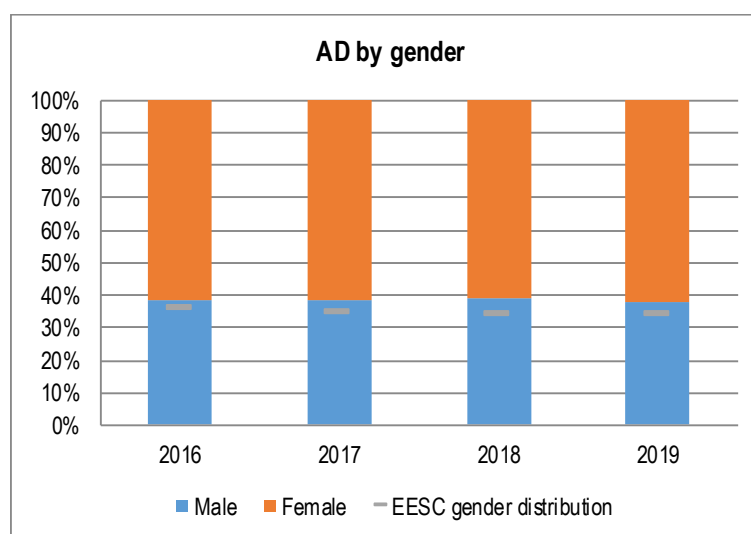
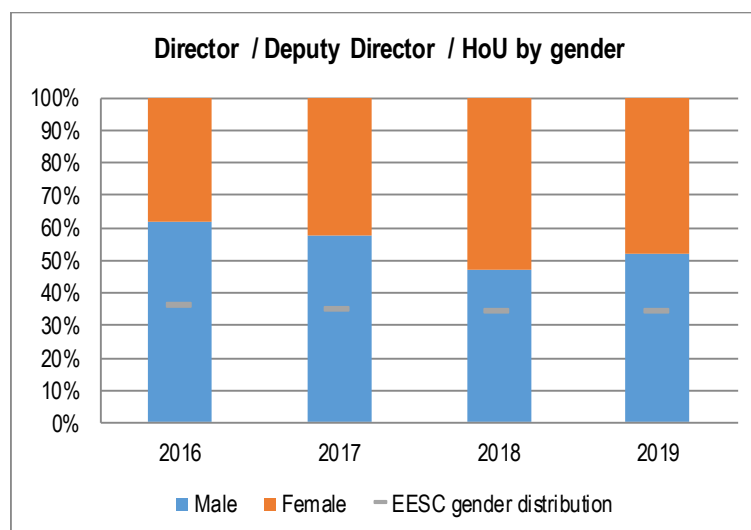


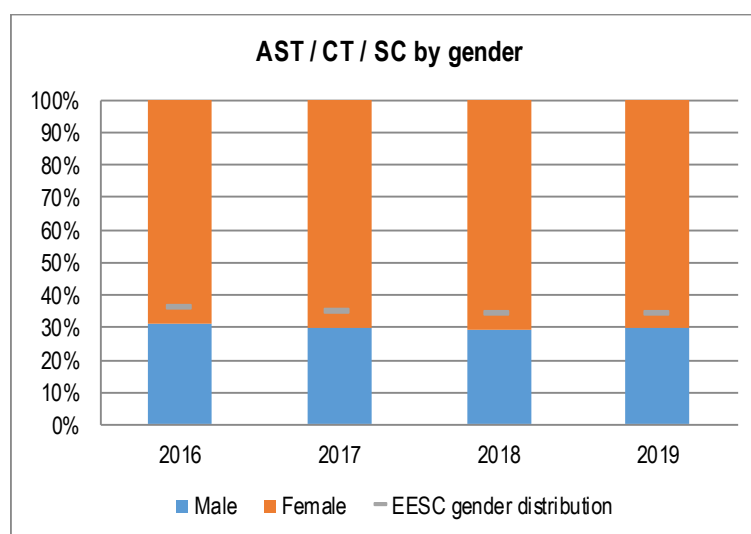


Distribution of staff by gender

This indicator measures, at the end of the year, the gender distribution per category of staff. Numbers for management include also acting managers. Due to a change of methodology, the numbers for previous years were recalculated according to this new methodology.

	Director/Deputy Director/Head of unit				AD/FGIV/SNE/CS excluding management				AST/SC/FGI-III			
	Number	% of total staff	% M	% F	Number	% of total staff	% M	% F	Number	% of total staff	% M	% F
2019	48	6.8%	52.1%	47.9%	283	40.3%	37.8%	62.2%	371	52.8%	29.6%	70.4%
2018	49	6.9%	46.9%	53.1%	284	40.2%	39.4%	60.6%	374	52.9%	29.4%	70.6%
2017	51	7.2%	56.9%	41.4%	285	40.3%	38.6%	61.4%	371	52.5%	29.9%	70.1%
2016	51	7.2%	60.8%	37.5%	292	41.2%	38.7%	61.3%	365	51.6%	31.2%	68.8%

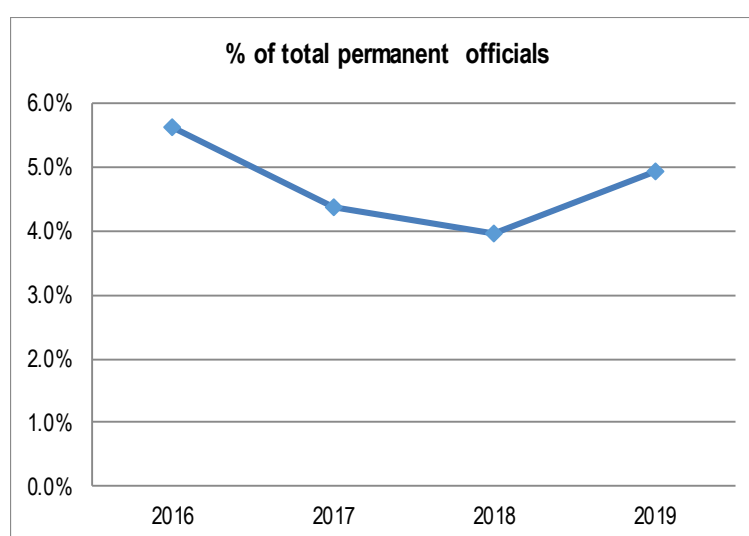
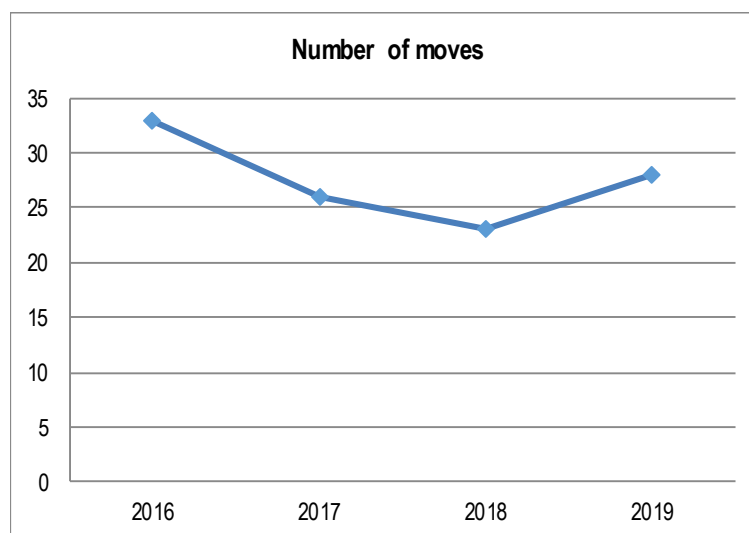




Internal mobility

This indicator measures the number of moves of permanent officials from one organisational entity to another within the Committee. Mobility linked to internal reorganisation while keeping the same job content is not included.

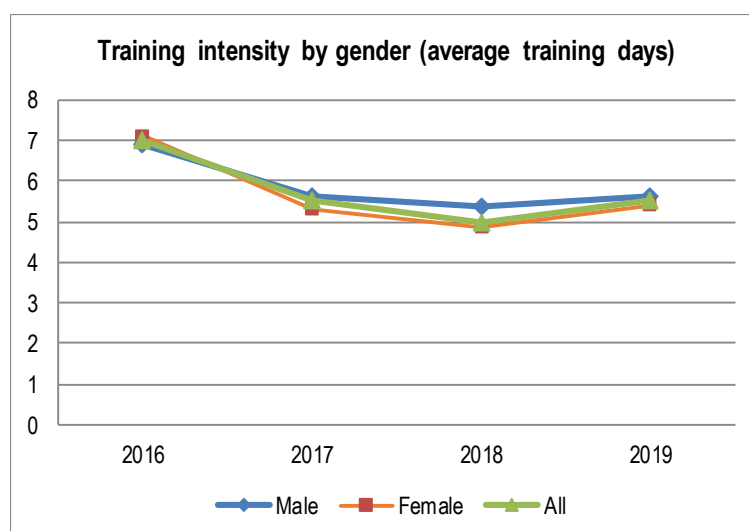
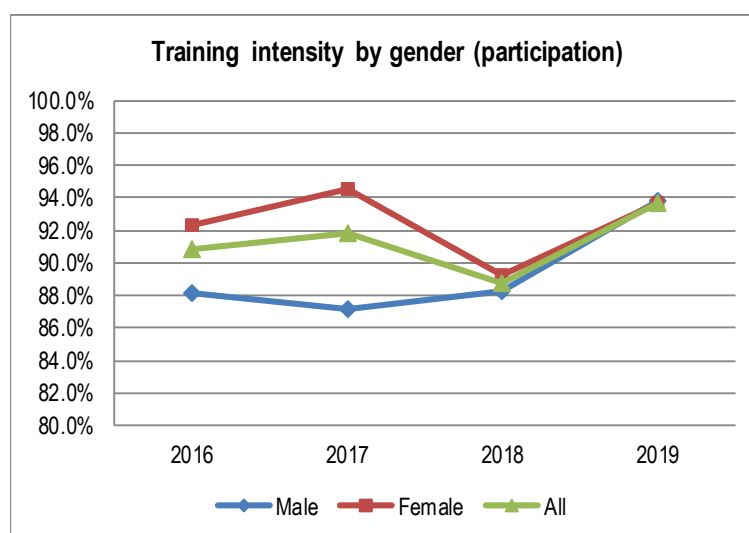
	Staff changing service	
	Number of moves	% of total permanent officials
2019	28	4.9%
2018	23	4.0%
2017	26	4.4%
2016	33	5.6%

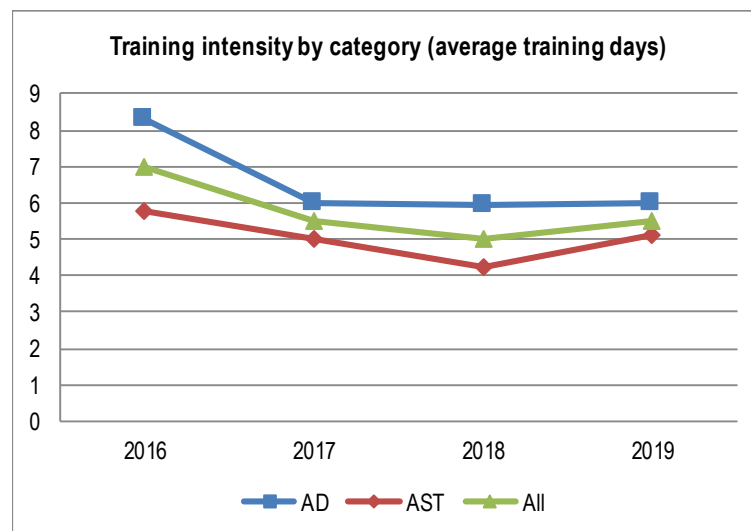
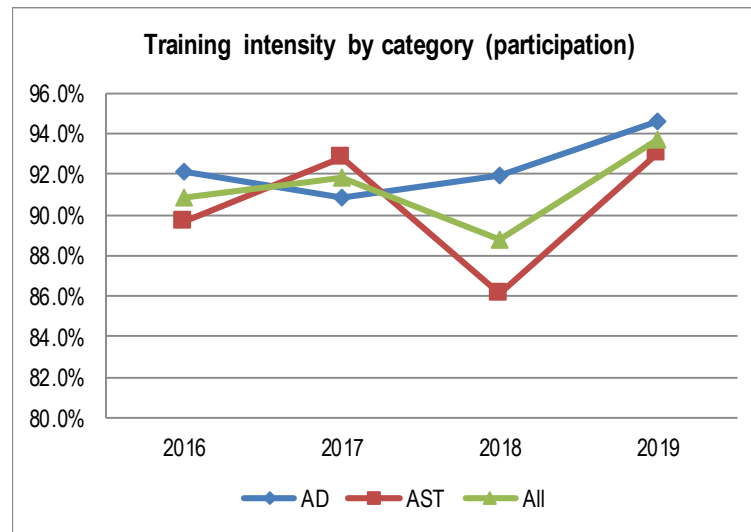


Training intensity

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

	By gender				By category				All	
	M		F		AD		AST			
	Participation rate (%)	Average training days	Participation rate (%)	Average training days	Participation rate (%)	Average training days	Participation rate (%)	Average training days	Participation rate (%)	Average training days
2019	93.8%	5.6	93.7%	5.4	94.6%	6	93.0%	5.1	93.7%	5.5
2018	88.2%	5.4	89.2%	4.9	91.9%	5.9	86.1%	4.2	88.8%	5.0
2017	87.2%	5.6	94.5%	5.3	90.8%	6.0	92.8%	5.0	91.8%	5.5
2016	88.1%	6.9	92.3%	7.1	92.1%	8.3	89.7%	5.8	90.8%	7.0

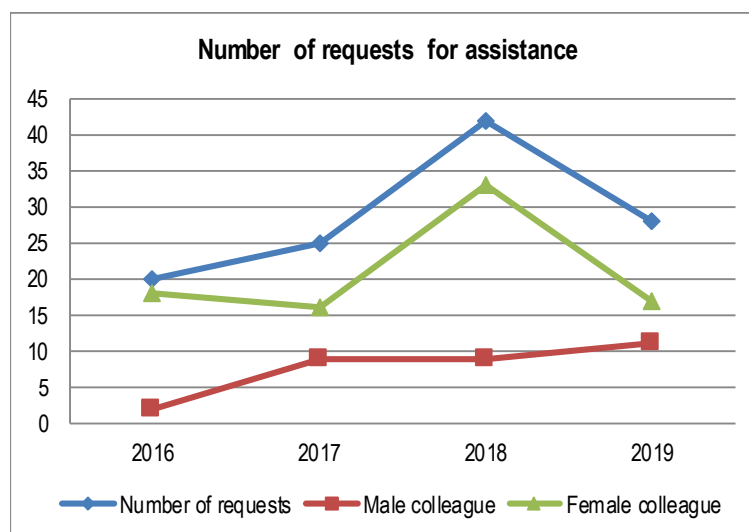




Difficulties in workplace relations

This indicator measures the number of colleagues seen by the network of confidential counsellors following a request for assistance. The confidential counsellors see people on a one-to-one basis, making it easier for colleagues (regardless of whether they are officials, temporary or contract staff) to discuss their concerns. The administration actively encourages colleagues to talk to the confidential counsellors no matter what the nature of the difficulty they may be experiencing (conflict, perceived harassment, disagreement with manager, etc.). The fact that people step forward is a reflection of the trust that the confidential counsellors are gradually building up in the institution. The administration has seen a decrease in the number of appeals concerning the annual reports/promotion procedures since the confidential counsellors were appointed.

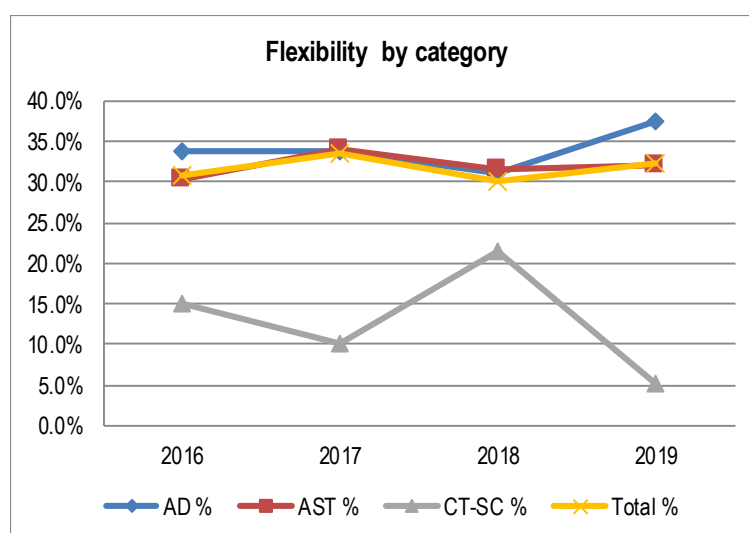
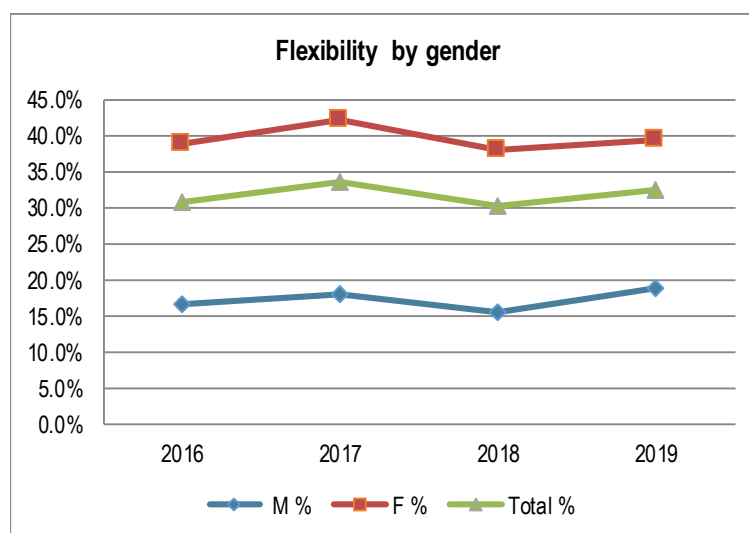
	Number of requests	By gender	
		Male colleague	Female colleague
2019	28	11	17
2018	42	9	33
2017	25	9	16
2016	20	2	18



Flexibility in terms of working time arrangements

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

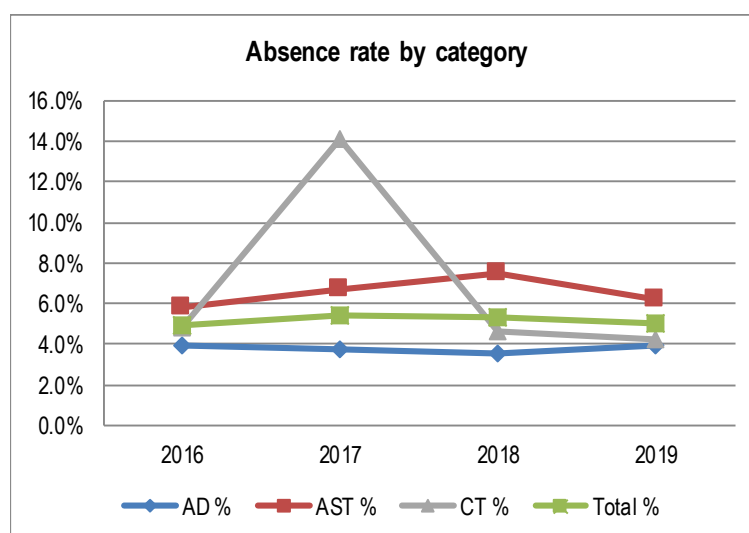
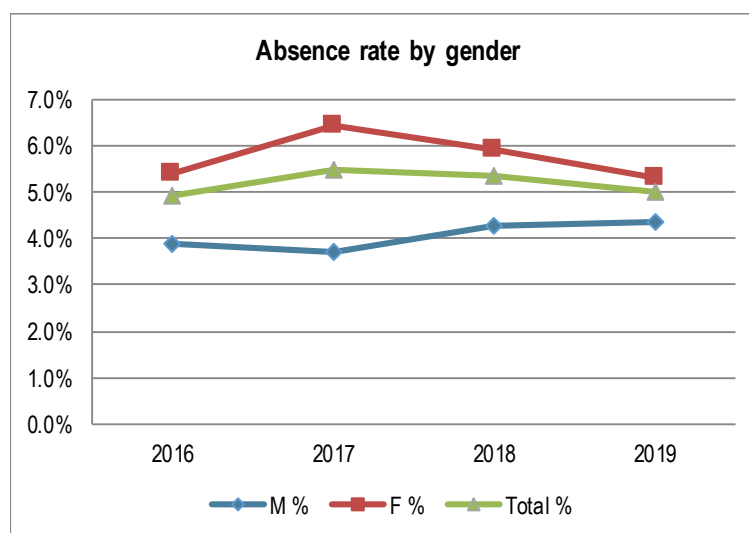
	By gender				By category						All	
	M		F		AD		AST		CT-SC			
	Number	M %	Number	F %	Number	AD %	Number	AST %	Number	CT-SC %	Number	Total %
2019	46	18.9%	180	39.3%	123	37.4%	101	32.0%	3	5.2%	227	32.3%
2018	38	15.5%	175	38.0%	99	31.1%	96	31.6%	18	21.4%	213	30.2%
2017	45	18.0%	192	42.1%	113	33.7%	119	33.9%	2	10.0%	237	33.6%
2016	43	16.6%	174	38.7%	109	33.7%	104	30.4%	3	15.0%	217	30.7%



Absence rate

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

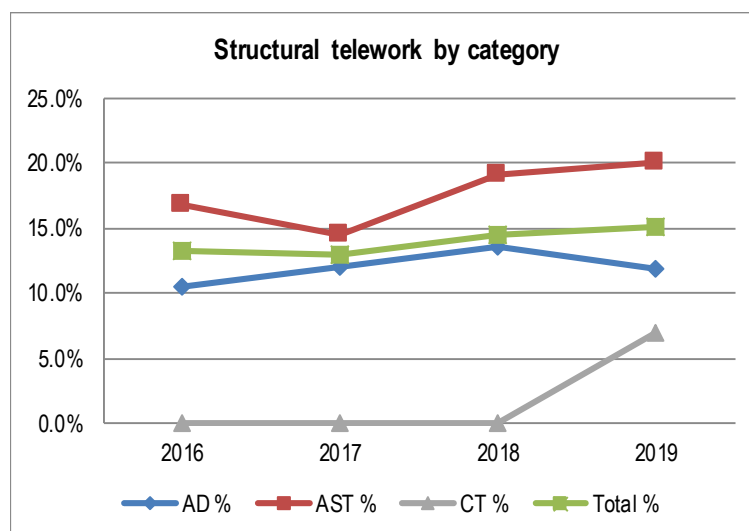
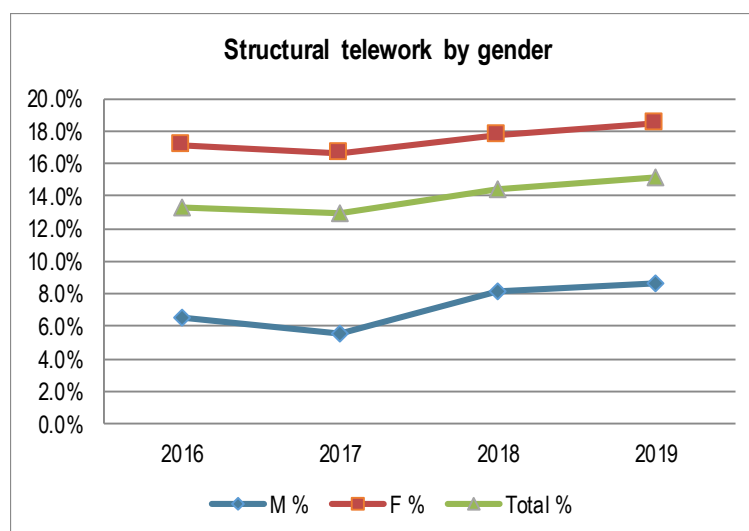
	Male (%)				Female (%)				All (%)			
	AD	AST	CT	M %	AD	AST	CT	F %	AD %	AST %	CT %	Total %
2019	3.5%	4.5%	4.7%	4.4%	4.2%	7.0%	4.0%	5.3%	3.9%	6.2%	4.2%	5.0%
2018	2.9%	6.6%	11.8%	4.3%	4.0%	7.8%	4.9%	5.9%	3.5%	7.5%	4.6%	5.4%
2017	2.3%	4.9%	10.4%	3.7%	4.6%	7.5%	20.9%	6.4%	3.8%	6.7%	14.1%	5.5%
2016	2.7%	5.4%	4.5%	3.9%	4.7%	6.0%	5.1%	5.4%	3.9%	5.8%	4.8%	4.9%



Structural telework

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

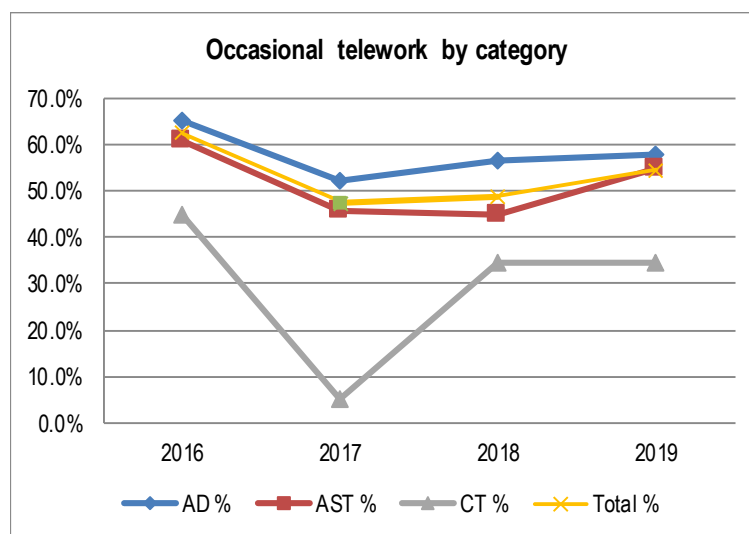
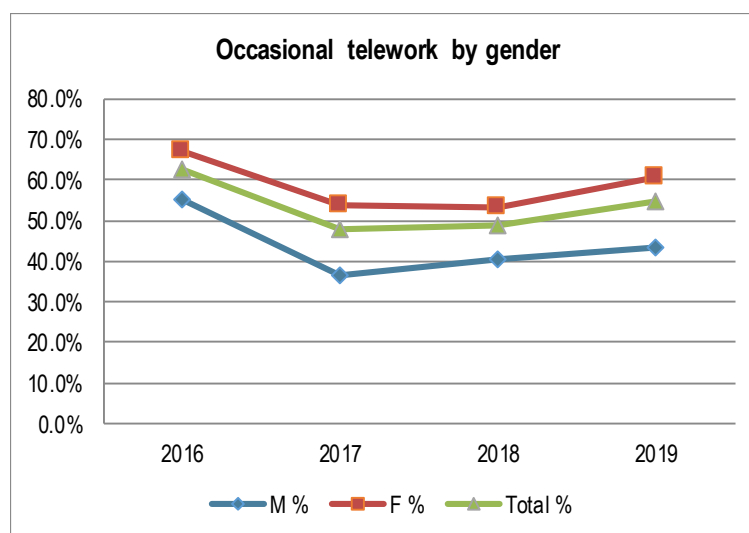
	By gender				By category						All	
	Male		Female		AD		AST		CT			
	M	M %	F	F %	AD	AD %	AST	AST %	CT	CT %	Total	Total %
2019	21	8.7%	85	18.5%	39	11.9%	63	20.0%	4	6.9%	106	15.1%
2018	20	8.2%	82	17.8%	43	13.5%	59	19.1%	0	0.0%	102	14.4%
2017	14	5.6%	76	16.7%	40	11.9%	51	14.5%	0	0.0%	91	12.9%
2016	17	6.6%	77	17.1%	36	10.5%	58	16.8%	0	0.0%	94	13.3%



Occasional telework

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

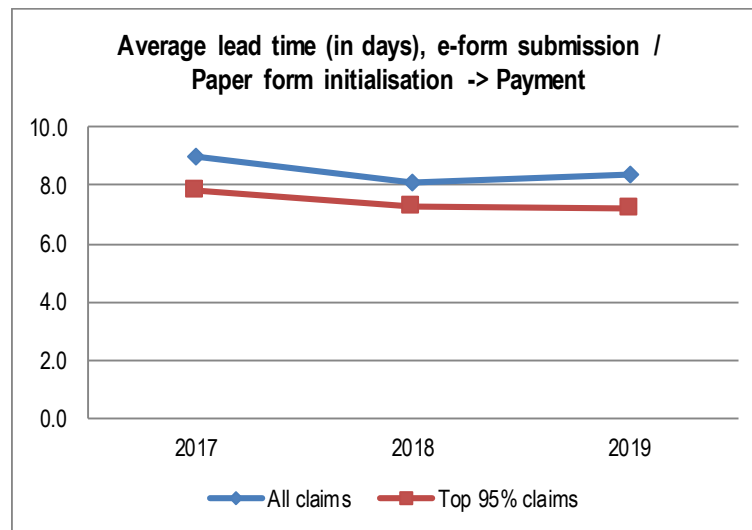
	By gender				By category						All	
	Male		Female		AD		AST		CT			
	M	M (%)	F	F (%)	AD	AD (%)	AST	AST (%)	CT	CT (%)	Total	Total (%)
2019	105	43.2%	277	60.5%	190	57.9%	172	54.6%	20	34.5%	382	54.5%
2018	99	40.4%	246	53.4%	180	56.6%	136	44.7%	29	34.5%	345	48.9%
2017	91	36.4%	245	53.7%	175	52.2%	160	45.6%	1	5.0%	336	47.6%
2016	142	55.0%	300	66.8%	223	65.2%	210	60.9%	9	45.0%	442	62.5%



Members' expenses – payment lead-time

EESC members receive a compensation for travel and subsistence expenses incurred in that capacity. These indicators measure the average lead-time between the submission of the reimbursement claim and the payment date. They present both the overall average and the average for the top 95% of reimbursements, the purpose of the latter being to exclude those cases where the reimbursements are delayed by exceptional circumstances (clarification of rules, further checks, etc). All lead times are in calendar days.

	All claims	Top 95% claims
2019	8.4	7.2
2018	8.1	7.3
2017	9.0	7.8



Registration of paper invoices

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

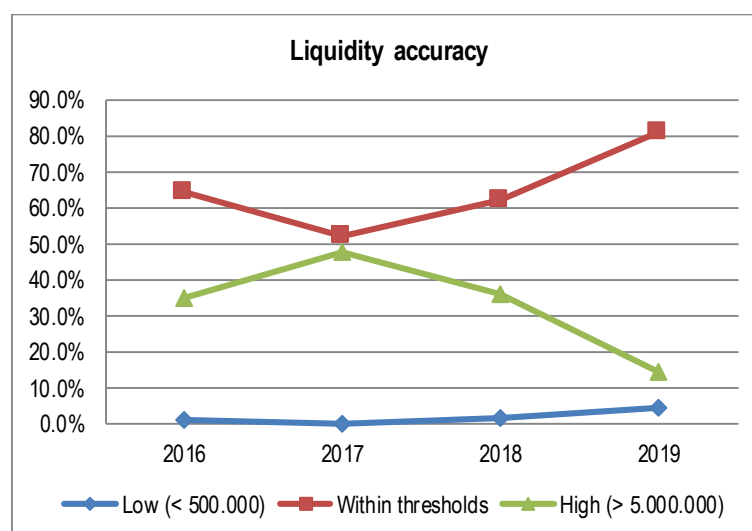
In 2019, the reporting parameters have been modified, excluding electronic invoices and focusing on original invoices in paper form only. Consequently, the comparison with previous years is limited.

	Average lead times (calendar days)	Late registration (7+ calendar days)	
	Reception to registration Paper invoices	Number late registration	% of total
2019	0,9	35,0	1,2%

Liquidity accuracy

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

	Bank account balance					
	Calendar days below € 500.000		Calendar days between € 500.000 and € 5.000.000		Calendar days above € 5.000.000	
	days	%	days	%	days	%
2019	17	4.7%	296	81.1%	52	14.2%
2018	6	1.6%	227	62.2%	132	36.2%
2017	0	0.0%	190	52.1%	175	47.9%
2016	5	1.4%	234	64.1%	127	34.8%

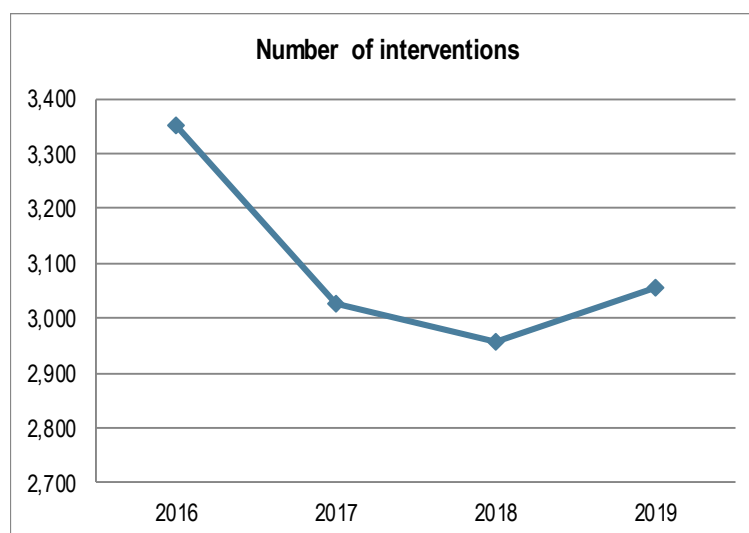


4.6 DIRECTORATE FOR LOGISTICS

Number of building maintenance interventions

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

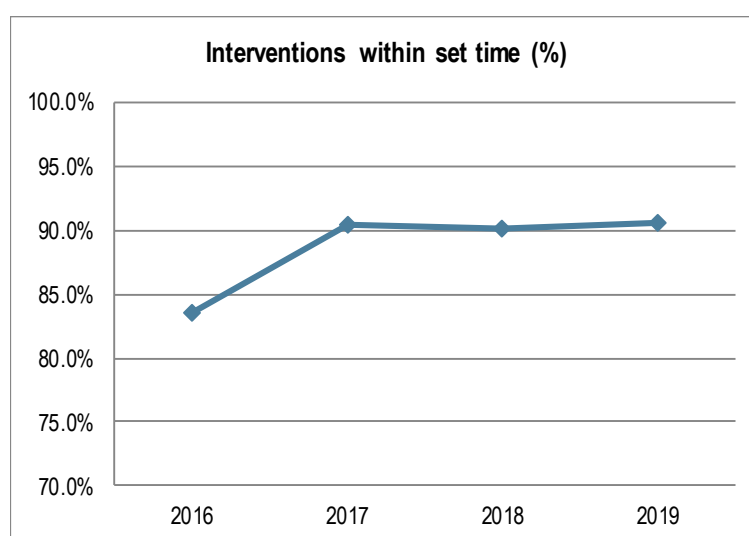
	Number of interventions
2019	3,055
2018	2,958
2017	3,026
2016	3,351



Building maintenance intervention lead time

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

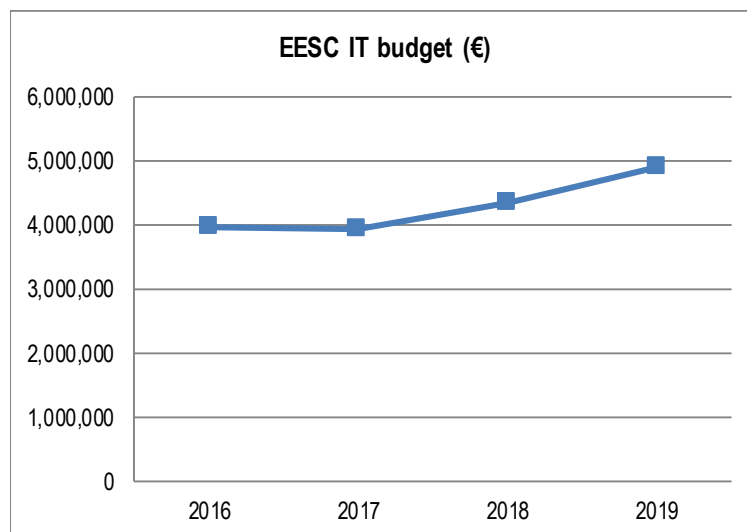
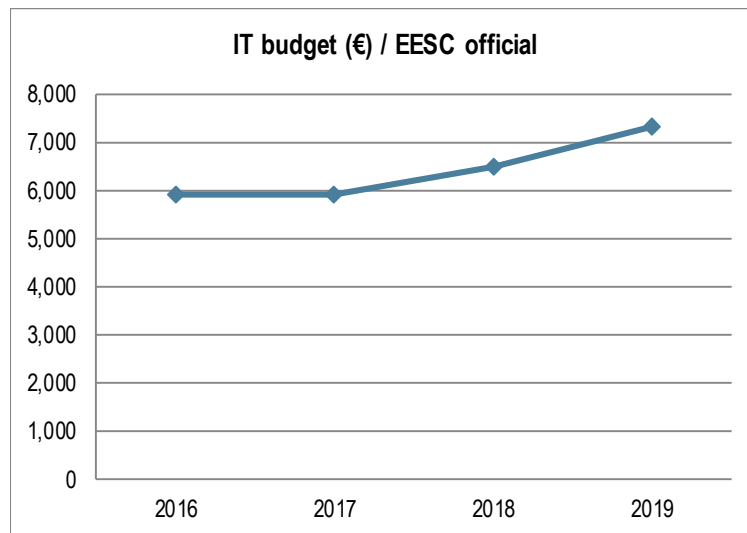
	Interventions within set time (%)
2019	90.5%
2018	90.1%
2017	90.5%
2016	83.5%



IT costs per official

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

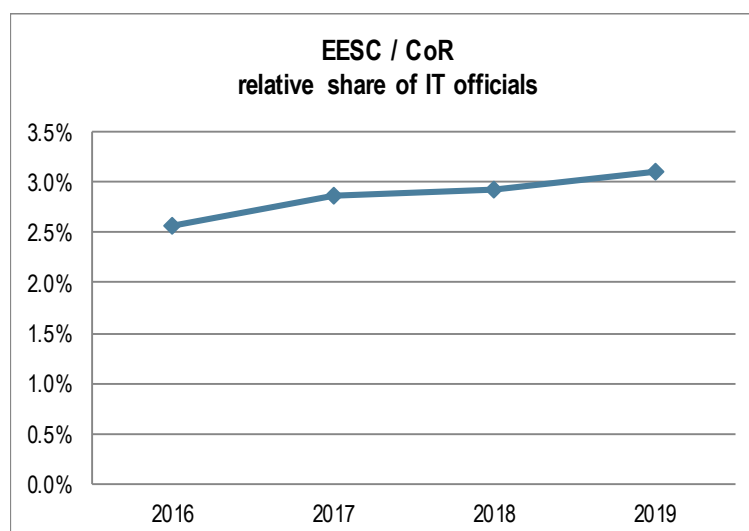
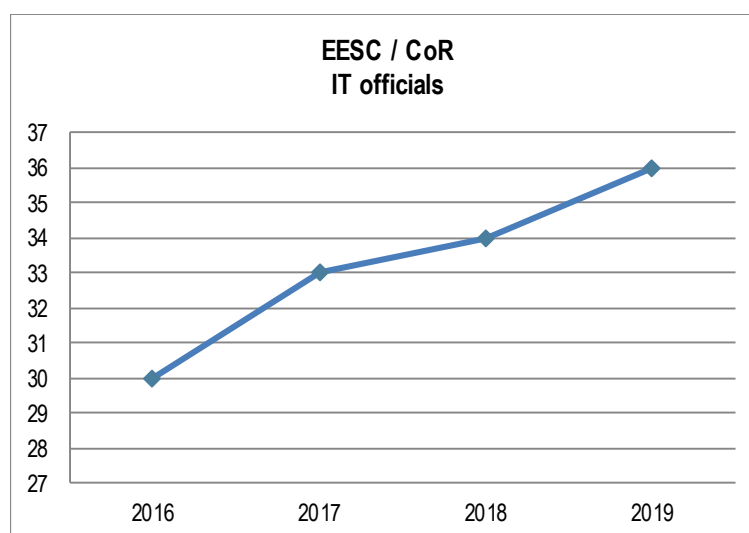
	EESC IT budget (€)	EESC officials	EESC IT budget (€) / EESC official	EESC budget (€)	% IT budget / Total budget
2019	4,885,433	668	7,314	143,359,065	3.4%
2018	4,336,300	668	6,491	135,913,366	3.2%
2017	3,925,283	665	5,903	133,807,338	2.9%
2016	3,968,833	670	5,924	130,171,475	3.0%



IT Unit workforce

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

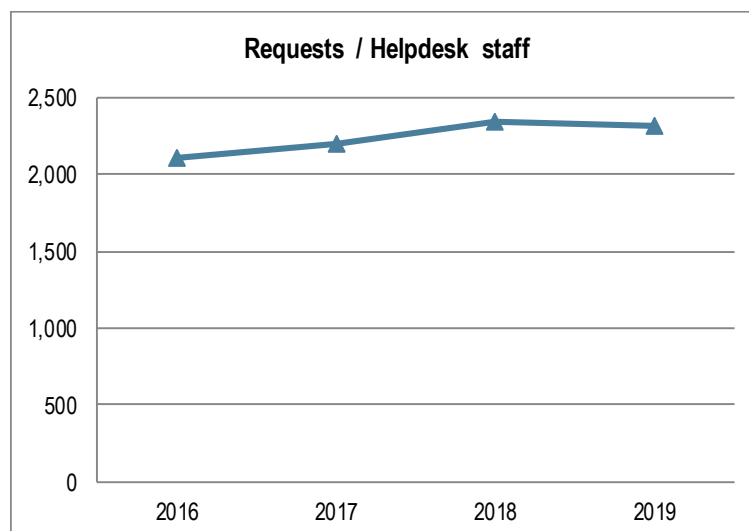
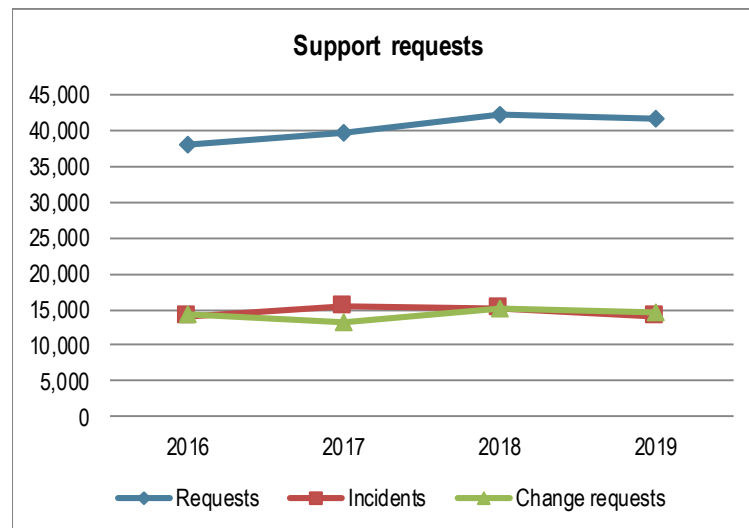
	EESC / CoR IT officials	EESC / CoR officials	EESC / CoR IT officials / officials
2019	36	1,159	3.1%
2018	34	1,159	2.9%
2017	33	1,154	2.9%
2016	30	1,166	2.6%



IT user support requests

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

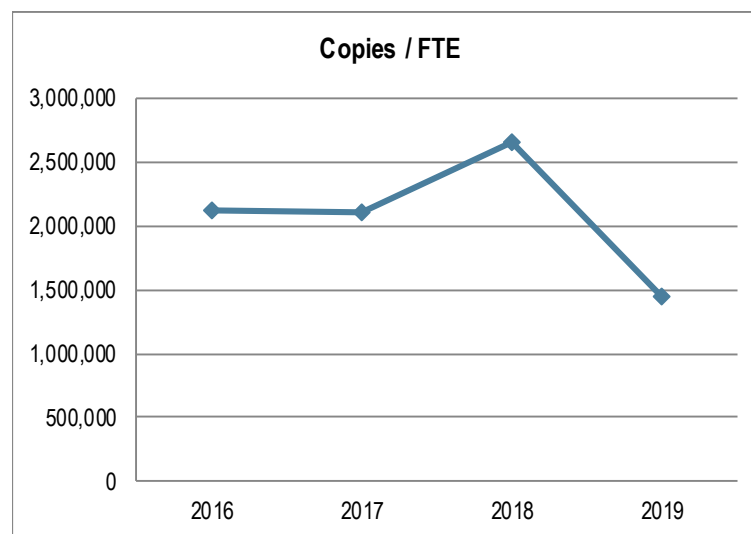
	Requests	Incidents	Change requests	Helpdesk staff (FTE)	Requests / Helpdesk staff
2019	41,689	13,897	14,462	18	2,316
2018	42,159	15,011	15,133	18	2,342
2017	39,565	15,314	13,226	18	2,198
2016	37,951	13,928	14,324	18	2,108



Copy shop productivity

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

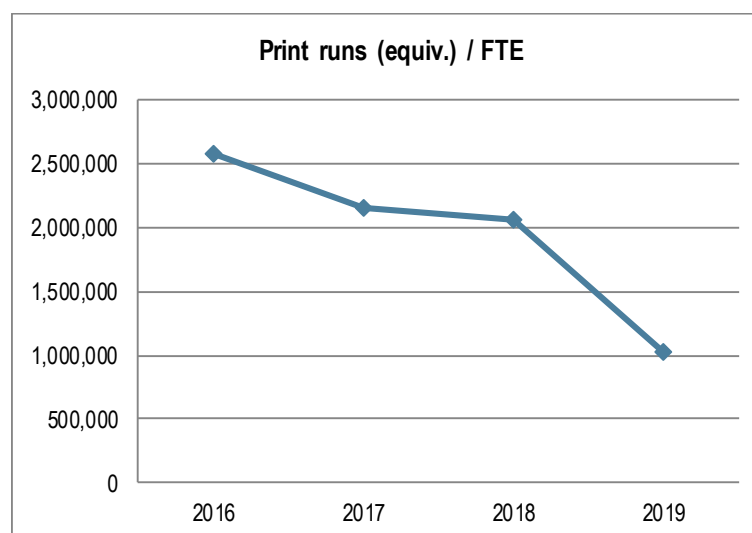
	EESC		CoR		Total	FTE	Copies / FTE
	Copies	%	Copies	%			
2019	5,735,364	69.6%	2,503,687	30.4%	8,239,051	5.7	1,453,950
2018	7,851,014	57.7%	5,765,597	42.3%	13,616,611	5.2	2,647,523
2017	6,372,525	51.3%	6,060,413	48.7%	12,432,938	5.9	2,101,342
2016	6,480,428	49.7%	6,560,634	50.3%	13,041,062	6.2	2,114,767



Offset productivity

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

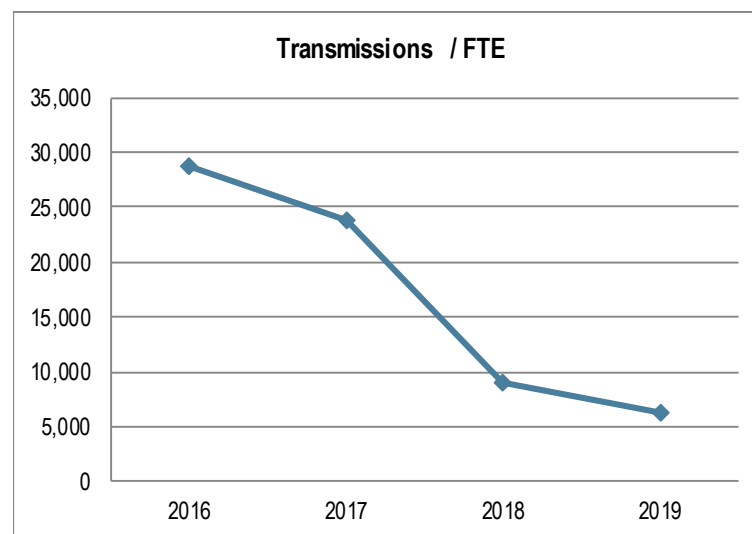
	EESC		CoR		Total	FTE	Print runs (equiv.) / FTE
	Print runs (equiv.)	%	Print runs (equiv.)	%			
2019	1,910,115	74.3%	662,050	25.7%	2,572,165	2.5	1,028,866
2018	2,788,510	60.0%	1,856,470	40.0%	4,644,980	2.3	2,062,822
2017	4,191,140	77.8%	1,192,800	22.2%	5,383,940	2.5	2,153,576
2016	3,398,670	46.6%	3,894,750	53.4%	7,293,420	2,8	2,574,148



Mailing productivity

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

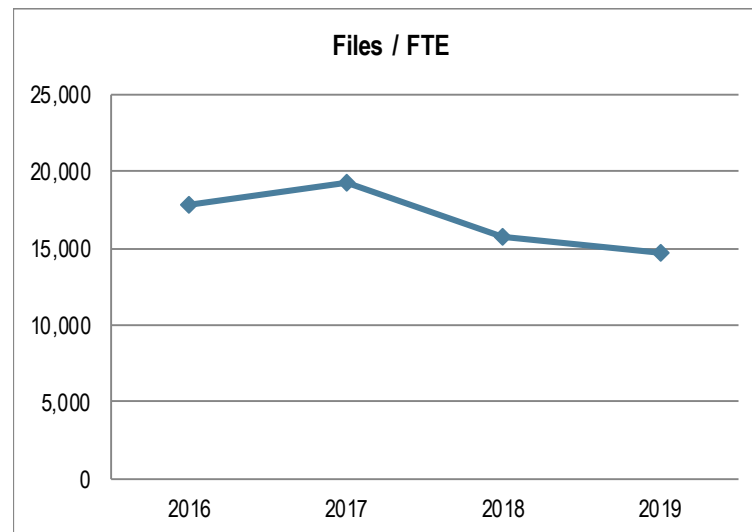
	EESC		CoR		Total	FTE	Transmissions / FTE
	Transmissions	%	Transmissions	%			
2019	4,829	50.7%	4,698	49.3%	9,527	1.5	6,351
2018	7,553	55.5%	6,066	44.5%	13,619	1.5	9,079
2017	27,022	85.1%	4,740	14.9%	31,762	1.3	23,822
2016	33,451	77.6%	9,673	22.4%	43,124	1.5	28,749



Internal distribution productivity

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

	EESC		CoR		Total	FTE	Files / FTE
	Files	%	Files	%			
2019	42,035	81.8%	9,370	18.2%	51,405	3.5	14,687
2018	50,335	79.8%	12,731	20.2%	63,066	4.0	15,767
2017	47,475	74.8%	16,032	25.2%	63,507	3.3	19,293
2016	51,479	75.3	16,889	24.7	68,368	3.8	17,835

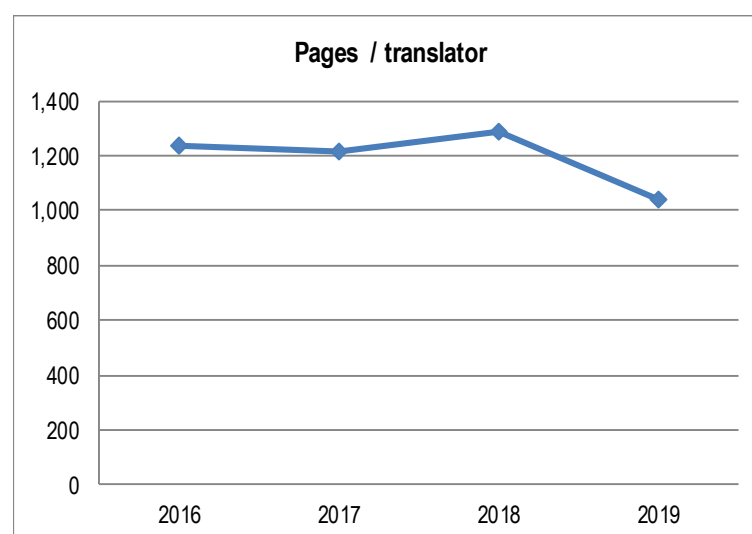
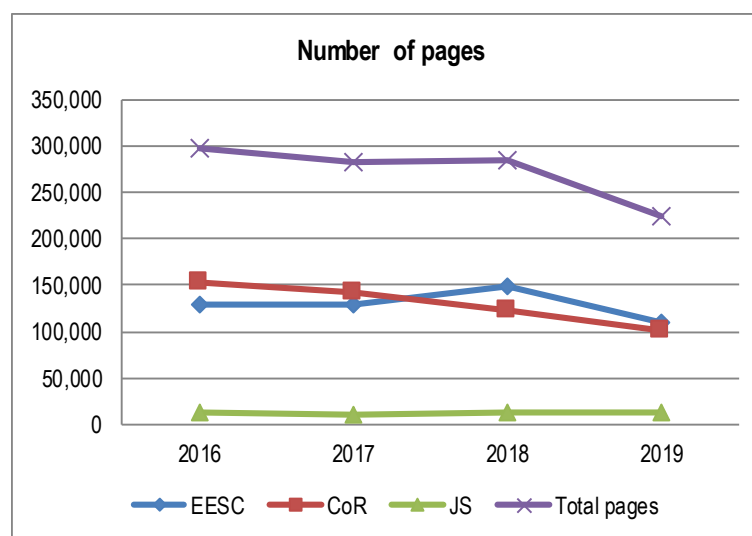


4.7 DIRECTORATE FOR TRANSLATION

Internal translation output

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

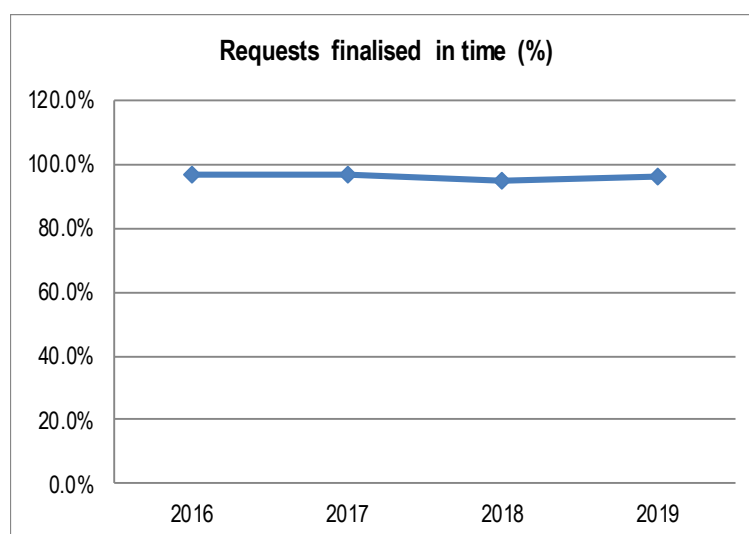
	EESC		CoR		JS		Total pages	FTE	Pages / translator
	Pages	%	Pages	%	Pages	%			
2019	110,658	49.2%	101,767	45.3%	12,442	5.5%	224,868	215.8	1,042
2018	147,810	51.9%	123,481	43.3%	13,765	4.8%	285,056	221.8	1,285
2017	128,569	45.6%	142,445	50.6%	10,725	3.8%	281,739	231.2	1,219
2016	130,037	43.8%	153,124	51.5%	13,959	4.7%	297,120	240.6	1,235



Translation deadline compliance rate

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

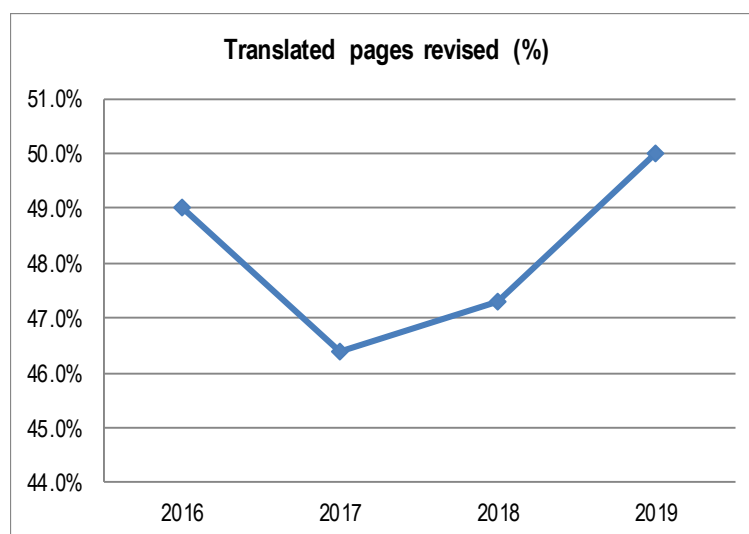
	Requests finalised in time (%)
2019	95.8%
2018	94.9%
2017	96.9%
2016	96.9%



Translation revision rate

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

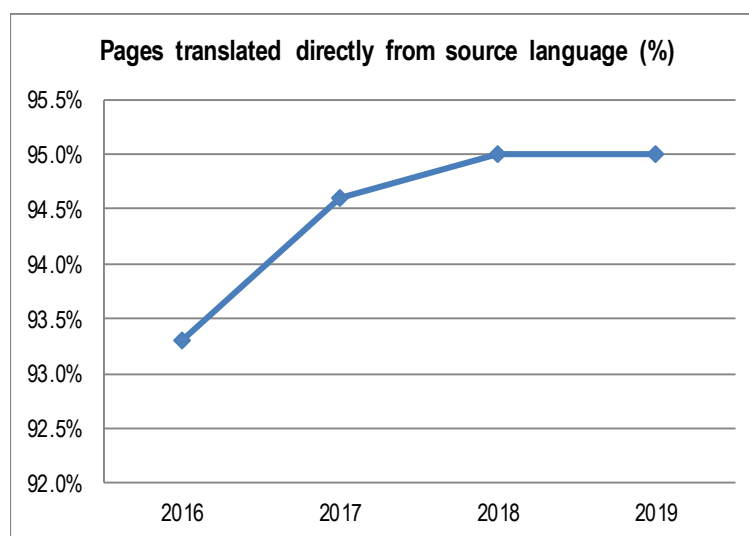
	Translated pages revised (%)
2019	50.0%
2018	47.3%
2017	46.4%
2016	49.0%



Direct translation rate

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

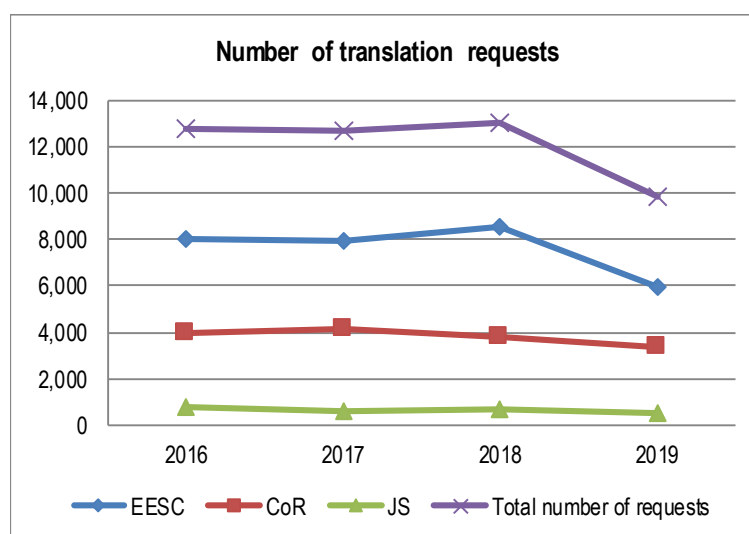
	Pages translated directly from source language (%)
2019	95.0%
2018	95.0%
2017	94.6%
2016	93.3%



Number of translation requests

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

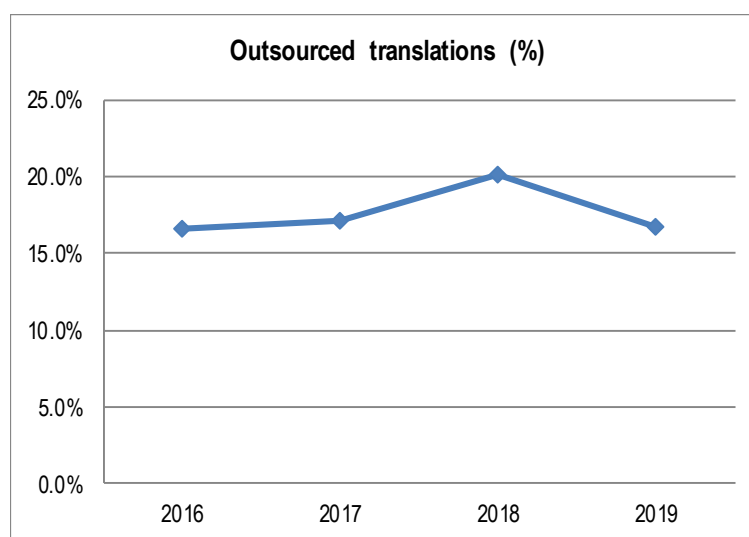
	EESC		CoR		JS		Total number of requests
	Requests	%	Requests	%	Requests	%	
2019	5,975	60.5%	3,401	34.5%	494	5.0%	9,870
2018	8,505	65.2%	3,819	29.3%	730	5.6%	13,054
2017	7,932	62.6%	4,138	32.7%	593	4.7%	12,663
2016	7,989	62.7%	3,951	31.0%	809	6.3%	12,749



External translation rate

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

	Outsourced translations (%)
2019	16.8%
2018	20.1%
2017	17.1%
2016	16.6%



5. RESULTS OF EX POST CONTROLS 2019**Financial Regulation, Art. 74 (9): Powers and duties of the authorising officer**

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

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

...

Rules of Application, IFR article 23 (4): Ex-ante and ex-post controls

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

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

5.1 OVERALL ASSESSMENT OF THE COSTS AND BENEFITS OF CONTROLS

During 2019, the public procurement department updated the tools developed the previous years for any type of procedure, such as written instructions and templates, and continued to provide guidance and advice to all financial actors concerned. The use of templates, together with expert guidance, has produced a significant qualitative improvement in procurement procedures and reduced the errors detected in ex-ante controls. To improve the efficiency and effectiveness of controls, the EESC verification department works closely with the public procurement department.

The main task within the control system chain – verification of financial transactions as stated in the Financial Regulation – is carried out ex ante and ex post by six full-time-equivalent verifiers with the required knowledge and skills. For efficiency reasons, some low-value transactions were subject to ex-ante verification by authorising officers ("light verification"), and ex-post controls were then carried out on a subset of operations. In this area, an assessment of risks was carried out during 2019, aimed at updating the list of transactions submitted to ex-ante verification and further improving the efficiency and effectiveness of controls.

5.2 RESULTS OF EX POST VERIFICATION

Due to reduced staff, lack of appropriate IT resources and the COVID-19 lockdown, verification was not able to carry out the ex post checks on some 2019 transactions.

The situation at the date of this report is the following:

Field of expenditure	Ex-post control undertaken	Verifier's observations	Conclusions/ main action taken by the AOS
Payment of salaries 2019	The internal audit assessed the functioning of ex-post verification of salaries. Ex-post controls of salaries were suspended upon request of the AOSD as they were not effective.	Verification Sector suspended the ex-post verification of salaries in 2019.	Given that ex-post controls were suspended; no particular action has been undertaken. However, ex-ante controls have been strengthened in 2019 in order to better mitigate specific risk areas.
Infrastructure - Restaurant services	Following a request from AOS, ex-post control conducted by the EESC verification service on transactions which had undergone ex-ante verification by the CoR.	No particular problem identified.	-
Infrastructure - Control of elevators	Following a request from AOS, ex-post control conducted by the EESC verification service on transactions which had undergone ex-ante verification by the CoR.	No particular problem identified.	.
Infrastructure - Office Supplies	Following a request from AOS, ex-post control conducted by the EESC verification service on transactions which had undergone ex-ante verification by the CoR.	No particular problem identified.	.
Infrastructure - Purchase office chairs	Following a request from AOS, ex-post control conducted by the EESC verification service on transactions which had undergone ex-ante verification by the CoR.	No particular problem identified.	-
Staff missions	Following a request from AOS, ex post controls are conducted on a sample of reimbursements and on a sample of invoices from the travel agency	(ongoing)	(t.b.a.)

6. REPORT ON BUILDING CONTRACTS 2019 AND REPORT TO THE EUROPEAN PARLIAMENT AND THE COUNCIL ACCORDING TO ART. 266(1) OF THE FINANCIAL REGULATION

Financial Regulation, Article 163: Publicity measures

1. *For procedures with a value equal to or greater than the thresholds referred to in Article 175(1) or Article 178, the contracting authority shall publish in the Official Journal of the European Union:*
 - (a) *a contract notice to launch a procedure, except in the case of the procedure referred to in point (d) of Article 164(1);*
 - (b) *a contract award notice on the results of the procedure.*
2. *Procedures with a value below the thresholds referred to in Article 175(1) or Article 178 shall be advertised by appropriate means.*
3. *Publication of certain information on a contract award may be withheld where its release would impede law enforcement, or otherwise be contrary to the public interest, would harm the legitimate commercial interests of economic operators or might prejudice fair competition between them.*

Financial Regulation, Annex I (3): Advertising of procedures for contracts with a value below the thresholds referred to in Article 175(1) of this Regulation or for contracts outside the scope of Directive 2014/24/EU

- 3.2. *For contracts awarded in accordance with points (g) and (i) of the second subparagraph of point 11.1, the contracting authority shall send a list of contracts to the European Parliament and Council no later than 30 June of the following financial year. Where the contracting authority is the Commission, that list shall be annexed to the summary of the annual activity report referred to in Article 74(9).*

Financial Regulation, Annex I (11): Use of a negotiated procedure without prior publication of a contract notice

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

6.1 BUILDING CONTRACTS 2019

No building contracts were awarded in 2019. In 2019, the Committees signed an administrative agreement with the Commission for the continuation of the long-term lease on the VMA building in exchange for the two leases of the B68 and TRE building. This exchange will be effective in September 2022 when the present value of both sets of buildings will be identical.

6.2 ARTICLE 266 FR REPORT

Financial Regulation, Article 266(1): Specific provisions regarding building projects

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

- (a) for each building, the expenditure and surface area covered by the appropriations of the corresponding budget lines. The expenditure shall include the costs of the fitting-out of buildings but not the other charges;*
- (b) the expected evolution of the global programming of surface area and locations for the coming years with a description of the building projects in planning phase which are already identified;*
- (c) the final terms and costs, as well as relevant information regarding project implementation of new building projects previously submitted to the European Parliament and to the Council under the procedure set out in paragraphs 2 and 3 and not included in the preceding year's working documents.*

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

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

6.2.2 Part 2: The expected evolution of the global programming

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

This **buildings strategy** provides a reliable and flexible framework for future decisions in this area, and contains a set of guiding principles, which include:

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

Regarding the main priority for the buildings strategy – "geographical concentration" – several scenarios were explored in 2018 by the Directorate for Logistics. The preferred scenarios all include retaining the VMA building (rue Van Maerlant 2) for the use of the EESC and the CoR after 2021.

It should be noted here that, in 2016, the European Commission secretary-general informed the Committees that the Administrative Agreement on renting the VMA would not be extended beyond February 2019, and that the Commission intended to demolish the building after that date and to rebuild a new one solely for its own use. Following negotiations, the Administrative Agreement was ultimately extended until the end of 2021, but no arrangement was made for further use of this building by the Committees beyond that year.

After further negotiations, an agreement in principle was reached with the OIB at the beginning of 2019 on the exchange of the Committees' B68 (rue Belliard 68) and TRE74 (rue de Trèves 74) buildings against the Commission's VMA building. On 21 August 2019, the secretaries-general of the two Committees confirmed to the Budgetary Authority their intention to sign an Administrative Agreement to proceed with that exchange.

The Administrative Agreement on the buildings exchange was signed by the Director of the OIB and the secretaries-general of both Committees on 28 August 2019. The exchange will become effective on 16 September 2022, the date on which the value of both sets of buildings will be identical⁴.

The signing of the Administrative Agreement was accompanied by an exchange of letters between Commissioner Günther Oettinger, the President of the Committee of the Regions Karl-Heinz Lambertz and the President of the European Economic and Social Committee Luca Jahier signed on the same day.

NEED FOR A NEW BUILDING

Exchanging the B68 and TRE buildings for the VMA will, however, result in a significant loss of 10 440 m² of office space for the two Committees⁵, which cannot be entirely offset by alternative measures in the short term such as stepping up the office-space density of the other buildings and increasing teleworking.

On 11 December 2019, the European External Action Service (EEAS) informed the Committees that the Belliard 100 building would be available by early 2021 and proposed transferring its current lease to them. With 5 200 m², the Belliard 100 building would enable the Committees to partially offset the loss of office space following the buildings exchange scheduled for September 2022. In addition, renting the B100 as from early 2021 would enable the Committees to accommodate some of the staff vacating the VMA building during the refurbishment works planned between spring 2021 and summer 2022. As the B100 is adjacent to the VMA building,

⁴ This date was determined by an external real estate expert and takes into account the market price of the buildings minus the long-term lease instalments still to be paid.

⁵ 13 396 m² minus the VMA surface area of 2 956 m² currently occupied by the European Commission. The other part of the building is already occupied by the Committees.

taking over its rental contract will also have the advantage for the Committees of having a fully interconnected single group of buildings.

Considering these elements, the Bureaux of the two Committees mandated the secretaries-general in February 2020 to undertake negotiations with the EEAS in view of concluding an agreement enabling the Committees to take over the rental contract of B100 as from early 2021.

The negotiations started in March 2020, with the aim of being concluded successfully before summer 2020. The Administrative Agreement for the take-over of the rental contract of B100 building as from early 2021 is expected to be signed before the end of 2020.

Following the exchange of buildings with the Commission, savings compared to the situation in 2019 will start to be made from the beginning of 2023, due to lower costs in renting the entire VMA compared to the present situation with three buildings to pay for: these savings will be sufficient to cover the rent of B100.

For the years 2021 and 2022, i.e. before the exchange of buildings, the rent for the B100 will represent an additional one-off cost for both Committees⁶ compared to the present situation.

NEED TO REFURBISH VMA

The VMA is a 35-year-old building. It needs to be refurbished as soon as possible (2020-2022) in order to function properly in the coming years. It should be noted that if the buildings exchange were not happening, the Committees would still need to refurbish the B68 and TRE74 in more or less the same period.

The estimated budget for the refurbishment works of the VMA is EUR 6 million⁷. Ideally, the total budget for the renovation works should be available at the beginning of 2021, in order to allow these works to start early in 2021 and to be finished by June 2022. This would enable the VMA to be refurbished and operational again before its exchange against B68/TRE74 in September 2022.

In accordance with Article 266 of the Financial Regulation, the European Economic and Social Committee and the European Committee of the Regions are hereby sending an early warning to the budgetary authority on the need to undertake renovation works in the VMA building between 2021 and 2022 for an amount estimated at EUR 6 million.

⁶ The rent is around EUR 1 500 000 for a full year.

⁷ These works on the VMA will require the organisation of several removals and the housing of the concerned staff in other buildings, which will have an additional cost of EUR 1.94 million.

This amount represents around 3% of the total accounting value of the two Committees' buildings. For the purpose of these refurbishment works, a call for tenders will be launched in the coming months.

LIFT OF PURCHASE OPTIONS

In their letter 001071-01909 of 11 December 2014, the European Economic and Social Committee and the European Committee of the Regions informed the budgetary authority of their intention to lift the purchase option provided in the long-term leasehold contracts for five buildings occupied jointly, namely:

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

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

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

The option to purchase the JDE building was exercised with the signing of the deed on 19 November 2018.

The option to purchase the BVS and REM buildings was exercised with the signing of both deeds on 9 December 2019.

As the Committees will swap the B68 and TRE buildings for the VMA building, the exercise of the purchase options of the B68 and TRE buildings will have to be carried out by the Commission in due time.

The Committees will exercise the option to purchase the VMA building between 1 September 2028 and 31 October 2028 as provided for in the long-term lease contract.

In conclusion, the budgetary authority is informed about:

- the signing on 28 August 2019 of an Administrative Agreement between the European Commission, the European Economic and Social Committee and the European Committee of the Regions concerning the exchange of the Committees' B68/TRE74 buildings for the Commission's VMA building⁸;
- the intention of the European Economic and Social Committee and the European Committee of the Regions to sign, by the end of 2020, an Administrative Agreement with the European External Action Service for the take-over of the rental contract of the B100 building as from early 2021;
- an early warning pursuant to Article 266 FR concerning the launch of a call for tenders for the renovation works for the VMA building, to be undertaken between 2020 and 2022, for an estimated amount of EUR 6 million;
- the state of play related to the exercising of the options to purchase the buildings occupied by the Committees.

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

No projects were presented to the European Parliament and the Council during the year 2019.

⁸ Both sets of buildings will have the same value on 16 September 2022, the date when the exchange will take effect.

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

Item		Building	Area above ground (m²)	Type of contract	Lease and rent 2021 (EUR)
2001 (Annual lease payments)	Office space	JDE	22 026	Owned (Option to buy exercised in November 2018)	6 948 609
		BVS	18 280	Owned (Option to buy exercised in December 2019)	5 835 419
		REM	2 324		196 735
		B-68	7 283	Leasehold with option to buy not yet exercised	2 334 101
		TRE	5 387		1 498 547
	Non-office space	JDE	14 353	See above	4 528 077
		BVS	2 285		729 531
		REM	0		0
		B-68	22		6 987
		TRE	692		192 405
	Total item		72 652		22 270 411
2000 (Rent)	Office space	VMA	8 244	Rent	2 764 996
		B100 ⁹	3 698 ¹⁰		827 842 ¹¹
	Non-office space	VMA	3 162		1 060 519
		B100 ⁹	1 827 ¹⁰		297 158 ¹¹
	Total item		16 931		4 950 515
GRAND TOTALS			89 583		27 220 926

Share of office space in total space (%)	75.1%
Share of non-office space in total space (%)	24.9%
Workplaces to be accommodated	1 558
Office space / workplaces (m ²)	43

⁹ As of early 2021.

¹⁰ These surfaces are calculated according to the Measurement code adopted by the European Institutions at the request of the Court of Auditors. They differ from the gross surfaces commonly used in the real estate market for the calculation of the amount of the rent per square meter.

¹¹ Net rent amount without taxes and contribution to one-off investments made in 2018.

7. INSTRUCTIONS GIVEN REGARDING DECISIONS WHICH ARE IRREGULAR OR CONTRARY TO THE PRINCIPLES OF SOUND FINANCIAL MANAGEMENT DURING 2019

Financial Regulation, Article 92 (3): Rules applicable to authorising officers

An authorising officer by delegation or sub-delegation who receives a binding instruction which he or she considers to be irregular or contrary to the principle of sound financial management, in particular because the instruction cannot be carried out with the resources allocated to him or her, shall inform the authority from which he or she received the delegation or subdelegation about that fact in writing. If the instruction is confirmed in writing and that confirmation is received in good time and is sufficiently clear, in that it refers explicitly to the points which the authorising officer by delegation or subdelegation has challenged, the authorising officer by delegation or subdelegation shall not be held liable. He or she shall carry out the instruction, unless it is manifestly illegal or constitutes a breach of the relevant safety standards.

The same procedure shall apply in cases where an authorising officer considers that a decision, which is his or her responsibility to take, is irregular or contrary to the principle of sound financial management or where an authorising officer learns, in the course of acting on a binding instruction, that the circumstances of the case could give rise to such a situation.

Any instructions confirmed in the circumstances referred to in this paragraph shall be recorded by the authorising officer by delegation responsible and mentioned in his or her annual activity report.

7.1 ARTICLE 92 (3) INSTRUCTIONS RECEIVED IN 2019

The delegating authority has not issued any such instructions in 2019.

8. WAIVING OF RECOVERY OF AMOUNTS RECEIVABLE INVOLVING EUR 60 000 OR MORE IN 2019

Financial Regulation, Article 101 (2): Rules on waive recovery

The authorising officer responsible may waive recovery of all or part of an established amount receivable only in the following cases:

(a) where the foreseeable cost of recovery would exceed the amount to be recovered and the waiver would not harm the image of the Union;

(b) where the amount receivable cannot be recovered in view of its age, of delay in the dispatch of the debit note in the terms defined in Article 98(2), of the insolvency of the debtor, or of any other insolvency proceedings;

(c) where recovery is inconsistent with the principle of proportionality.

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

Financial Regulation, Art. 101 (5): Report on the waivers granted

Each Union institution shall send to the European Parliament and to the Council each year a report on the waivers granted by it pursuant to paragraphs 2, 3 and 4 of this Article. Information on waivers below EUR 60 000 shall be provided as a total amount. In the case of the Commission, that report shall be annexed to the summary of the annual activity reports referred to in Article 74(9).

8.1 WAIVING OF RECOVERY OF AMOUNTS RECEIVABLE INVOLVING EUR 60 000 OR MORE IN 2019

The European Economic and Social Committee made no waivers of recovery of amounts receivable involving EUR 60 000 or more in 2019. The total amount of recovery actually waived in 2019 was EUR 0.

9. REPORT ON CONTRACTS AND NEGOTIATED PROCEDURES 2019

Financial Regulation, Article 74 (10): Powers and duties of the authorising officer - Record of contracts concluded by negotiated procedures

The authorising officer by delegation shall, for each financial year, record contracts concluded by negotiated procedures in accordance with points (a) to (f) of point 11.1 and point 39 of Annex I. If the proportion of negotiated procedures in relation to the number of contracts awarded by the same authorising officer by delegation increases significantly in relation to earlier years or if that proportion is distinctly higher than the average recorded for the Union institution, the authorising officer responsible shall report to the Union institution setting out any measures taken to reverse that trend. Each Union institution shall send a report on negotiated procedures to the European Parliament and to the Council. In the case of the Commission, that report shall be annexed to the summary of the annual activity reports referred to in paragraph 9 of this Article.

Financial Regulation, ANNEX I, CHAPTER 1 'COMMON PROVISIONS':

SECTION 1

Framework contracts and publicity

3. Advertising of procedures for contracts with a value below the thresholds referred to in Article 175(1) of this Regulation or for contracts outside the scope of Directive 2014/24/EU

3.2. For contracts awarded in accordance with points (g) and (i) of the second subparagraph of point 11.1, the contracting authority shall send a list of contracts to the European Parliament and Council no later than 30 June of the following financial year. Where the contracting authority is the Commission, that list shall be annexed to the summary of the annual activity report referred to in Article 74(9).

3.3. Contract award information shall contain the name of the contractor, the amount legally committed and the subject matter of the contract and, in the case of direct contracts and specific contracts, it shall comply with Article 38(3).

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

(a) contracts below the thresholds referred to in Article 175(1);

(b) contracts awarded in accordance with point (h) and points (j) to (m) of the second subparagraph of point 11.1;

(c) modifications of contracts as set out in point (c) of the first subparagraph of Article 172(3);

(d) modifications of contracts as set out in points (a) and (b) of the first subparagraph of Article 172(3) where the value of the modification is below the thresholds referred to in Article 175(1);

(e) specific contracts under a framework contract.

For the purposes of point (e) of the second subparagraph, the published information may be aggregated per contractor for specific contracts under the same framework contract.

Financial Regulation, ANNEX I, CHAPTER 1 'COMMON PROVISIONS':**SECTION 2****Procurement procedures****11. Use of a negotiated procedure without prior publication of a contract notice**

11.1. Where the contracting authority uses the negotiated procedure without prior publication of a contract notice, it shall comply with the arrangements on negotiation set out in Article 164(4) and in point 6.5.

The contracting authority may use the negotiated procedure without prior publication of a contract notice, regardless of the estimated value of the contract, in the following cases:

- (a) where no tenders, or no suitable tender, or no request to participate or no suitable request to participate as provided for in point 11.2 have been submitted in response to an open procedure or restricted procedure after that procedure has been completed, provided that the original procurement documents are not substantially altered;*
- (b) where the works, supplies or services can only be provided by a single economic operator under the conditions set out in point 11.3 and for any of the following reasons:*
 - (i) the aim of the procurement is the creation or acquisition of a unique work of art or an artistic performance;*
 - (ii) competition is absent for technical reasons;*
 - (iii) the protection of exclusive rights, including intellectual property rights, must be ensured;*
- (c) in so far as is strictly necessary where, for reasons of extreme urgency brought about by unforeseeable events, it is impossible to comply with the time limits laid down in points 24, 26 and 41 and where the justification of such extreme urgency is not attributable to the contracting authority;*
- (d) where a service contract follows a design contest and is to be awarded to the winner or to one of the winners; in the latter case, all winners shall be invited to participate in the negotiations;*
- (e) for new services or works consisting in the repetition of similar services or works entrusted to the economic operator to which the same contracting authority awarded an original contract, provided that those services or works are in conformity with a basic project for which the original contract was awarded after publication of a contract notice, subject to the conditions set out in point 11.4;*
- (f) for supply contracts:*

- (i) for additional deliveries which are intended either as a partial replacement of supplies or installations or as the extension of existing supplies or installations, where a change of supplier would oblige the contracting authority to acquire supplies having different technical characteristics which would result in incompatibility or disproportionate technical difficulties in operation and maintenance; when Union institutions award contracts on their own account, the duration of such contracts shall not exceed three years;*
- (ii) where the products are manufactured purely for the purpose of research, experimentation, study or development; however, such contracts shall not include quantity production to establish commercial viability or to recover research and development costs;*
- (iii) for supplies quoted and purchased on a commodity market;*
- (iv) for purchases of supplies on particularly advantageous terms, from either an economic operator which is definitively winding up its business activities, or the liquidators in an insolvency procedure, an arrangement with creditors, or a similar procedure under national law;*

9.1 REPORT ON NEGOTIATED PROCEDURES ACCORDING TO ARTICLE 74 'POWERS AND DUTIES OF THE AUTHORISING OFFICER' OF THE FINANCIAL REGULATION

During 2019, the EESC organised one negotiated procedure without prior publication of a contract notice (**Point 11.1 (a) to (f) of the Annex I of the Financial Regulation 2018/1046**).

CONTRACTOR	SUBJECT	AMOUNT IN EUR	TYPE OF CONTRACT	LEGAL BASIS
ETUC	EESC stand at the 14th Statutory Congress of the ETUC on 21-24/05/2019 in Vienna	3,350.00	Services	Point 11.1 (b) (ii) competition is absent for technical reasons

9.2 EX-POST PUBLICITY OF SIGNED CONTRACTS IN 2019, ACCORDING TO POINT 3.3 OF ANNEX I OF THE FINANCIAL REGULATION

According to **point 3.3 of Annex I of the Financial Regulation 2018/1046**, the European Economic and Social Committee publishes each year on its Website, by 30 June at the latest, two lists of the legal commitments signed the previous year (<https://www.eesc.europa.eu/en/work-with-us/publicprocurement/awarded-contracts>):

- The list of middle and low value contracts awarded (value higher than EUR 15,000.00 and below EUR 144,000.00 thresholds).
- The list of specific contracts signed on the respect of Framework Contracts.

10. AVERAGE PAYMENT TIMES – PAYMENT DELAY SUSPENSION

Financial Regulation, Article 116: Time limits for payments

1. *Payments shall be made within:*
 - (a) 90 calendar days for contribution agreements, contracts and grant agreements involving technical services or actions which are particularly complex to evaluate and for which payment depends on the approval of a report or a certificate;
 - (b) 60 calendar days for all other contribution agreements, contracts and grant agreements for which payment depends on the approval of a report or a certificate;
 - (c) 30 calendar days for all other contribution agreements, contracts and grant agreements.

2. *The time allowed for making payments shall be understood to include validation, authorisation and the payment of expenditure.*

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

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

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

A payment request shall include the following essential elements:

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

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

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

4. *The authorising officer responsible may suspend the time limit for payment where:*
 - (a) *the amount of the payment request is not due; or*
 - (b) *the appropriate supporting documents have not been produced.*

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

date on which the requested information or revised documents are received or the necessary further verification, including on-the-spot checks, is carried out.

The creditors concerned shall be informed in writing of the reasons for a suspension.

5. *Except in the case of Member States, the EIB and the EIF, on the expiry of the time limits laid down in paragraph 1, the creditor shall be entitled to interest in accordance with the following conditions:*

(a) the interest rates shall be those referred to in Article 99(2);

(b) the interest shall be payable for the period elapsing from the calendar day following expiry of the time limit for payment laid down in paragraph 1 up to the day of payment.

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

6. *Each Union institution shall submit to the European Parliament and Council a report on the compliance with and the suspension of the time limits laid down in paragraphs 1 to 4 of this Article. The report of the Commission shall be annexed to the summary of the annual activity reports referred to in Article 74(9).*

10.1 FIGURES ON AVERAGE PAYMENT TIMES – PAYMENT DELAY SUSPENSION IN 2019

Payment times

	All payments 2019			Payments within time limit 2019			Late payments 2019		
Maximum payment time (days)	Number of payments	%	Average payment time (days)	Number of payments	%	Average payment time (days)	Number of payments	%	Average payment time (days)
30	13.652	100.00	30.11	8.351	61.17	15.23	5.301	38.83	53.56
60	16	100.00	33.69	14	87.50	25.50	2	12.50	91.00
30-60	13.668	100.00	30.12	8.365	61.20	15.24	5.303	38.80	53.57

Suspensions

Average payment suspension (days)	Number of suspended payments	% of total number	Total number of payments
56	269	1.97	13.668

Late Interest paid in 2019¹²

Description	Amount (EUR)
Interest on late payment of charges New FR	856.86

¹² The increase in the average payment times compared to 2018 is due to the processing of invoices from one new supplier (travel agency). The interinstitutional contract with the new travel agency EP/FINS/2017/103 entered into force on 1 January 2019. 87% of invoices were paid to the travel agency after the delay of 30 days in order to protect the financial interest of the EESC. Corrective measures have been taken in 2020 to lower the average payment times.

11. FOLLOW-UP TO OBSERVATIONS IN THE PARLIAMENT'S 2018 DISCHARGE RESOLUTION

Financial Regulation, Art. 262: Follow-up measures

1. *In accordance with Article 319 TFEU and Article 106a of the Euratom Treaty, Union institutions and Union bodies referred to in Articles 70 and 71 of this Regulation shall take all appropriate steps to act on the observations accompanying the European Parliament's discharge decision and on the comments accompanying the recommendation for discharge adopted by the Council.*
2. *At the request of the European Parliament or of the Council, Union institutions and Union bodies referred to in Articles 70 and 71 shall report on the measures taken in the light of those observations and comments, and, in particular, on the instructions they have given to any of their departments which are responsible for budget implementation ... The reports from Union institutions and Union bodies referred to in Articles 70 and 71 shall also be transmitted to the Court of Auditors.*

11.1 EUROPEAN PARLIAMENT RESOLUTION OF 14 MARCH 2020 WITH OBSERVATIONS FORMING AN INTEGRAL PART OF THE DECISION ON DISCHARGE IN RESPECT OF THE IMPLEMENTATION OF THE GENERAL BUDGET OF THE EUROPEAN UNION FOR THE FINANCIAL YEAR 2018, SECTION VI – EUROPEAN ECONOMIC AND SOCIAL COMMITTEE (2019/2060(DEC))

The European Parliament,

- A. whereas in the context of the discharge procedure, the discharge authority wishes to stress the particular importance of further strengthening the democratic legitimacy of the Union institutions by improving transparency and accountability, and implementing the concept of performance-based budgeting and good governance of human resources;
1. *Welcomes the conclusion of the Court of Auditors (the 'Court') that the payments as a whole for the year ended 31 December 2018 for the administrative expenditure of the European Economic and Social Committee (the 'Committee') were free from material error and that the examined supervisory and control systems were effective;*

No follow-up required.

2. *Notes that the European Anti-Fraud Office (OLAF) from July until November 2018 received allegations about harassment concerning a senior member of the Committee, the president of the Employer's Group (Group I) since April 2013, from five different sources and that on 6 November 2018 OLAF decided to open an investigation;*

No follow-up required.

3. *Notes that one case of harassment was reported in 2018 through the formal procedure (article 24 of the Staff Regulations and article 12§1 of the Committee's decision on the prevention of harassment); reminds that the administrative inquiry has been concluded and a minimal disciplinary sanction has been imposed on the person accused although all possibilities of appeal have not yet been exhausted; notes that three additional cases of harassment, to some extent connected to each other, were reported in 2018 through seven whistleblowing reports; notes that two administrative inquiries were launched and the matters were referred to OLAF in January 2019;*

No follow-up required.

4. *Notes that on 17 January 2020 OLAF addressed its report and recommendations to the president of the Committee as provided in the cooperation agreement between the Committee and OLAF; expresses concern that OLAF made findings of harassment against two staff members, of improper behaviour (serious misconduct) against one staff member and one member of the Committee, and of misconduct against other staff members, and that it also decided to refer the matter to the Belgian authorities;*

OLAF informed the EESC that its recommendations concerning the investigation in question were also being sent to the Belgian Federal Public Prosecutor's Office.

5. *Deplores the findings of OLAF as regards psychological harassment, grave misconduct and inappropriate behaviour by the president of Group 1 towards his subordinates between 2013 and 2018; notes that under Belgian law harassment constitutes a criminal offence; notes, furthermore, that Article 4 of the code of conduct for the members of the Committee on dignity has been breached and that such behaviour is not compatible with the Union values of respect for and protection of human dignity within the work place as provided for in the Charter of Fundamental Rights of the European Union; calls on the Committee to report to the discharge authority in a timely manner on what it has done to follow up on the recommendations by OLAF;*

The EESC is committed to its reporting obligations both with regard to the discharge authority and OLAF.

See the reply to point 6 of the EP resolution.

6. *Expects the Committee to duly inform the discharge authority before September 2020 of the measures taken to follow up OLAF's recommendations and to rectify the wrongdoings;*

The EESC President received the report from OLAF on 17 January 2020. Pursuant to Article 7, paragraph 4, of the Code of Conduct, the President formally requested on 23 January 2020 that the Advisory Committee on the Conduct of Members assess the alleged breaches of the Code of Conduct and advise on the possible steps to be taken. In parallel, the Secretary-

General instructed the competent services to take all the appropriate accompanying measures in order to ensure the wellbeing of the Group I secretariat staff and of any other persons concerned, taking into account their specific needs, in order to offer medical, psychological and administrative support. All of the above measures are complemented by some initiatives handled directly by the current management of the Group secretariat.

- 7. *Calls on the Committee to consistently apply Article 8 of its code of conduct without any delay, namely by starting the necessary procedure against persons concerned and by promptly referring such matters to the advisory committee on the conduct of members;***

After having received the conclusions of the Advisory Committee, the President shall invite the member concerned to submit his written observations, consult the enlarged presidency and then ask the Bureau to take a decision on the measures that may be taken in accordance with the Members' Statute and the Committee's Rules of Procedure.

According to the degree of severity of the member's behaviour, the following sanctions may be applied:

- a written warning;
- inclusion of the written warning in the Bureau minutes and, where applicable, in the plenary session minutes;
- temporary suspension of the member from any duties as rapporteur, president or member of a study group, and from any participation in missions and extraordinary meetings.

- 8. *Stresses its concern with respect to the current work environment within the Committee, particularly in Group I, and asks the Committee to take the necessary measures to establish the respectful and trustworthy environment necessary for the personal wellbeing and professional development of the staff; further reminds the Committee that a bad work environment causes inefficiency, stress and lack of productivity;***

The Secretary-General has instructed the Director of Human Resources and Finance to meet all those concerned by the OLAF report in order to provide appropriate additional assistance (see the answer to point 6 of the EP resolution).

The EESC has and will continue to pay extremely careful attention to its work environment, in full compliance with the duty of care of the administration towards staff. Whilst several actions have already been taken (which are further developed in the reply to point 11 of the EP resolution), the EESC strives to further improve a respectful and trustworthy working environment.

- 9. *Notes that on 22 January 2020 Group I proceeded to the election of its current president as candidate to become president of the Committee from October 2020 when the presidency of the Committee is to be held by Group I for two-and-a-half years;***

No follow-up required.

- 10. *Recalls the Report of the European Ombudsman on dignity at work in the EU institutions and agencies: SI/2/2018/AMF, which states with respect to high-ranking personnel that individuals 'are particularly vulnerable to harassment where there is a power imbalance between the parties involved. This can be mitigated through more demanding rules for high-ranking personnel, who are not covered by the Staff Regulations, such as commissioners, judges, members of the Court of Auditors, members of the Economic and Social Committee and so on. These could include aggravated disciplinary measures, such as compulsory retirement or removal of pension rights. High-ranking personnel should be informed of all anti-harassment rules and policies at the beginning of their mandates in a comprehensive manner and at regular intervals.'***

The provisions of the Staff Regulations are not applicable to the EESC members, as they are not employed, but appointed as EESC members. The Treaty on the Functioning of the European Union (Rules 301 and 302) lays down the EESC's composition and compensation. The EESC is ready to consider further improvements to its system based on its internal experience and the benchmarks of other institutions. Awareness-raising actions (including training sessions) will be put at the disposal of members.

- 11. *Requests that the Committee put in place and implement an action plan to actively prevent and tackle harassment in the working environment, to raise awareness of harassment and to foster a culture of zero tolerance with regard to harassment;***

The EESC continues its zero-tolerance policy towards any behaviour which is likely to undermine human dignity. Following the OLAF report and on top of specific related follow-up measures, at the beginning of 2020 the EESC Directorate for Human Resources and Finance initiated an in-depth assessment and reflection on the overall existing framework. This process aims to identify potential gaps and further improve, where necessary, all types of available measures to address issues linked to harassment, taking also into account amongst other things, existing best practices, the recommendations of the report of the European Ombudsman on dignity at work and the outcome of the 2016 EESC staff survey.

This ongoing reflection will result in a detailed action plan, as requested by the EP, which would cover in particular:

- a revision package concerning the decisions on harassment, whistleblowing and disciplinary procedure in order to improve the robustness of the legal arsenal where necessary, to increase synergies between these instruments and to reinforce the Committee's ethics and integrity framework. A working group was set up including representatives from the administration and the staff committee with the aim of collecting the widest possible input for improvements.
- the continuation of various awareness-raising initiatives such as monthly presentations by the confidential counsellors to newcomers and presentations/discussions with managers and other target groups. The Respect@work campaign of 2019 was manifold and included a participatory approach, staff consultations, new communication tools such as a digital "advent calendar of kindness", post-its etc., and last but not least a dedicated

intranet page, which is constantly updated in order to inform staff on the follow-up to the campaign (e.g. new training opportunities related to understanding and dealing with harassment for both staff and managers, and the revision of the ethical framework).

- the organisation of dedicated training activities. In line with the Internal Control Standards, which require ensuring that staff are aware of relevant ethical and organisational values and the associated rules and procedures, several Ethics and Integrity courses were offered in-house, along with an information campaign. While this training has been obligatory for all newcomers for several years now, those who were recruited before may never have followed this course. The campaign is being continued in 2020 with the aim of reaching as many staff members as possible. A similar training course on "Diversity and Respect at Work" is also available to members. The first session had to be cancelled due to the coronavirus situation but it will be reorganized as soon as the evolution of the pandemic allows.

All of these activities are aimed at staff and some at the EESC members, with the end goal of further raising awareness among all involved of the zero-tolerance policy towards harassment at the EESC.

12. Calls on the Committee to improve measures allowing staff to make formal harassment complaints, to organise regular training for confidential counsellors and to set up a pool of independent investigators which the Committee can call on during formal harassment investigations;

In order to further improve the mechanisms allowing staff to make formal harassment complaints, the decision on harassment and the decision on administrative investigations are currently being revised. This includes a reflection about the creation of a well-trained and specialised team that could be dedicated to administrative inquiries.

In order to further improve the informal procedure and the possibility for staff members to share their concerns on any perceived situation of harassment, the number of confidential counsellors has been increased. The new team received a six-day initial training programme with an external trainer (a psychologist and coach specialized in the prevention and treatment of psycho-social risks). The whole network of confidential counsellors receives continuous support through regular supervision and they follow various additional training sessions such as those on conflict resolution, assertiveness, etc.

The EESC confidential counsellors are part of an inter-institutional network, allowing for the exchange of best practices.

13. Notes with satisfaction the examples of good practice from the Court's anti-harassment policy which has strong disciplinary measures for culpable members, such as compulsory retirement or denial of pension rights, and calls on the Committee to emulate those examples;

While the EESC seeks permanent inspiration from the other EU bodies, and is actively

looking into best practices in the context of the above-mentioned action plan, in light of legal differences between the institutions, not all measures can be put in place as such. Specifically, it is not within the Committee's power to impose a forced retirement or deny pension rights to any of its members.

By adopting the Code of Conduct in 2019 as a part of the revised Rules of Procedures, the EESC made an important step towards stronger disciplinary measures, as it allows sanctions for members breaching the Code of Conduct. The new Advisory Committee is a fully independent body issuing recommendations in the event of possible wrongdoing by a member. According to the degree of severity of the member's behaviour, the following sanctions may be applied: a written warning; inclusion of the written warning in the Bureau minutes and, where applicable, in the plenary session minutes; temporary suspension of the member from any duties as rapporteur, president or member of a study group, and from any participation in missions and extraordinary meetings.

The Committee is ready to consider improvements to its system (see also the reply to point 10 of the EP resolution).

- 14. Regrets, as a general observation, that chapter 10 'Administration' of the Court's Annual Report has a rather limited scope and conclusions, notwithstanding the fact that Multiannual Financial Framework (MFF) Heading 5 'Administration' is considered to be low risk;***

The Committee will follow any decision taken by the Court of Auditors in this respect.

- 15. Notes that the Court selected a sample of 45 transactions from the MFF Heading 5 'Administration' of all Union institutions and bodies; notes that the sample was designed to be representative of the range of spending under Heading 5, which represents 6,3 % of the Union budget; notes that the Court's work indicates administrative expenditure as low risk; considers, however, the amount of transactions selected in relation to the 'other institutions' to be insufficient and asks the Court to increase the number of transactions to be examined by at least 10 %;***

No follow-up required.

- 16. Notes that in 2018 the Committee's budget amounted to EUR 135 630 905, compared to EUR 133 807 338 in 2017, corresponding to an increase of 1,36 %; notes an overall rate of implementation of 98,66 %, compared to 96,5 % in 2017 and 97,2 % in 2016;***

No follow-up required.

- 17. Welcomes the overall prudent and sound financial management of the Committee in the 2018 budget period; welcomes the fact that the commitment rate for Title 1 'Expenditure relating to persons working with the Committee' was 98,94 % and for Title 2 'Buildings, equipment and miscellaneous operating expenditure' 97,97 %;***

No follow-up required.

- 18. *Observes with concern that the final appropriations for travel and subsistence allowances for Members are slightly increasing, to EUR 20 247 625 in 2018 (compared to EUR 19 819 612 in 2017 and EUR 19 561 194 in 2016), despite the reduction in numbers of meetings; acknowledges that the related unused appropriations only amount to 1,05 %;***

As indicated in the reply to point 25 of the EP resolution, the Committee adopted 215 opinions and reports in 2018 compared to 155 in 2017. A higher number of opinions and reports issued also means that more members were involved in preparing these opinions (also via study visits, hearings, etc.), which explains higher costs for travelling and other reimbursements.

Travel costs and subsistence allowances depend on a series of variable elements besides the number of meetings such as, for example, unpredictability in air travel fares and the meeting place, the number of participants in each meeting and their place of residence, the number of meeting days, the means of transport used by the beneficiaries and the chosen itinerary pursuant to the available flight connections. A comprehensive report detailing travel costs and allowances is submitted every year by 30 April to the European Parliament and to the Council.

- 19. *Welcomes the Committee's Decision No 2018/C 466/02 of 10 December 2018, according to which the Committee's members are reimbursed upon presentation of the supporting documents the actual costs of their travel tickets up to a maximum of the discounted business class (preferably economy class or similar) air fare; notes that the current system, which is based on actual costs, is in line with both the relevant Council decision and with the system in place at Parliament; appreciates that the Committee encourages shared transport solutions such as public buses and car-sharing as well as hiring coaches when this proves to be the most cost-efficient solution;***

The Committee is fully committed to improving and fine-tuning its reimbursement system. The current system, in line with the Council decision, is based on the reimbursement – upon presentation of supporting documents – of actual travel costs incurred. The Committee reimbursement system is largely inspired by the European Parliament system, and is implemented with a constant focus on efficient and cost-saving solutions. Besides encouraging shared transport solutions and facilitating the use of low cost airports, the Committee requires its travel agency (which is the same as the one that provides services for the European Parliament) not only to negotiate special rates with airlines and other transport providers, but also to systematically propose to Committee beneficiaries suitable cost-efficient alternatives for their travels.

- 20. *Notes that in 2018 the budget group of the Committee focused in particular on assessing how to control spending and improve forecasting for the budget item covering members' travel and subsistence allowances and that as a result, a call for tender on 'Analysis and proposal for improvements of the current projection system concerning cost reimbursement of EESC members, delegates and experts' was launched in October 2018; calls on the Committee to inform Parliament's Committee on Budgetary Control on any results achieved;***

The call for tender resulted in a detailed report from the external contractor on possible

improvements to the current projection system, also indicating possible scenarios for changing the current system.

A detailed action plan on the implementation was set up following the EESC Bureau decision, which should have delivered the first results by end of April 2020. Due to the COVID-19 crisis, and the very volatile effects of this crisis on the members' reimbursement, the implementation of the project has been delayed.

- 21. Observes that the appropriations carried forward (EUR 8 204 796) from 2018 to 2019 (compared to EUR 9 232 069 from 2017 to 2018) amount to 6,05 % of the total appropriations, which is again mainly due to the budget lines ‘Members of the institution and delegates’, ‘buildings’ and ‘data processing’; deplores the fact that many appropriations automatically carried forward from 2017 to 2018 were particularly overestimated; reminds the Committee that it is essential to make a realistic budget adjustment in accordance with real needs; recalls that excessive overestimation or underestimation indicates poor budgetary planning and entails negative pressure on the sound and prudent financial management;***

The carry-forward amount in the last two years is higher than in previous years due to the more extensive end-of-year exercise, which implies transfers of unused funds on some budget lines to other budget lines in need of funds. The budget lines "buildings" and "data processing" received funds especially to cope with the historical backlog on these lines due to previous years. As the amount from this exercise is only available at the end of the year, the services are not able to spend these in the same year and they cannot be calculated exactly beforehand, as they become part of the carry forward of the next year. The amount carried forward on the budget lines related to "Members of the institution and delegates" was needed in order to handle the members' reimbursement claims still in the following year. Since 1 January 2019, a general deadline of six weeks for submitting these reimbursement claims was set up to reduce the reimbursement lead times and therefore also to reduce the need for carry-overs on these budget lines. The system has proved to be efficient.

- 22. Stresses that the Committee’s budget is purely administrative; notes that the Committee assessed how to apply the principles of performance-based budgeting to administrative appropriations only; welcomes the Committee’s initiative to work together with other institutions to establish a set of interinstitutional guidelines on the implementation of performance-based budgeting for institutions that have only administrative expenditure;***

No follow-up required.

- 23. Recognises that in 2018 a decision on internal control standards was updated, formalising the existence of an internal control process within the Committee, including the appointment of an internal control coordinator; notes that the Committee launched an exercise for compliance with the 16 internal control standards by means of an ad hoc questionnaire, followed by a report, which was the basis for the authorising officer to decide on a catalogue of measures for 2019 aiming to further improve compliance with the internal control standards; welcomes the training and awareness raising taking place in***

this context;

No follow-up required.

- 24. Notes the fact that salaries make up approximately half the Committee's budget; welcomes the internal audit on salary payments which was finalised in 2018 and is to provide assurance that procedures had improved after an audit carried out in 2010; notes that the audit found the salary payment process to be stable and not to pose any undue risks; notes the agreed action plan which had already been implemented partly by the end of 2018 with all the other elements scheduled for implementation by the end of 2019;**

No follow-up required.

- 25. Observes that in 2018 the Committee adopted a total of 215 opinions and reports (compared to 155 in 2017); welcomes the efforts made to increase its overall efficiency; specifically welcomes all the efforts, in particular in 2018, which led to a vision to shape the Committee's future IT environment to be compatible with modern administration and to envisage a digitally transformed, user focused and data-driven Committee for the next 10 years; notes that currently only 3 % of the Committee's budget is devoted to IT products; notes that the implementation of the digital strategy of the Committee will need extra resources;**

For the past couple of years, the Committee has been indeed asking for a substantial increase in its IT budget. It is the only possible way to achieve the goals mentioned in the above observation and for the implementation of the Committee's digital strategy. Only if an increase of the IT budget up to 4.5% of the total budget is allocated will it be possible to address these risks, to cover market-driven increases in software licence costs, as well as in SLAs, investments in security, cloud and mobile computing, extra resources for faster delivery of new and improved information systems, and finally extra internet capacity. This scenario would allow the Digital Strategy to be implemented within the foreseen timeframe and also allow the Committee to catch up and close the gap vis-à-vis the other EU Institutions. Ideally, in the long run this figure of 4.5% should go up to 6%.

On the other hand, low investment rates in IT in recent years has led to a difficult situation. Firstly, with regard to the lower rates of replacement of IT infrastructure (servers, storage and network equipment) and secondly, the slower delivery of new applications (due to the limited number of external programmers, which could be financed by a limited budget).

Also, an increase in the IT budget limited to the inflation rate will not improve current situation significantly but will, on the contrary, lead to a deadlock situation – slow progress towards the Digital Workplace, slow delivery of Information Systems and restricted network capacity. It will also lead to budget shortages in relation to paying increasing costs related to market-driven increases in software licence costs and increasing costs related to Service Level Agreements (SLA) with the European Commission.

More recently new pressures on the IT budget have arisen in relation to the COVID-19

pandemic, namely: completing the Digital Workplace by issuing all staff with portable PCs, migrating to a hybrid cloud environment and providing technical support for videoconferences, and supporting the Buildings Strategy. However, the EESC has proposed an increased budget for IT for the year 2021 and welcomes the fact the European Parliament shares its view during the ongoing budgetary procedure.

See also the reply to point 53 of the EP resolution.

- 26. Acknowledges that artificial intelligence (AI) will change the labour market and displace a big proportion of jobs currently existing; encourages the Committee to follow this issue closely; supports the work done by the Committee on AI by issuing an opinion and organising a first stakeholder summit on AI in June 2018 with the Commission in order to stress the importance for the Union of ensuring that AI is safe, unbiased and in line with Union values;***

No follow-up required.

- 27. Welcomes the Committee's efforts to increase the data protection and cybersecurity of the Committee; further welcomes the cooperation with the Computer Emergency Response Team for the EU Institutions, bodies and agencies and the active participation in the IT Interinstitutional Committee Security subgroup;***

No follow-up required.

- 28. Stresses that a service level agreement between the Commission and the Committee on human resources, including training, was concluded in 2018 and has increased the transparency and predictability of costs related to IT training as requested in Parliament's 2017 discharge resolution; notes with concern, however, that the advantage of increased transparency is partly offset by a substantial increase in prices charged by the Commission and asks the Committee to analyse the situation together with the Commission in the interests of finding improvements;***

The new SLA between the Commission and the EESC indeed brings more transparency and clarity in the field of training courses. The analysis showed that the price increase compared to the previous year is not as high as initially expected and lies at around 4%. This somehow adds pressure to the EESC budgetary projections each and every year.

- 29. Points out that the establishment plan approved by the budgetary authority confirmed a staff increase from 665 posts in 2017 to 668 in 2018 (compared to 727 in 2013); recognises that a 5 % reduction is much more difficult to absorb when applied to a relatively small establishment plan because of the need to maintain certain key functions in terms of business continuity and that such an overall reduction rate requires a greater effort from smaller institutions;***

No follow-up required.

- 30. Notes the measures to implement the whistleblowing decision of 2016, such as the adoption***

of an internal decision on ethics counsellors; acknowledges that three additional members of staff were selected in 2018 to join the active team of trained counsellors; notes the role of the ethics counsellors to advise and assist members of staff in order to help them fulfil their obligations in the best way possible regarding the reporting of serious misconduct (whistleblowing), as stated in Parliament's 2016 discharge resolution;

No follow-up required.

- 31. *Notes with concern that the number of the requests of assistance addressed to the ethics counsellors increased from 25 in 2017 to 42 in 2018 and stresses with particular concern that 33 of such requests were from women while the number of requests from men remained stable at nine;***

As of 2018, the confidential counsellors have been organising various awareness-raising initiatives, such as monthly presentations to newcomers and presentations/discussions with managers and other target groups. Colleagues have been encouraged to come and see confidential counsellors as early as possible about any workplace issue causing concern. This has contributed to creating a working atmosphere where in general colleagues feel more at ease to contact confidential counsellors on issues such as conflicts with other colleagues and/or managers, management style, perceived harassment etc. As two thirds of all staff members of the EESC are female, the proportion of requests from women to confidential counsellors is only slightly above this percentage.

- 32. *Notes all the measures undertaken to strengthen the effectiveness of the anti-harassment policy, such as training on specific topics, opportunities for the confidential counsellors to network, and regular supervision by an external consultant; notes that a revision of the current decision on harassment is under consideration to ensure better synergies with other relevant regulations, such as on whistleblowing; notes that the course on ethics and integrity is compulsory for all staff and covers standards of behaviour in the workplace, including what harassment is and how to deal with it; deeply regrets that all these measures have failed to avoid the related cases of harassment and to protect the victims; reminds the Committee that a proactive, real and urgent protection (including against threats, blackmail and bribery attempts) of all of the victims and whistleblowers must be one of the key priorities of these measures; calls on the Committee to reinforce and improve the measures undertaken until now and above all effectively protect all of the victims; asks the Committee to report back to the Parliament's Committee on Budgetary Control in this regard;***

The protection of victims and whistleblowers will continue to remain central in the zero-tolerance approach followed by the EESC. As already mentioned in the replies to points 11 and 12 of the EP resolution, the EESC continues to actively prevent and combat harassment, and to promote a respectful workplace at all levels. The EESC confirms that the aspects of victim protection will also be duly taken into account in the context of the ongoing reflections and establishment of a detailed action plan.

- 33. *Notes with appreciation the cooperation between the Committee and OLAF; observes that***

both institutions signed administrative arrangements in 2016 which set out the procedure to be followed for the handling of fraud cases; further notes that in July 2019 the Committee's president and secretary-general met OLAF's director-general in order to create better synergies and ensure more efficient exchange of information;

No follow-up required.

34. *Notes that the new code of conduct for members, which is annexed to the Committee's new rules of procedure that entered into force in March 2019, for the first time contains penalties for members involved in situations where a member does not fulfil his or her obligations according to the code of conduct; regrets that such penalties are neither sufficiently severe nor aligned with the recommendations of the European Ombudsman; recalls that using Union funds to defend the institutional reputation or members subject to an adverse judgment of the Court of Justice of the European Union (CJEU) or by courts of the Member States is a misuse of public funds and recalls that institutional legal services are to be used for the purpose of defending the institution only, not to defend the interests of individuals; asks the Committee to urgently strengthen the code of conduct for members in order particularly to add penalties that may be more effective and dissuasive; notes that an advisory committee on the conduct of members has been established and that this committee will give any member who so requests guidance on the interpretation and implementation of the code of conduct, and advise the president of the Committee on possible steps to be taken and on alleged breaches of the code of conduct; strongly recommends that harassment training is made available to all members, as it has been the case in Parliament since the beginning of the current parliamentary term;*

As far as harassment and respect at work are concerned the administration is taking a variety of action. Measures include training, publication of brochures, awareness-raising campaign, etc. See the replies to points 10, 11 and 13 above.

35. *Recalls that the Parliament's Committee on Budgetary Control asked for regular updates of the Committee's ethics and integrity framework; welcomes that in 2018 preparations started for a campaign on 'Respect@work', meant to foster respectful workplace relations for all, which among other actions will feed into a revision of the ethics and integrity framework in 2019; calls on the Committee to report back in the next annual activity report;*

In 2019, an awareness-raising and participative initiative (the Respect@work campaign) to foster respectful workplace relations was organised and the importance of a fair, inclusive and ethical work environment was promoted via posters, a video production and the distribution of Respect@work branded products such as post-its and conferences. In addition, in order to reach out to all staff and to ensure their views were heard, an online survey entitled "What is respect@work for you?" and a consultation forum were also organized. Both exercises attracted a significant number of participants and contributed to the reflection on the further need to strengthen a culture of trust and dialogue.

The EESC will gladly provide an update on the developments in the ethics and integrity framework and the 'Respect@work' campaign in the 2019 AAR.

36. *Recalls that the legal service of the Committee was substantially weakened for four years from March 2010 when the head of the legal service was dismissed with immediate effect from his duties after having denounced serious irregularities and illicit pressures by the secretary-general at the time; also recalls that this position was vacant for three-and-a-half years, that the European Civil Service Tribunal found against the Committee in this case (judgment in Case F-41/10 RENV, Bermejo Garde v European Economic and Social Committee), that the Committee had to pay more than EUR 100 000 and that only in 2014 a new head of the legal service was appointed and the legal service reinforced with five lawyers;*

The above-mentioned file was fully closed by a Judgment of the Civil Service Tribunal of 2 June 2016 and no additional developments are expected concerning this case as the official's requests were satisfied.

37. *Is very concerned about the recent changes which may again weaken the legal service of the Committee, including that it since 1 January 2020 is attached directly to the secretary-general as the only legal service among the Union institutions, that since September 2019 it has lost one of its five lawyers on a permanent basis, that some staff members, including the head of unit, have been included in mobility instead of being considered specialised staff as in the other institutions and that it has suffered a drastic reduction in the number of formal consultations;*

Amongst other changes, the new structure of the EESC – in place since 1 January 2020 – attached the Legal Service directly to the Secretary-General, in order to increase its visibility and impact. The number of lawyers has stayed stable compared to previous years. In addition, the legal capacity was reinforced in the MEM unit (Members' Working Conditions) to allow the treatment of specific issues in relation with the Member's statute. Concerning the question of specialised staff, including staff belonging to the Legal service who should be exempted from the EESC's mobility policy, a reflection is ongoing.

38. *Stresses the importance of having a strong and independent legal service, taking into account that since their creation, the Union institutions have provided themselves with internal legal services whose main functions are legal advice and representation and defence before the CJEU; , therefore asks the Committee to ensure that its legal service has a sufficient number of staff to perform its duties and is able to keep its independence; asks the Committee to eliminate all measures that could weaken the legal service in the exercise of its corresponding activities and functions; also reminds the Committee of the importance of consulting the legal service on the Committee's decisions in order to assure they comply with the law and to avoid making serious mistakes and subsequent legal, long and onerous proceedings;*

The legal service is consulted whenever appropriate and whenever such consultation could bring added value.

39. *Fully regrets public allegations caused by the recruitment procedure for the new secretary-general of the Committee; notes the arguments raised by the secretary-general in the*

answers to Parliament's questions for the 2018 discharge; stresses the importance of strictly ensuring the accomplishment of complete transparency in all the phases of the entire the whole procedure (publication, selection, appointment and establishment) without any exceptions as set out in the Committee's rules of procedure and in the Staff Regulations in order to comply with them and also to avoid any reputational risk, not only for the Committee but for all the Union institutions;

The EESC reiterates the information already provided in the answers given by the Secretary-General to the Parliament's questions for the 2018 discharge. The EESC confirms that it always takes the greatest care in ensuring transparency and efficiency in all aspects and stages of all recruitment procedures in strict accordance with the Staff Regulations and the Committee's Rules of Procedures, with a view to securing the best possible recruitment (publication of vacancy notices in the EU Official Journal, assessment centre, etc.).

- 40. Welcomes the efforts made to increase the Committee's visibility, by both strengthening its relations with the media and putting the focus on online communication to further remove language-related and disability-related barriers; highlights in relation to social media communication the accompanying training policy and on-demand tailored coaching sessions for both the members and the staff of the Committee; notes the slight reduction in the number of press releases in 2018 (approximately 60 compared to 70 in 2017) as part of a strategy aiming to develop the format of 'web stories' in order to have a more focused communication on the most important topics of the Committee; asks the Committee to report back to Parliament on its experiences in this respect;**

All communication efforts undertaken by the EESC aim to ensure that the views expressed by the EESC reach the other EU institutions, as well as civil society organisations in Member States. Both press releases and web stories are tools to achieve this goal and follow the newswriting style of an inverted pyramid, with the newest/most relevant information coming first. A press release is chosen for topics covered by an opinion or event deemed to be most newsworthy or relevant for the EESC's work, or if it relates to the EESC's flagship event. It is thus published the same day or a day following the plenary or the said event.

Other opinions to be promoted are usually covered through web stories. This format is chosen for subject matter which is believed to be of a more limited, specialised or local interest. It also allows for certain topics to be covered in a more detailed way.

- 41. Notes that the Committee implemented a wide range of communication activities to mark its 60th anniversary in May 2018; welcomes the fact that the Committee received 9 419 visitors in 2018 (compared to 7 820 in 2017) and that the traditional Open Day on 5 May attracted some additional 2 888 visitors (compared to 2 700 in 2017); notes that the Committee's plenaries which are web-streamed has a potential reach of between three and eight million people; notes that the overall online interaction, such as retweets, 'likes' and replies, has been increasing and has reached between 680 and 1 840 mentions per plenary;**

No follow-up required.

- 42. Notes that the appropriations for translation outsourcing increased (20,2 %, in 2018, slightly above the 20 % target, compared to 17,1 % in 2017 and 16,61 % in 2016) in the context of the cooperation agreement signed with Parliament and the resulting reduction in translation staff; notes further that the total cost of outsourced translation in 2018 was EUR 4 417 613 compared to EUR 7 208 710 that would have been the total cost of in-house translation;**

No follow-up required.

- 43. Invites the Committee to continue its rationalisation measures in the area of translation;**

The Directorate for Translation will continue to rationalise through the common management of translation units, always aiming to ensure streamlining of working methods and the exchange of good practices. It will also continue to push for the rationalisation of legislative document production through the use of structured formats, such as XML, which will allow for efficiency gains both in translation and in the requesting services.

- 44. Notes that the administrative cooperation agreement entered into between the Committee, the Committee of the Regions and Parliament in 2014 came to end on 31 December 2019; notes that to date the 2014 agreement has not been renegotiated or extended; is of the opinion that the 2014 agreement was very unbalanced for the Committee and the Committee of the Regions (the ‘Committees’), that transferred a total of 60 translators to Parliament (36 from the Committee) and, in exchange obtained only the use of the services of the European Parliamentary Research Service (EPRS); notes with concern that as a consequence the Committees had to hire contract staff and outsource their translation service; notes with concern that to compensate for the reduction in translation staff, Parliament has provided additional funds (EUR 1 200 000 from 2015 to 2016) to the Committees to cover the outsourcing of the translation services and that these funds can be reallocated to other policy areas if they are not fully used for outsourced translation (the Committee used this reallocation possibility in the last three years); is of the opinion that these circumstances are not in line with the criteria of overall prudent and sound financial management and should be reviewed in the event of an extension of the present agreement or in the negotiation of a new agreement; recognises that, from a political point of view, the agreement must be updated to face current challenges, such as the new MFF or the new cohesion policy rules; recognises the Committees' good cooperation in promoting citizen's participation in the 2019 European elections;**

The current cooperation agreement between the European Parliament, the European Economic and Social Committee and the Committee of the Regions, signed in 2014, continues to provide a valid basis for fruitful cooperation between the three parties: it is not restrained by an expiry date. On the other hand, the EESC would like to see that the cooperation agreement with the European Parliament is respected in its entirety, including the stipulation to provide the Committee with sufficient funds for the outsourcing of translation, to compensate for the posts transferred to the EP.

- 45. Recognises the follow-up to the Committee's 2016 staff survey on psychosocial risks at**

work by the launch of several initiatives, such as workshops for managers on absence management, conflict management and how to handle poor performance; also welcomes the mentoring system for new colleagues and actions to increase the wellbeing and commitment of staff; notes that the staff absence rate seems to have reached its peak in 2017 (5,5 %), and that it decreased slightly to 5,35 % in 2018 (compared to 4 % in 2015); notes with concern, however, the increase in long-term sick leave among the Committee's heads of unit; calls on the Committee to report back on all achievements relating to the reduction of the staff absence rate;

In the framework of the action plan related to psycho-social risks, a mentoring scheme for newcomers was relaunched at the beginning of 2019. Due to the success of the mentoring programme, a need to increase the number of mentors has arisen and a new call for interest is currently being organised. As part of the action being taken to further address the findings of the staff survey on psychosocial risks at work, where the management of conflicts in the workplace was identified as a potential area for improvement, a Respect@work campaign was organised in 2019 as detailed under the reply to point 35 of the EP resolution.

Furthermore, a full day of training on "Respectful working environment" was part of a specific training cycle for heads of sector, who are often responsible for the operational management of their sector and therefore have close contact with their staff. This training will be continued in 2020 for other target groups.

Last but not least, in order to evaluate the actions taken as a follow-up to the 2016 staff survey, the EESC plans to launch a new staff survey on psycho-social risks at the end of 2020.

According to preliminary analysis, the actions taken seem to have already had a positive influence on the absence rate due to sickness. In 2019, the absence rate due to sickness within the EESC general secretariat decreased for the second consecutive year and was at 5%. The EESC cannot confirm an increase in the average sickness rate of its head of unit compared to 2017; while in 2017 the average was nine days, the average in 2018 was eight days. However, the overall number of days of absence was indeed negatively impacted in 2019 by the specific long-term sick leave of two middle managers.

The EESC confirms that the average absence rate is one of the key HR performance indicators that will continue to be monitored.

- 46. Welcomes the ongoing progress towards achieving geographical balance for the Committee's managers, in particular with respect to the Member States that joined the Union in or after 2004; notes with regard to gender balance that the Committee now has a higher proportion of female than male managers (52 % in 2018, 41,4 % in 2017 and 37,5 % in 2016); notes that 80 % of the colleagues requesting part-time work were women in 2018 even though the right is the same for men and women; welcomes the fact that the Committee regularly raises awareness of the available working patterns;**

No follow-up required.

- 47. Welcomes the Committee's efforts to build a more diverse and inclusive work environment and culture by taking actions in favour of people with disabilities, such as making the intranet and website digitally accessible to persons with visual impairment, publishing a brochure called 'Access Able Brussels' to provide all necessary information for newcomers with disabilities moving to Brussels, and hosting the Inter COPEC conference dedicated entirely to disability issues;**

No follow-up required.

- 48. Recalls the necessity of developing a long-term human resources policy framework which promotes work-life balance, lifelong guidance and career development, gender balance, teleworking, non-discrimination, geographical balance and the recruitment and integration of people with disabilities;**

Over the years, the EESC has already developed a robust and rather exhaustive policy framework on all the replies to the above points. The recent appointment of a new HR Director as from 1 January 2020 will allow the continuation of the reflection on a new integrated HR Strategy. This new approach will aim to implement a cutting-edge Talent Management strategy in the mid- to long-term.

- 49. Recognises that by means of an administrative cooperation agreement, the Committees have set out a large number of procedures for collaboration between their services and have also established and organised joint services in which both human and financial resources from the two Committees are pooled together (namely translation and logistics); welcomes that the internal audit service of the two Committees collaborate closely concerning the joint services under the provisions of the cooperation agreement; encourages the Committee to extend its administrative cooperation agreement with the Committee of the Regions beyond 2019;**

The European Economic and Social Committee and the European Committee of the Regions have a long-standing record of highly developed administrative cooperation. Building on the Committees' mutual will to keep a stable relationship, the current administrative cooperation agreement, which entered into force on 1 January 2016, has been extended until 31 December 2020. Ad hoc cooperation and exchanges of best practices are also developed outside the fields covered by the cooperation agreement.

- 50. Welcomes the annual savings amounting to EUR 11,8 million as regards infrastructure and EUR 0,72 million as regards rent, maintenance, consumables and staff due to the fact that the Committees are sharing resources in these areas; also welcomes the fact that the annual budgetary savings as regards IT due to the cooperation between the Committees amount to approximately EUR 5 million; notes that an example of synergies through the cooperation with Parliament, which creates savings in terms of staff costs amounting to EUR 3,3 million (at 2016 salary levels), is the Committees' use of EPRS (36 Committee posts were transferred to the EPRS for this purpose);**

No follow-up required.

- 51. *Calls on the Committee to analyse further the situation in order to identify additional areas for joint services with the Committee of the Regions; highlights that this kind of interinstitutional cooperation can significantly reduce the overall expenditure of the Committee; calls on the Committee to inform Parliament's Committee on Budgetary Control on any results achieved;***

The administrative cooperation between the European Economic and Social Committee and the European Committee of the Regions is a very good example of interinstitutional cooperation, seeking effectiveness and efficiency in their administrations while recognising each other's distinct institutional role and political identity. While the joint services serve both institutions in a number of fields, such as translation, infrastructure, logistics, security and IT, the EESC is ready to explore further synergies (i.e. medical service, managing of meeting rooms, etc.) with the CoR during the next upgrade of the existing fruitful relationship.

- 52. *Notes that the cooperation agreement between the Committees, signed in 2016, establishes a firm legal framework for long-term, efficient and effective cooperation and demonstrates that the Committees are acting in partnership while respecting each other's powers and prerogatives; notes that the agreement ended on 31 December 2019 and that it was decided to extend it for one year while a new agreement is being negotiated; asks the Committees to make the necessary efforts to conclude a new agreement as soon as possible in order to allow further synergies and savings;***

The Committee is interested in keeping a stable relationship with the Committee of the Regions beyond end of 2020, and aims for a prolongation of the current cooperation agreement. Possible improvements to the existing close administrative cooperation between the EESC and the CoR are being discussed and it will be explored whether additional efficiency measures could be found to cope with the consequences of the COVID-19 pandemic.

- 53. *Recalls that once again the Committees dedicated less than 3 % of its total budget to IT and that IT projects and equipment have suffered from structurally underfinancing for several years; notes with concern that in order to address their backlog in IT projects and systems, the Committees continue to use mopping-up exercises at the end of the year to finance IT projects; asks the Committees to implement as soon as possible the new digital strategy and multiannual IT expenditure plan;***

In June 2019, the Bureau adopted the Digital Strategy for the EESC that presents the vision for the EESC IT environment and identifies the major IT challenges that support this vision.

In relation to IT systems, the most visible result to date is the Members Portal module to support paperless meetings. This module was used for the first time during the February 2020 plenary session. The Bureau has decided that from September 2020 onwards, "paperless" will become the default option (applied to plenary sessions and Bureau, group and CAF meetings). Development of the new back-office application for processing amendments and a business-led study on Document Management are further examples of action in progress. The project to develop a Strategic Management tool is being initiated. Revision of Agora and the

Members' Portal is planned for 2021/2022, involving the Questors. Paperless workflows and procedures, especially for financial management, are being rolled out using the applications already available. Nevertheless, it must be pointed out that increasing charges imposed by the European Commission for the use of shared applications in the domain of financial and human resources remain a matter for concern, as they create additional constraints to an already very narrow IT budget.

In parallel, work is going on in relation to the Digital Workplace project, which covers the redesign of the end-user environment and its underlying digital infrastructure. The most visible result has been the increasing use of portable PCs by staff. Currently, some 2/3 of staff are equipped with portables and this proportion is set to rise to 5/6 over the coming months. The office automation, mail and unified communication tools have been upgraded in 2019. Users are encouraged to migrate from shared drives to team sites. A migration plan to a hybrid cloud is being developed and costed. In addition to the above work, the IT service is preparing to support the Buildings Strategy (network equipment acquisition and increased IT logistics capacity for the changes of buildings as from 2021).

Despite these major developments, progress still remains to be made and end of year credit transfers remain necessary to fund IT projects. In particular, it will be necessary to reinforce network capacities and end user equipment in order to allow 100% of the staff to telework in order to cope with crisis situations such as the COVID-19. These supplementary appropriations will allow important improvements to be made, as happened at the end of 2019 when twenty additional projects were financed to upgrade the IT infrastructure and to increase application development capacity. In the face of the COVID-19 pandemic the EESC has responded well by quickly adjusting its working methods, putting in place solutions for remote meetings by way of the Webex and Interactio applications. The current pandemic crisis, however, has only underlined the need for further investments in IT infrastructure and solutions.

See also the reply to point 25 of the EP resolution.

- 54. *Notes that the agreement between the Committees and the Commission on the exchange of the Commission's VMA building for the Committees BEL68/TRE 74 buildings was signed on 28 August 2019; notes that the exchange will become effective on 16 September 2022; notes with concern that the main priority identified by the Committees' buildings policy is the geographical concentration of the buildings; notes with concern that this exchange results in a loss of office space of 10 440 m² for the Committees and, thus, a need to find extra offices to accommodate around 200 members of staff after the exchange, which cannot be entirely offset by alternative measures in the short-term, such as a more intensive use of space in the other buildings or an increased use of teleworking, but will necessitate the purchase of another adjacent building to compensate for this reduction; notes also the need to renovate the VMA building in the short to medium term; fears the consequences that this agreement will have not only for the finances of the Committee but also for the wellbeing of the staff concerned; regrets that the legal service has not been consulted on a matter of such scope and importance for the Committee;***

See the reply to point 55 of the EP resolution.

- 55. Notes that the Committees have recently established a joint working group for the purpose of preparing a further analysis in order to find adequate solutions; notes that another working group is tasked with reflecting on new ways of working; stresses that the well-being, manner of work and work space of staff must suffer no negative consequences arising from the exchange of buildings; welcomes that the administration of the Committee is keeping all stakeholders informed via staff meetings and through the management of the concerned services and will take into consideration the concerns and suggestions put forward; calls on the Committees to inform Parliament's Committees on Budgetary Control and on Budgets on any results achieved;***

Exchanging the B68 and TRE74 buildings for the VMA will result in an effective loss of 10 440 m² of office space (13 396 m² minus the VMA surface area of 2 956 m² currently occupied by the European Commission), which cannot be entirely offset in the short term by alternative measures such as stepping up the office space density of the other buildings and increasing teleworking.

Around 400 staff members are currently accommodated in the B68 and TRE74 buildings. Given the unused spaces, around 200 additional staff members could be accommodated in the BvS and REM buildings as they stand at present. Extra offices will therefore have to be found to accommodate the remaining 200 staff members once the B68 and TRE74 have been exchanged for the VMA, hence the need for a compensatory office building.

On 11 December 2019, the European External Action Service (EEAS) informed the Committees that the Belliard 100 building would be available by early 2021 and proposed transferring its current lease to them. At 5 200 m², the Belliard 100 building would allow the Committees to cope smoothly with the exchange of buildings foreseen for September 2022. In addition, renting the B100 as from beginning of 2021 would allow part of the staff leaving the VMA building to be accommodated during the refurbishment works phase scheduled for between spring 2021 and summer 2022.

Taking into consideration these elements, the Bureaus of both Committees gave a mandate to the Secretaries-General in February 2020 to undertake negotiations with the EEAS in view of concluding an agreement allowing the Committees to take over the rental contract of B100 as from early 2021.

The Staff Committee and staff in general have been informed about these developments.

These negotiations started in March this year and are still going on. Results are expected before summer 2020.

In October 2019, the Secretaries-General of the Committee and of the European Committee of the Regions agreed to "create a working group on the future allocation of space in order to analyse the overview of all office space (independent of current use) available as of Sept 2022, examine the budgetary aspects, and propose an action plan (taking into account the

respective decision making processes of each Committee). The Working Group should be led by the Directorate of Logistics, and should embrace Directorates of Human Resources and Finance, liaison officers, SG teams, and - from time to time – staff representatives".

The working group met several times and drew up a proposal for criteria and principles to be applied when allocating space to the various services. This document was presented to the Staff Committees at two meetings (13 and 27 March 2020) and all their questions and remarks were answered.

This final decision by the Secretary-General was immediately communicated to all staff of both Committees at the beginning of April 2020. In the coming months discussions will continue at directorate level to choose the space configuration most appropriate to each of them and Staff Committees will be involved in this process.

The joint VMA working group defined the guiding principles for the future allocation of space as well as objective parameters allowing for equal treatment of all services/entities. The staff representatives were involved in two different meetings of the above working group before the formal endorsement by management of both Committees of the above-mentioned methodology and guiding principles. Staff have been also directly informed regularly through different channels and will be consulted/involved in the upcoming phase of the detailed design of floor arrangements and assignment of individual workspaces for the services concerned by the upcoming moves.

- 56. Expresses serious concerns about the confirmation of the presence of asbestos in critical places of the VMA building including the parking area; deplores the fact that an inventory realised by a specialised external contractor was carried out in September 2019 only one month after the signature of the agreement with the Commission; deplores the fact that the agreement was signed without informing all stakeholders in due time about the possibly presence of asbestos in the VMA building; also deplores the fact that members and staff have not been informed about the situation and asks the Committee to remedy the situation in an adequate and effective way;***

In September 2019, a specific inventory of all VMA areas, construction materials and equipment possibly containing asbestos was carried out by an external contractor specialised in this matter. An additional check was carried out in September 2019 on the air quality on each floor of the building, including parking levels. No asbestos fibres have been detected in the air.

Following those two positive results, the Committees received an asbestos-safe certificate for the VMA in September 2019. This certificate specifies that the building contains asbestos, but without risk for normal use of the building.

Hence, the VMA building is fully compliant with all regulatory requirements on asbestos applications. The result of the analysis is published on the intranet of the Committees and is accessible to all staff members.

The studies for the VMA refurbishment work programme have been going on since the summer of 2019 and the work could start at the beginning of 2021. Although the few materials containing asbestos fibres are located outside the VMA office area to be renovated, it is planned to remove all those materials during the execution period of these renovation works.

It was already known that a limited amount of asbestos was present, and this was confirmed by further analysis in September 2019. For all materials where it was not sure if they contained asbestos fibres or not, a supplementary laboratory analysis was carried out. Therefore, sixteen construction materials were checked. One material indeed contained asbestos fibres. This concerned a sample taken from a joint between conducts very near to the gas counter, inside the gas counter room with very limited access.

Three other construction materials containing asbestos fibres in the VMA building have already been known for more than ten years:

1. Parking -1 and -2: cement pipes for lightning conductor protection
2. Parking -1: joints between two parts of the water drainage pipes connected to the sewage pump.
3. Heating room -1: joints between two parts of the heating chimney for smoke extraction

In September 2019, following the positive results of the two aforementioned analyses, the Committees received an asbestos-safe certificate for the VMA. It specifies that the building contains asbestos but without risk for normal use of the building. The VMA building is thus fully compliant with all regulatory requirements on asbestos applications.

- 57. Notes that the Committees received an asbestos-safe certificate for the VMA building in September 2019 and that this certificate specifies the building contains asbestos without risk for normal use of the building; taking into account especially that the next use of the building will not be normal use, but a situation of construction, is deeply concerned about the future developments on the issue;***

No follow-up required.

- 58. Notes that the effects of prolonged and unsafe asbestos exposure on human health are well documented and are always a source of concern and alarm among the population in general and therefore asks the Committees to carry out a policy of total and proactive transparency and information about the management of the situation before and after the effective occupation of the VMA building while at the same time avoiding alarmism;***

As already indicated in the reply to point 56 of the EP resolution, the VMA building was declared asbestos-safe. All information about materials containing asbestos fibres in all Committees' buildings, including the result of the analysis, is published on the intranet of the Committees and accessible to all staff members. Any new available information in relation with the topic will be made available to the staff.

- 59. *Is concerned that 19,56 % (2 835) of the payments with a payment time of 30 days were delayed (with an average payment delay of 46,12 days); calls on the Committee to strengthen its efforts to respect the payment deadlines set in the Financial Regulation;***

Ninety-seven percent (97%) of delays in the payment of invoices are due to invoicing errors made by the supplier of travel services; in order to dispose of a clearer indicator on this matter, the EESC is now suspending the incorrect invoices in its accounting books.

- 60. *Welcomes the fact that the rate of unused slots of interpretation services decreased over the last years (2,61 % in 2018, 3,6 % in 2017 and 4,38 % in 2016); acknowledges the measures implemented throughout 2018 and encourages the Committee to keep its positive trend towards fewer cancellations of interpretation services;***

No follow-up required.

- 61. *Appreciates the Committee's intention to further improve transparency and facilitate access to the Committee's documents based on an interinstitutional meeting on transparency held in Luxembourg on 25 September 2018; notes that the Committee has launched an exercise to take advantage of the best practices of other Union institutions and bodies resulting in an action plan to be launched in 2019 covering topics such as its rules of procedure, its code of conduct for members, creation of a transparency register and access to documents;***

No follow-up required.

- 62. *Notes that the European Ombudsman in June 2017 issued the 'Recommendation of the European Ombudsman concerning the alleged failure by the European Economic and Social Committee to ensure that a member declared all relevant interests', resulting in the Committee amending its rules of procedure in order to reflect the changes requested by the European Ombudsman and that the amended rules of procedure entered into force on 15 March 2019; notes that the European Ombudsman came to a conclusion about the absence of maladministration in an inquiry regarding a complaint related to a selection procedure in 2018;***

No follow-up required.

- 63. *Notes that the declarations of interests for the president and the vice-presidents of the Committee are available and accessible on the Committee's members' internet pages; notes that following the amended rules of procedure members must upon appointment draw up a declaration of any interest, financial or other, that might have an impact on their work at the Committee; notes that these declarations are also made available to the general public on the Committee's website; notes that members have to confirm explicitly the validity of the content of their declarations at least once a year and make revisions as soon as any change in their situation occurs;***

No follow-up required.

- 64. Notes that members are not obliged to declare the address of the organisation or company by which they are remunerated; notes, however, that upon taking office and in the case of any changes members are required to complete and sign declarations of interests; notes that 25 members have provided the administration with a registered address in Belgium;*

No follow-up required.

- 65. Notes that the Committee does not have the intention to change the system of requiring one signature to confirm the presence of Members in meetings to a system requiring two signatures, one at the beginning of the meeting and one at the end of the meeting; asks the Committee, in order to improve its working methods, to further study practices and experiences at Parliament and other Union institutions and bodies regarding the presence record and will benchmark best practices; asks the Committee to report back on any achievements in its next annual activity report;*

The present system for confirming presence used at the Committee seems appropriate, but the EESC is always willing to improve its working methods and will carefully study all the systems for verifying presence applied in the European Institutions, including the EP, with a view to benchmarking the best practices.

- 66. Notes the Committee's work done related to the Decision of the European Ombudsman in the case 1306/2014/OV to prepare guidelines on managing conflicts of interests at work with the aim of providing guidance in cases where staff members need to perform overlapping functions when handling a single subject, which is particularly the case in relation to staff representation activities;*

No follow-up required.

- 67. Welcomes the Committee's policy relating to 'revolving doors', which includes following up on the external activities carried out by its former senior officials; notes that the Committee publishes a related report every year;*

No follow-up required.

- 68. Notes that the Committee established a group in 2017 to monitor developments with respect to the United Kingdom's decision to withdraw from the Union and assesses the need for reactions or positions by the Committee; notes that on the assumption that the United Kingdom's withdrawal from the Union would take place, a total of EUR 318 600 was deducted from the 2019 budget and an additional amount of EUR 173 062 from the 2020 budget to reflect the 'evident changes' to Members' travel costs and to the co-financing of IT equipment for members;*

No follow-up required.

- 69. Reiterates the need to streamline, accelerate and improve the discharge procedure;*

proposes in this regard to set a deadline for the submission of the annual activity reports of 31 March of the year following the accounting year; regrets that this deadline was not respected for the 2018 annual activity report as requested in the 2017 discharge resolution; welcomes the Committee's readiness to follow this best practice which would provide the discharge institution with time for a more in-depth and better conducted discharge procedure;

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

- 70. Notes that the second ad hoc group on the future of the Committee with a focus on how to rationalise the Committee's internal bodies presented its follow-up report at the end of 2017; notes that the bureau of the Committee decided in January 2018 to reduce the number of Members sitting on a large number of the Committee's internal bodies and to limit the number of their meetings held each year; notes that the bureau decided to refocus the remits of some of the Committee structures; asks the Committee to provide Parliament with clarifications on savings in connection with this modernisation in order to boost transparency and accountability;*

Pursuant to the Bureau decision of January 2018, there was a considerable reworking of the distribution of members and maximum number of meetings for each of the EESC legislative sections. As a result, the total number of participating members in the sections was reduced from 498 to 474 and the total number of meetings was reduced from 142 to 111 (with 19 of those meetings being optional).

- 71. Welcomes the efforts of the Committee to promote the circular economy through its opinion and, in cooperation with the Commission, through the European circular economy stakeholders' platform compiling initiatives and best practices;*

No follow-up required.

- 72. Supports the efforts made by the Committee to decrease its environmental footprint; notes with satisfaction a slight decrease in the consumption of electricity (3 %) and paper (17 %) and of office waste (3 %); observes, however, the increase in the consumption of gas (5 %) and water (17 %) caused by the installation of a new gas heater and water leakages during construction work;*

No follow-up required.

- 73. Highlights all the achievements in recent years in areas such as the performance-based budgeting, the ethical framework with all its related rules and procedures, the enhanced communication activities and the increasing amount of measures to improve transparency; welcomes the significant amount of interinstitutional service and cooperation agreements; underlines the importance of the collaboration and sharing of experience among the Union institutions and bodies; suggests that the Committee analyse the possibility of formalised networking activities in different domains in order to share best practises and develop*

common solutions;

The EESC is actively and fully involved in several formalised inter-institutional networks (e.g. CPQS, Staff Regulations Committee, RUF) where topics of relevance as mentioned in the current discharge may be discussed. These formal networks are complemented by regular informal contact at all levels of hierarchy. The EESC strives to continue to benefit from both exchanges of best practice between all institutions and from possible synergies between institutions in the field of finance and HR.

- 74. Notes the importance of political dialogue between the Committee and Parliament to make sure that valid contributions from the Committee can be incorporated into the work of Parliament; in that context reiterates its request to pursue its best efforts in strengthening the political cooperation between these two institutions.***

The Committee has a long-standing commitment to improving the quality and impact of political cooperation with the European Parliament. One key recurring occasion to improve on this cooperation is the yearly meetings with the CCC and its chair, as provided for in the cooperation agreement between the two institutions. In 2018, this took place with a bilateral meeting in December, after the mid-term election of the EESC President in April. This occasion is a key moment for political discussion between the two institutions and it represents a unique opportunity for improving relations. In the same month, the presidents of the two institutions met to sign an agreement to support the European Elections in 2019, which led to several events and initiatives on both parts.

However, the Committee is ready to further strengthen political cooperation with the European Parliament through more inclusive participation of the EESC members in the MEPs' activities and vice-versa, by scheduling joint meetings and/or events on EU affairs, and by establishing levels of regular political cooperation, etc.

12. RESULTS AND CONSEQUENCES OF CLOSED EUROPEAN ANTI-FRAUD OFFICE (OLAF) CASES IN 2019

Financial Regulation, Article 74 (9): Powers and duties of the authorising officer

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

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

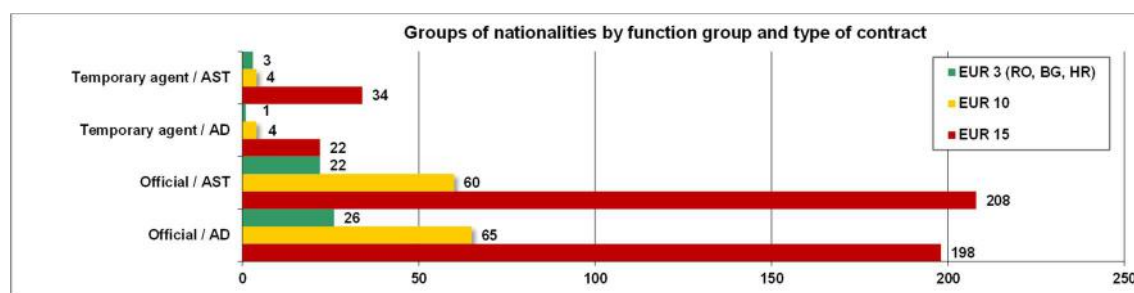
In 2019, OLAF closed two investigations involving EESC members

1. The EESC suspected that an EESC member might have benefitted from double reimbursements of accommodation expenses and referred the case to OLAF. The OLAF investigation confirmed that the member failed to declare to the EESC some reimbursements received from his national organization. OLAF recommended that appropriate disciplinary proceedings be initiated and that the unduly perceived amounts be recovered.
2. The EESC discovered inconsistencies in supporting documents provided by an EESC member to get higher reimbursements of travel expenses and referred the case to OLAF. The OLAF investigation confirmed that supporting documents had been manipulated and forwarded its report to the national judicial authorities. The EESC recovered unduly paid amounts.

13. DISTRIBUTION OF STAFF BY NATIONALITY, FUNCTION GROUP, TYPE OF CONTRACT AND GENDER ON 1 MARCH 2020

13.1 Nationality

	Officials		Temporary agents		Contract agents		Seconded national experts and special advisers		TOTAL
	AD	AST	AD	AST	AD	AST	SNE	SA	
Austria	9	1		1					11
Belgium	30	79	2	6		15		1	133
Bulgaria	6	9	1						16
Croatia	8	3							11
Cyprus				1					1
Czech Republic	7	6	2						15
Denmark	11	5							16
Estonia	8	4			1				13
Finland	9	7	1	2					19
France	12	20	7	6	2			1	48
Germany	24	7	1	2		1			35
Greece	13	9	3	6		2	2		35
Hungary	9	10							19
Ireland	6	4	1						11
Italy	31	23	6	5	1	7	1		74
Latvia	4	3							7
Lithuania	7	6				1			14
Luxembourg		1	1						2
Malta	8	3							11
Netherlands	6	2		1					9
Poland	12	10	2	1			1		26
Portugal	11	11		4		3			29
Romania	10	7	1	7		3			28
Slovakia	7	11		2					20
Slovenia	4	7	1	1					13
Spain	16	25	1	2	1	6			51
Sweden	7	4	2	2					15
United Kingdom	10	5	3						18
	285	282	35	49	5	38	4	2	700
	Offic. AD / AST		TA / AD TA / AST		CA / IV CA / II-III		SNE	SA	
EUR 15	195	203	28	37	4	34	3	2	506
EUR 10	66	60	5	5	1	1	1		139
EUR 3 (RO, BG, HR)	24	19	2	7		3			55

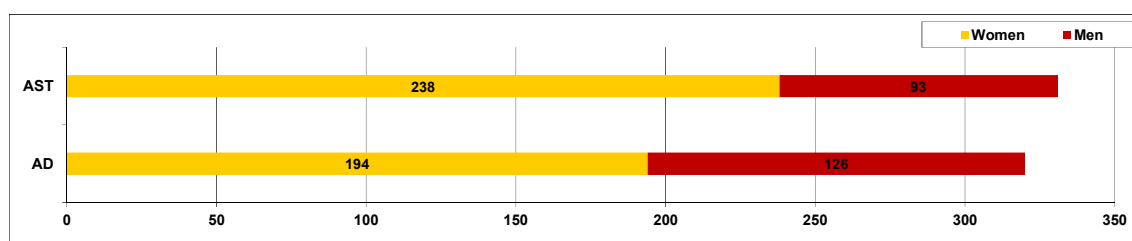


Gender	Officials		Temporary agents		Contract agents		Seconded national experts and special advisers		Total		FS/FT/TP	
	Administrators	Assistants	Administrators	Assistants	Administrators	Assistants	SNE	SA	TOTAL by gender		AD	AST
Women	166	206	22	36	5	21	4	1	461		188	242
Men	123	84	5	5	2	19	3		241		128	89
	289	290	27	41	7	40	7	1	702		316	331

13.2 Gender

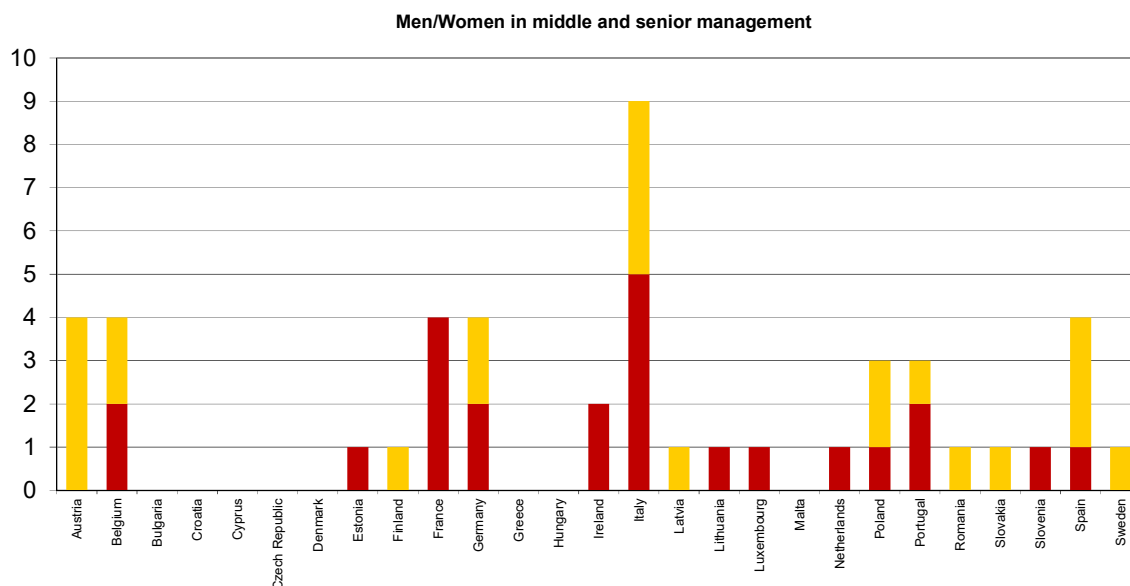
	Officials		Temporary agents		Contract agents		Seconded national experts and special advisors		TOTAL	FS/FT/TP	
	AD	AST	AD	AST	AD	AST	SNE	SA		AD	AST
Women	166	196	28	42	4	22	1	1	460	194	238
Men	119	86	7	7	1	16	3	1	240	126	93
	285	282	35	49	5	38	4	2	700	320	331

Officials and temporary agents / gender



13.3 Middle and senior management functions

	Men	Women
Austria		4
Belgium	2	2
Bulgaria		
Croatia		
Cyprus		
Czech Republic		
Denmark		
Estonia	1	
Finland		1
France	4	
Germany	2	2
Greece		
Hungary		
Ireland	2	
Italy	5	4
Latvia		1
Lithuania	1	
Luxembourg	1	
Malta		
Netherlands	1	
Poland	1	2
Portugal	2	1
Romania		1
Slovakia		1
Slovenia	1	
Spain	1	3
Sweden		1
United Kingdom	1	
TOTAL	25	23
Share	52%	48%



14. Occupation of posts by grade actually filled on 31 December 2019

Occupation of budget posts

Ratio - temporary agents on posts / total number of posts

Ratio - temporary agents on perm. posts / number of perm. posts

EESC occupation of posts in Joint Services

95.81%

10.18%

5.41%

61.01%

EESC Posts

BUDGET				Officials				Temporary Agents				Vacant posts			
	SC	AST	AD		SC	AST	AD		SC	AST	AD		SC	AST	AD
HC			1	HC			0	HC			0	HC			0
16			1	16			0	16			0	16			0
15			5	15			4	15			0	15			1
14			19	14			15	14			0	14			1
13			31	13			20	13			2	13			0
12			43	12			49	12			1	12			0
11		4	22	11		4	18	11		0	0	11		0	0
10		5	36	10		2	33	10		0	2	10		0	2
9		23	66	9		21	54	9		0	5	9		0	4
8		28	43	8		24	40	8		0	1	8		0	3
7		49	28	7		29	18	7		2	2	7		1	1
6	0	50	21	6	0	51	22	6	0	3	4	6	0	1	3
5	0	59	18	5	0	57	13	5	0	2	13	5	0	0	3
4	0	45		4	0	42		4	0	2		4	0	2	
3	13	31		3	2	27		3	0	12		3	2	2	
2	16	0		2	6	2		2	5	0		2	1	0	
1	11	0		1	13	6		1	7	5		1	1	0	
40 294 334				21 265 286				12 26 30				4 6 18			
668				572				68				28			

Permanent posts

BUDGET				Officials				Temporary Agents				Vacant posts			
	SC	AST	AD		SC	AST	AD		SC	AST	AD		SC	AST	AD
HC			0	HC			0	HC			0	HC			0
16			1	16			0	16			0	16			0
15			5	15			3	15			0	15			1
14			18	14			15	14			0	14			1
13			28	13			20	13			0	13			0
12			43	12			49	12			0	12			0
11		4	21	11		4	18	11		0	0	11		0	0
10		5	34	10		2	33	10		0	0	10		0	2
9		23	60	9		21	53	9		0	0	9		0	4
8		28	43	8		24	40	8		0	0	8		0	3
7		45	25	7		29	18	7		0	0	7		1	1
6	0	48	19	6	0	50	22	6	0	0	0	6	0	1	3
5	0	55	16	5	0	56	13	5	0	0	12	5	0	0	2
4	0	43		4	0	42		4	0	0		4	0	2	
3	13	28		3	2	27		3	0	8		3	2	2	
2	13	0		2	6	2		2	4	0		2	1	0	
1	11	0		1	13	6		1	5	5		1	1	0	
37 279 313				21 263 284				9 13 12				4 6 17			
629				568				34				27			

15. DETAILED BREAKDOWN OF MEMBERS' EXPENDITURE CONCERNING ITEM 1004

15.1 COUNCIL DECISION No 2013/471 OF 23 SEPTEMBER 2013

Article 9 of the decision states:

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

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

15.2 EVALUATION REPORT ON THE APPLICATION OF COUNCIL DECISION No 2013/471 IN 2019

Number of beneficiaries

In 2019, the EESC reimbursed 431 beneficiaries (members and their alternates).

Number of journeys

The number of journeys carried out by beneficiaries and reimbursed by the EESC in 2019 was as follows:

Destination	Number of journeys
Brussels	9,628
European Union (not Brussels)	1,701
Outside EU	225

Destinations

Meetings of beneficiaries took place predominantly in the countries of the European Union. Some meetings were held outside the EU.

Travel modes

The rules on the reimbursement of travel expenses of EESC members and their alternates are set out in Council Decision 2013/471 and supplemented by detailed implementing provisions, adopted by the Bureau of the EESC. These implementing provisions are closely aligned with

those of other Institutions such as the European Parliament and the European Committee of the Regions, and set out that reimbursements are made on the basis of expenses actually incurred.

Many trips consist of several modes of transport; for example, car to train station, train to airport and then flight(s) to destination. The monetary amount of reimbursements made for the various forms of transport were:

Method of transport	Amount reimbursed (EUR)
Aeroplane	8,138,058
Train	387,495
Car	706,929

As regards air travel, reimbursements can be made for any economy class ticket (10% economy and 2% 'low cost' in 2019) or a business class ticket (88% in 2019) up to a D-class fare (business class discounted). The majority of business-class tickets were issued in D-class or lower Z-class, P-class and I-class.

Travel costs and allowances

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

Destination	Travel costs and travel allowances (EUR)	No of journeys	Average cost per journey (EUR)
Brussels	10,812,806	9,628	1,123
Within European Union (not Brussels)	1,889,006	1,701	1,111
Outside EU	501,521	225	2,229

Destination	Daily allowances [*] (EUR)	No of meeting days
Brussels	5,210,259	16,271
Within European Union (not Brussels)	862,049	2,779
Outside EU	129,195	399

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

15.3 REIMBURSEMENTS OF TRAVEL EXPENSES AND ALLOWANCES TO EESC MEMBERS AND THEIR ALTERNATES FROM 1 JANUARY TO 31 DECEMBER 2019

DESTINATION	TRAVEL EXPENSES		ALLOWANCES		TOTAL (EUR)
	Number of journeys ¹	Cost (EUR)	Number of meeting days	Cost (EUR)	
Brussels	9,628	10,812,806	16,271	5,210,259	16,023,065
EU not Brussels	1,701	1,889,006	2,779	862,049	2,751,055
Austria	26	23,566	42	13,630	37,196
Belgium	12	6,950	12	3,625	10,575
Bulgaria	34	39,366	52	16,070	55,436
Croatia	37	39,722	64	19,865	59,587
Cyprus	7	7,933	17	6,380	14,313
Czech Republic	26	13,944	42	13,195	27,139
Denmark	5	6,257	6	1,740	7,997
Estonia	8	5,141	13	3,915	9,056
Finland	357	498,156	580	177,264	675,420
France	131	119,875	176	54,230	174,105
Germany	59	49,627	82	26,100	75,727
Greece	50	64,159	79	27,550	91,709
Hungary	25	25,008	62	18,415	43,423
Ireland	11	11,484	19	6,670	18,154
Italy	106	97,466	158	50,460	147,926
Latvia	10	9,751	20	6,380	16,131
Lithuania	80	64,640	140	42,920	107,560
Luxembourg	7	3,173	10	3,190	6,363
Malta	37	47,064	73	23,490	70,554
Netherlands	15	9,690	15	4,495	14,185
Poland	110	104,125	151	46,980	151,105
Portugal	16	13,589	24	6,960	20,549
Romania	264	345,335	491	146,425	491,760
Slovakia	8	3,679	17	4,930	8,609
Slovenia	2	1,902	2	580	2,482
Spain	182	195,368	330	102,805	298,173
Sweden	5	5,897	10	3,045	8,942
United Kingdom	71	76,136	92	30,740	106,876
Outside EU²	225	501,521	399	129,195	630,716
Albania	22	30,309	37	11,455	41,764
Armenia	4	7,537	6	2,610	10,147
Barbados	1	3,697	1	435	4,132
Canada	18	45,967	26	9,715	55,682
China	35	76,765	42	13,195	89,960

¹ This report refers to the number of journeys for which beneficiaries had requested reimbursement. A mission to a country may include one or more journeys depending on the itinerary and the manner of the reimbursement request.

² Detailed tables in annexes 1 and 2

Colombia	3	8,090	6	1,885	9,975
Egypt	2	3,905	4	1,450	5,355
Ethiopia	7	13,430	14	4,350	17,780
Georgia	8	11,454	12	3,770	15,224
Guatemala	2	14,127	5	1,595	15,722
Jamaica	1	1,517	3	1,160	2,677
Japan	2	8,311	2	725	9,036
Mauritius	11	50,658	22	6,960	57,618
Moldova	3	2,463	4	1,160	3,623
Montenegro	10	15,798	20	6,960	22,758
Morocco	3	3,792	4	1,305	5,097
North Macedonia	4	5,679	4	1,450	7,129
Panama	2	8,822	4	1,160	9,982
Russia	1	1,624	2	580	2,204
Serbia	10	9,021	17	4,930	13,951
South Africa	1	738	3	870	1,608
South Korea	1	2,063	2	725	2,788
Switzerland	26	25,776	46	13,920	39,696
Tunisia	12	18,118	20	7,395	25,513
Turkey	2	5,545	2	870	6,415
Ukraine	11	13,015	25	7,250	20,265
United Arab Emirates	2	4,895	3	870	5,765
United States	17	92,639	57	18,560	111,199
Zambia	4	15,764	6	1,885	17,649
TOTAL	11,554	13,203,333	19,449	6,201,503	19,404,836

DESTINATION	TRAVEL EXPENSES		ALLOWANCES		TOTAL (EUR)
	Number of journeys	Cost (EUR)	Number of meeting days	Cost (EUR)	
Brussels	9,628	10,812,806	16,271	5,210,259	16,023,065
EU (not Brussels)	1,701	1,889,006	2,779	862,049	2,751,055
Outside EU	225	501,521	399	129,195	630,716
TOTAL	11,554	13,203,333	19,449	6,201,503	19,404,836

ANNEX 1 **Table showing the reimbursements of travel expenses and allowances to EESC members and their alternates for missions outside the European Union**

Part 1 - Missions³ outside the European Union but within continental Europe

Country	Number of missions per country	City	Mission duration (days)	Number of participants	Travel expenses and allowances (EUR)	<i>of which aero-plane costs (EUR)</i>	Meeting allowances (EUR)	Total mission costs per country (EUR)
Albania	3	Tirana	2	18	27,126	16,843	10,730	41,764
		Tirana	1	1	1,404	816	290	
		Vlorë	1	1	1,780	1,065	435	
Armenia	1	Yerevan	2	3	7,537	5,469	2,610	10,147
Georgia	3	Tbilisi	2	4	6,660	4,440	2,900	15,224
		Tbilisi	2	1	2,342	1,819	290	
		Borjomi	2	1	2,452	1,356	580	
Moldova	2	Chisinau	1	3	1,664	566	870	3,623
		Chisinau	1	1	799	617	290	
Montenegro	3	Podgorica	3	7	11,440	7,268	6,380	22,758
		Budva	1	1	2,749	1,928	290	
		Niksic	1	1	1,610	924	290	
North Macedonia	2	Skopje	1	3	4,955	3,293	1,160	7,129
		Strumica	1	1	724	0	290	
Russia	1	Moscow	2	1	1,624	1,243	580	2,204
Serbia	4	Belgrade	2	7	6,478	2,804	3,770	13,951
		Belgrade	1	1	817	505	290	
		Belgrade	2	1	1,009	433	580	
		Kovin	1	1	716	0	290	
Switzerland	8	Geneva	4	4	5,301	2,833	3,190	39,695
		Geneva	1	3	1,984	503	1,450	
		Geneva	1	12	10,298	6,069	3,480	
		Geneva	1	1	877	503	290	
		Geneva	4	4	3,696	1,594	4,060	
		Geneva	2	1	1,535	869	580	
		Geneva	1	1	827	515	290	
		Kreuzlingen	2	1	1,257	718	580	
Turkey	2	Istanbul	1	1	3,539	2,586	580	6,415
		Ankara	1	1	2,006	1,420	290	
Ukraine	2	Lviv	3	8	12,727	8,189	6,670	20,265
		Kiev	2	1	288	0	580	
TOTALS:					128,222	77,192	54,955	183,177

³ A mission includes one or several meeting days in the same city or in different cities of the same country

Part 2 – Missions outside continental Europe

Country	Number of missions per country	City	Mission duration (days)	Number of participants	Travel expenses and allowances (EUR)	of which aero-plane costs (EUR)	Meeting allowances (EUR)	Total mission costs per country (EUR)
Barbados	1	Barbados	1	1	3,697	3,441	435	4,132
Canada	3	Ottawa	3	6	39,568	34,109	6,090	55,682
		Ottawa	1	4	2,629	1,882	1,160	
		Vancouver	2	4	3,770	0	2,465	
China	2	Beijing	1	13	58,016	51,517	4,060	89,960
		Shanghai	2	14	18,749	9,090	9,135	
Colombia	1	Bogota	3	2	8,090	6,579	1,885	9,975
Egypt	2	Cairo	2	1	1,940	1,372	725	5,355
		Cairo	2	1	1,965	1,397	725	
Ethiopia	1	Addis Ababa	5	3	13,430	10,534	4,350	17,780
Guatemala	1	Guatemala	3	2	14,127	12,261	1,595	15,722
Jamaica	1	Montego Bay	3	1	1,517	880	1,160	2,677
Japan	1	Tokyo	2	1	8,311	7,399	725	9,036
Mauritius	1	Port Louis	2	11	50,658	39,628	6,960	57,618
Morocco	1	Rabat	2	2	3,792	2,751	1,305	5,097
Panama	1	Panama	2	2	8,822	7,279	1,160	9,982
South Africa	1	Cape Town	3	1	738	0	870	1,608
South Korea	1	Seoul	2	1	2,063	1,142	725	2,788
Tunisia	1	Tunis	2	11	18,118	11,873	7,395	25,513
United Arab Emirates	1	Dubai	3	1	4,895	4,308	870	5,765
United States	5	New York	4	3	15,335	11,759	3,770	111,199
		New York	4	4	22,000	16,977	4,785	
		New York	3	3	15,491	11,656	2,755	
		New York	4	3	17,487	14,080	4,930	
		Washington DC	2	4	22,327	20,291	2,320	
Zambia	1	Lusaka	2	3	15,764	12,994	1,885	17,649
TOTALS:					373,299	295,199	74,240	447,539

ANNEX 2 **Table showing meetings attended by EESC members and their alternates outside of the European Union**

Part 1 – Meetings outside the European Union but within continental Europe

City / Country	Meeting title	Purpose of meeting
Tirana (Albania)	7th Western Balkans Civil Society Forum Tirana, Albania	The Forum works as part of the accession process and the Stabilisation and Association Agreements. It involves the EESC through Civil Society Joint Consultative Committees. It brings together, since 2006, civil society organizations, members of the EESC and their equivalent in Western Balkans and EU institutions and of international organisations. The participants adopt conclusions addressed to national authorities and European institutions.
Tirana (Albania)	Seminar organised by the European Centre for Workers' Questions (EZA) and the Confédération française des travailleurs chrétiens (CFTC)	The event was organised by the EZA and the CFTC (French Trade Union), in collaboration with the European Commission. Participants came from Austria, Bulgaria, Croatia, France, Romania, Italy as well as Albania. Subjects covered included: Social aspects of accession to the EU Work life balance New working methods as a result of digitalisation Member gave presentations on behalf of the EESC and the Workers Group.
Vlorë (Albania)	EESC Youth Plenary - School visit 'Your Europe, Your Say!'	The EESC holds its 11th Your Europe Your Say event in Brussels on 19-20 March 2020. This EESC flagship youth event brings together over one hundred teenage students from 27 EU Member States, the United Kingdom and 5 candidate countries (Albania, North Macedonia, Montenegro, Serbia, Turkey) to discuss about a given theme (this year: climate change). A key feature of YEYS is that each selected school is visited by an EESC member prior to the event, so as to introduce the EESC to the students as well as prepare for the debates in Brussels.
Yerevan (Armenia)	EU-Armenia Civil Society Platform - exploratory mission	The bilateral agreement between Armenia and EU from 2017 provides for institutionalized cooperation between Armenian and EU civil society - Civil Society Platform. The aim of the mission was to meet partner organisations (employers, trade unions and NGOs) in order

		to prepare the ground for this civil society platform.
Tbilisi (Georgia)	EU-Georgia Civil Society Platform + preparatory meeting	The EU-Georgia CSP, one of the bodies under the Association Agreement between the EU and Georgia, enables civil society organizations from both sides to monitor the implementation process and draw up recommendations to the relevant authorities. The fifth meeting of the CSP was convened in September 2019 in Tbilisi.
Tbilisi (Georgia)	Representing EESC in the EURONEST Parliamentary Assembly in Tbilisi	EESC has an observer status in the EURONEST Parliamentary Assembly (PA) and the EESC President is always invited to the regular sessions of the PA.
Borjomi (Georgia)	4th Conference on Rural Development in Georgia	Member presented the recent LEADER/CLLD opinions adopted by the EESC. The main topics of the event were as follows: 1. Georgian political agenda related to rural development; 2. EU political agenda for post 2020 rural development and LEADER; 3. EU neighbourhood policy and programmes, ENPARD implementation; 4. Sharing experiences and good practice at national and local level.
Chisinau (Moldova)	EU-Moldova DAG to DAG meeting and Civil Society Forum	Following article 377 of the EU-Moldova Association Agreement, an open civil society meeting (forum) is organised every year with participation of domestic advisory groups and EU and Moldovan political authorities. Such fora are preceded by a joint meeting of both advisory groups.
Chisinau (Moldova)	Meeting between co-chairs of the EU-Moldova Civil Society Platform	Preparation meeting of the EU-Moldova Civil Society Platform.
Podgorica (Montenegro)	13th meeting of the EU- Montenegro JCC (+ preparatory meeting)	The EU-Montenegro Civil Society Joint Consultative Committee (JCC) is one of the bodies set up under the Stabilisation and Association Agreement between the European Union and Montenegro. It enables civil society organisations from both sides to monitor Montenegro's progress towards joining the European Union and to adopt recommendations for the attention of the Montenegrin government and the EU institutions.

Budva (Montenegro)	4th Forum of the EU Strategy for the Adriatic and Ionian Region (EUSAIR) organised by Montenegro in cooperation with the European Commission	<p>The 4th EUSAIR Forum focused on the topics related to the field of Tourism and Blue Growth. Participants discussed funding mechanisms for all four thematic pillars of the EUSAIR and share concrete ideas on the future prospects of the strategy. Each year the Forum attracts numerous stakeholders, such as European Commission and other EU institutions, national ministries, regional and local authorities, the business sector, academia and civil society, who share views, exchange experience and discuss ways of cooperation.</p> <p>In this context, the participation of the rapporteur for the EESC opinion on the EUSAIR, was important, to contribute to the debate with the policy recommendations of European organized civil society.</p>
Niksic (Montenegro)	EESC Youth Plenary - School visit 'Your Europe, Your Say!'	<p>The EESC holds its 11th Your Europe Your Say event in Brussels on 19-20 March 2020.</p> <p>This EESC flagship youth event brings together over one hundred teenage students from 27 EU Member States, the United Kingdom and 5 candidate countries (Albania, North Macedonia, Montenegro, Serbia, Turkey) to discuss about a given theme (this year: climate change). A key feature of YEYS is that each selected school is visited by an EESC member prior to the event, so as to introduce the EESC to the students as well as prepare for the debates in Brussels.</p>
Skopje (North Macedonia)	EESC's Western Balkans Follow-up Committee to Skopje, North Macedonia	<p>After the European Council decided not to open accession negotiations with North Macedonia in October 2019, the EESC decided to undertake a mission in order to explore future developments in the country. Resolution "Opening accession negotiations with North Macedonia and Albania: EU credibility and geostrategic interests should be upheld" adopted by the EESC was presented.</p>
Strumica (North Macedonia)	EESC Youth Plenary - School visit 'Your Europe, Your Say!'	<p>The EESC holds its 11th Your Europe Your Say event in Brussels on 19-20 March 2020.</p> <p>This EESC flagship youth event brings together over one hundred teenage students from 27 EU Member States, the United Kingdom and 5 candidate countries (Albania, North Macedonia, Montenegro, Serbia, Turkey) to discuss about a given theme (this</p>

		year: climate change). A key feature of YEYS is that each selected school is visited by an EESC member prior to the event, so as to introduce the EESC to the students as well as prepare for the debates in Brussels.
Moscow (Russia)	Annual meeting of the European Network on Regional Labour Market Monitoring (EN RLMM)	<p>The European Network on Regional Labour Market Monitoring gathers practitioners from 32 European countries and organises each year an annual meeting in a different country.</p> <p>The objective of the participation of the President of the LMO was to present EESC's work to a wide audience, to learn from the experience of others and to establish contacts with the regional / local levels and grassroots organisations.</p>
Belgrade (Serbia)	9th meeting of the EU Serbia JCC + preparatory meeting	<p>The EU-Serbia Civil Society Joint Consultative Committee (JCC) is one of the bodies set up within the framework of the Stabilisation and Association Agreement between the European Union and Serbia. The JCC enables civil society organisations (CSOs) from both sides to monitor Serbia's progress towards the European Union, and to adopt recommendations for the attention of the government of Serbia and the EU institutions.</p>
Belgrade (Serbia)	Culture and Future of Europe	<p>The President was invited by Europa Nostra, to exchange with cultural and political representatives, e.g. the Minister for Culture and participate in a public event with civil society representatives: "Civil Society for the rEUnaissance". The aim was to promote cultural heritage as a cohesive resource for the future of Europe and an asset for Serbia's process of EU integration.</p>
Belgrade (Serbia)	Western Balkans Follow-up Committee member to speak at the Move.Link.Engage. Conference in Belgrade	<p>The aim of the conference was to promote and encourage regional approach to resolving shared problems and foster cooperation among citizens and civil society organization and media, as well as to support and enhance European integration related reforms in the countries of the region through advanced role of civil society organisations and media. The member was invited to represent the EESC and the EESC's Western Balkans Follow-up Committee as a speaker at the Conference in the panel "Space for civic engagement in</p>

		European integration process: where do we go from here?"
Kovin (Serbia)	EESC Youth Plenary - School visit "Your Europe, Your Say!"	The EESC holds its 11th Your Europe Your Say event in Brussels on 19-20 March 2020. This EESC flagship youth event brings together over one hundred teenage students from 27 EU Member States, the United Kingdom and 5 candidate countries (Albania, North Macedonia, Montenegro, Serbia, Turkey) to discuss about a given theme (this year: climate change). A key feature of YEYS is that each selected school is visited by an EESC member prior to the event, so as to introduce the EESC to the students as well as prepare for the debates in Brussels.
Geneva (Switzerland)	Meeting of the UN Committee of Experts on International Cooperation on Tax Matters, Geneva	During the fact-finding mission to the UN Committee of Experts on International Cooperation on Tax Matters, which took place from 23 to 26 April 2019, the EESC ECO Section delegation was invited to participate as an observer in the upcoming meetings of the UN Committee of Experts on International Cooperation on Tax Matters, its Subcommittee on Environmental Taxation Issues and the ECOSOC meetings regarding taxation issues in 2019 and 2020. The first meeting took place on 15-18 October 2019 in Geneva.
Geneva (Switzerland)	Delegation of EESC members to WTO, Geneva - Follow-up on EESC Opinion "Reforming the WTO to adapt to developments in world trade" adopted in January 2019	Meeting with the relevant WTO Members Delegations and WTO Secretariat in order to have talks on how the EESC can contribute to strengthening the multilateral trading system at stake, as proposed in the EESC Opinion adopted in January 2019
Geneva (Switzerland)	Meeting of the International Trade Follow-up Committee in Geneva	Exchange of views on the state of play of a number of multilateral negotiations in different domains: Trade in Services and Investment, Market Access, e-Commerce and Digital Trade, Trade and Environment, domestic regulation and the DSB. Additional meetings were planned on the same day with relevant stakeholders: UNCTAD, ITC, ILO
Geneva (Switzerland)	Event on "Tax compliance: exploiting the potential of AI, robotics and data analytics"	The ECO section president was invited by Prof. Dr. Jeffrey Owens, Director, WU Global Tax Policy Center, to this workshop, which brought together government officials, international and regional organizations,

		<p>business and academics. Member contributed the position of the EESC in the workshop.</p> <p>The workshop was organized by the Université de Genève, the Vienna University for Business and Economics (WU Wien), and the Digital Economy Taxation Network (DET)</p>
Geneva (Switzerland)	Participation of EESC members in the WTO Public Forum 2019	<p>The EESC was selected by the WTO Public Forum organisers following submission of application to an open call for proposals, to organise a working session during the WTO Public Forum 2019, with the title "Adapting the WTO to recent trends: build a coherence between trade and sustainable development" to promote the EU experience of active participation of civil society at the WTO level</p>
Geneva (Switzerland)	Participation of EESC Observer of the UN Task force on Social and Solidarity Economy in the UNTFSSSE International Conference: Implementing the Sustainable Development Goals: What Role for Social and Solidarity Economy?	<p>The meeting took place in the framework of the EESC's role as observer in the United Nation Task Force for Social and Solidarity Economy (UNTFSSSE), working in the area of Social Economy and Social Enterprises.</p>
Geneva (Switzerland)	UNCTAD High-Level IIA Conference	<p>Member received a formal invitation to speak on behalf of the EESC at UNCTAD's 2019 High-Level IIA Conference. The Conference took place at the Palais des Nations in Geneva.</p>
Kreuzlingen (Switzerland)	Conference of Culture-Crops on Cultural Practices in Non-urban Territories	<p>Member was invited to present recent opinion on Cultural heritage in rural areas at the Conference "Culture Crops", where the focus was on the cultural practices in non-urban territories.</p>
Istanbul (Turkey)	Meeting between the EU co-chair of the EU-Turkey JCC and his Turkish counterpart, Istanbul, 26 November 2019	<p>The meeting took place to discuss EU-Turkey relations and future meetings of the EU-Turkey JCC</p>
Ankara (Turkey)	EESC Youth Plenary - School visit 'Your Europe, Your Say!'	<p>The EESC holds its 11th Your Europe Your Say event in Brussels on 19-20 March 2020. This EESC flagship youth event brings together over one hundred teenage students from 27 EU Member States, the United Kingdom and 5 candidate countries (Albania, North Macedonia, Montenegro, Serbia, Turkey) to discuss about a given theme (this year: climate change). A key feature of YEYS</p>

		is that each selected school is visited by an EESC member prior to the event, so as to introduce the EESC to the students as well as prepare for the debates in Brussels.
Lviv (Ukraine)	EU-Ukraine Civil Society Platform	The EU-Ukraine CSP, one of the bodies under the Association Agreement between the EU and Ukraine, enables civil society organisations from both sides to monitor the implementation process and draw up recommendations to the relevant authorities. The seventh meeting of the CSP was convened on 3-4 April 2019 in Lviv.
Kiev (Ukraine)	3rd Association Exchange Forum in Kiev	The Association Exchange Forum is an international gathering of practitioners and experts to discuss joint challenges and best practices in implementation of the Association Agreements in Ukraine, Georgia and Moldova. Co-chairs of the civil society platform are invited to participate in the Forum.

Part 2 – Meetings outside continental Europe

City / Country	Meeting title	Purpose of meeting
Barbados (Barbados)	Meeting of the Co-Chairs of the CARIFORUM-EU Consultative Committee	The two co-chairs of the CARIFORUM-EU Consultative Committee met to set the agenda and to prepare the joint statement related to the meeting of this consultative committee of 26 November 2019.
Ottawa (Canada)	EU-Canada DAG to DAG meeting and Civil Society Forum	Under article 22.5 of the EU-Canada CETA, Canada and the EU are to facilitate a joint annual Civil Society Forum, including participants from their domestic advisory groups (DAG), which the EESC is part of, in order to conduct a dialogue on the sustainable development aspects of the CETA.
Ottawa (Canada)	Mission to the US and Canada	Discussions were held on the implementation of CETA, the set-up and functioning of the Canadian Domestic Advisory Groups foreseen in chapter 23 on Trade and Labour and chapter 24 on Trade and the Environment, and sharing of best practices concerning civil society monitoring mechanism.
Vancouver (Canada)	Mission to the US and Canada	Given the federal government structure of Canada, discussions were held with British Columbia authorities on the Asia-Pacific region, with a focus on the role of civil society organisations towards climate change, clean-tech sector and green

		economy, fair and equitable treatment, social and environmental protection.
Beijing (China)	Preparatory meeting to EU-China Round Table - Shanghai	A preparatory meeting for the 17th China-EU Round Table was held at the EU Delegation in Beijing. The purpose of the meeting was to meet the Head of Delegation and be debriefed by the delegation team on the relevant files that were discussed at the Round Table.
Shanghai (China)	EU-China Round	Since the Joint statement of EU-China Summit held in 2006, the EESC and the China Economic and Social Council established the EU-China Round Table in 2007. The RT held its seventeenth meeting in Shanghai on 11 July, 2019 on agreed themes.
Bogota (Colombia)	Joint meeting of the civil society Domestic Advisory Groups for EU-Colombia, Peru and Ecuador Trade Agreement	Participation to the forum with civil society, including participants from domestic advisory groups (DAG), which the EESC is part of, organised annually by the Parties hosting the meeting of the Sub-Committee on Trade and Sustainable Development under Articles 281 and 282 in Title IX on Trade and Sustainable Development Chapter of the free trade agreement between the EU and Colombia Peru and Ecuador.
Cairo (Egypt)	Meetings with Egyptian authorities and Egyptian civil society organisations to prepare the 2019 Euromed Summit	The president of the EESC Euromed Follow-Up Committee met representatives of the Egyptian authorities to ask for their support regarding the EESC Euromed Summit in Cairo in October 2019. She also encountered representatives of Egyptian civil society organizations to promote the abovementioned summit.
Cairo (Egypt)	Participation in the Union for the Mediterranean Business Forum	The president of the EESC Euromed Follow-Up Committee took part in the Union for the Mediterranean Business Forum in Cairo on 18 June 2019. The intervention was scheduled for session 3 entitled "International cooperation: The role of regional and global governance".
Addis Ababa (Ethiopia)	Meetings with government and civil society organisations	One of the engagements of the EESC President's program is to contribute to new and different relations with Africa, as part of the "Peace" priority. In the framework of his political relations and dialogue with African Institutions representatives, the EESC President was invited to visit Ethiopia, as a country highly engaged in building peace and reconciliation, fighting against poverty, boosting economic and social growth, and finding solutions to give a better life to refugees. The President met Members of the Ethiopian Government, African Union representatives, International Organizations

		representatives and the Ethiopian Civil Society organizations and associations. The delegation also visited one of the refugee camps. The President was accompanied by the President of the EESC ACP-EU Follow-up Committee and the President of the EESC Permanent Study Group on Migration and Integration.
Guatemala (Guatemala)	EU-Central America Joint Meeting of civil society advisory groups and Civil Society Dialogue Forum	Participation to the open Civil Society Forum, including participants from domestic advisory groups (DAG), which the EESC is part of, under Articles 294 and 295 in the Trade and Sustainable Development Chapter of the trade part of the EU – Central America Association Agreement and to the joint meeting of the EU Domestic Advisory Group and the 6 Central America Domestic Advisory Groups
Montego Bay (Jamaica)	CARIFORUM-EU Consultative Committee Co-Chair speaking at 8th International Food Safety Conference	The Co-Chair (EU-side) of the CARIFORUM-EU Consultative Committee took part as a speaker in the 8th International Food Safety Conference and presented the impact of European food safety regulations on trade in food commodities.
Tokyo (Japan)	ASIFMA Annual Conference 2019 "Developing Asia's Capital Markets"	Contributing as a speaker to the panel "Diversity and the Workforce of Tomorrow", given the extensive expertise on the future of work and skills mismatches. The VP was co-rapporteur of SOC/570 "Future of work –acquiring of appropriate knowledge and skills to meet the needs of future jobs", rapporteur of SOC/576 "Supportive education systems to avoid skills mismatches", and co-rapporteur for ECO/379 "Capital Markets Union".
Port Louis (Mauritius)	17th Regional Seminar of ACP-EU Economic and Social Interest groups- 21-22 November 2019, Mauritius	On the basis of the Protocol 1 of the ACP-EU Partnership Agreement, the EESC holds regular joint-consultations of the ACP-EU economic and social interest groups in order to raise these actors political views and foster the ACP-EU cooperation. The 17th Regional seminar addressed topics reflected in the final declaration addressed to political institutions of the ACP and the EU.
Rabat (Morocco)	General Assembly of UCESA	UCESA and EESC have a Memorandum of Understanding that sets out arrangements for cooperation between the two institutions and the EESC was invited by UCESA to this important General Assembly which marked the end of the Malian term and presented the roadmap of the Moroccan mandate. The President also attended the workshop on "the challenges of climate change and the responses to be provided based on the needs of

		the African people", sustainable development being his presidency priority.
Panama (Panama)	EUROLAT - The Euro-Latin American Parliamentary Assembly	In its capacity as a permanent observer to the EuroLat Assembly, the EESC actively takes part in the plenary meetings of the Euro-Latin American Parliamentary Assembly.
Cape Town (South Africa)	Participation of the President of the Follow-up Committee ACP-EU, to the Fifth EU-SADC Trade and Sustainable Development Committee	The 1st Meeting of the Joint Council of the EU-SADC Economic Partnership Agreement (EPA) noted, in Paragraph 10 of the Joint communiqué, the importance of participation of non-State Actors in the implementation of the EU-SADC EPA and the commitment undertaken to co-facilitate the organization of a meeting at least once per year of non-state actors' representatives from both the EU and the SADC EPA States to discuss EPA-related issues and EPA implementation.
Seoul (South Korea)	12th OECD Rural Development Conference	The organisers had asked Member to speak at the 12th OECD Rural Development Conference in relation to the recent EESC opinions on rural development that he had prepared as rapporteur. The primary aim of the Conference was to examine how climate change is changing how people live and work in rural areas and how rural policies can support rural business to create jobs for a post fossil fuel economy.
Tunis (Tunisia)	International Conference dedicated to REX/516 and REX/521	The EESC organized this conference to gather input from Tunisian civil society organizations in relation to its two own-initiative opinions REX/516 (External aid, investment and trade as instruments to reduce the reasons of economic migration) and REX/521 (International Trade and Tourism - A Global Agenda for Sustainable Development).
Dubai (United Arab Emirates)	World Government Summit	The World Government Summit is a global and non-profit organization dedicated to shaping the future of governments worldwide, focusing on how they can harness innovation and technology to solve universal challenges facing humanity. The President was invited to participate in a Summit's roundtable discussion to share his thinking and EESC work on the issue of "Innovation in Social Security".
New York (United States)	UN Secretary General Climate Summit in New York (September - 4 days)	Action on climate change being an undeniable priority for the EESC's work, the participation to the Climate Action Summit in New York on 23 September allowed to raise the key contribution of civil society and the need for a just transition. The three EESC members participated to the following high-level events: 1. conference on "UNited for

		Climate Justice" organized by the Foundation for European Progressive Studies (FEPS) on 20 September; 2. the UN Youth Climate Summit on 21 September; 3. the Climate Action Summit on 23 September.
New York (United States)	UN ECOSOC's Committee of Experts on International Cooperation in Tax Matters, in the framework of ECO494	<p>On 24 January 2019, the European Economic and Social Committee, acting under Rule 29(2) of its Rules of Procedure, drew up an own-initiative opinion, on The role of Private Sector Investment and taxation in the achievement of the Sustainable Development Goals - enhancing organised civil society cooperation in the framework of the UN Committee of Experts on International Cooperation in Tax Matters (ECO/494).</p> <p>The request included a proposal to organise an initial study visit by an EESC delegation to the UN ECOSOC's Committee of Experts on International Cooperation in Tax Matters. The most opportune moment to organise this visit was during the Eighteenth Session of the Committee of Experts on International Cooperation in Tax Matters.</p>
New York (United States)	High Level Political Forum	A delegation of three EESC members participated to the HLPF from 16 to 18 July 2019. A side event on "Leaving no one behind in the transition to more sustainable economies: new and inclusive approaches to achieve a just transformation" was co-organised on 18 July, with the Government of Slovenia. Moreover, a large number of bilateral meetings were organised ahead of the Forum with UN Member State ambassadors, participating Commissioners, representatives from major groups and from UN institutions in order to tighten our networks.
New York (United States)	The conference of States Parties (COSP) to the UN Convention and Side event, New York, USA - Delegation of the Study Group on Disability rights	State Parties to the UN Convention on the Rights of Persons with Disabilities (UNCRPD) meet annually in New York to discuss the advancement in the implementation of the Convention, as stipulated by its article 40. Representatives of all EU Institutions attend the conference. The SG DIS delegation has attended the debates and co-organised a side event.
Washington Dc (United States)	Mission to the US and Canada	Objectives of the mission was: strengthening of transatlantic links with civil society, enhancing regular dialogue and consultation in the light of ongoing trade talks between the EU and the US on regulatory cooperation, SME dialogue, trade and investment protection, as well as the reform of the WTO from a Transatlantic perspective.

Lusaka (Zambia)	Delegation invited to orientation and induction meeting of the 3rd permanent General Assembly of the African Union Economic, Social and Cultural Council (ECOSOCC).	Objective of the mission was to strengthen the relations between the EU EESC and African Union (AU) Economic, Social and Cultural Council (ECOSOCC). An EESC delegation made of three Members participated and delivered a speech at the 3rd permanent General Assembly. The EESC delegation represented the EESC President was invited by the Presiding Officer of the African Union ECOSOCC.
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16. CORONAVIRUS OUTBREAK AS A NON-ADJUSTING EVENT IN 2019 AND ESTIMATE OF ITS POTENTIAL BUDGETARY EFFECT IN 2020

Expected execution of C1 fund source in 2020

The overall execution of C1 appropriations is expected to be lower in 2020 even though compensatory activities with respect to the backlog in IT and in buildings renovation have been taken into consideration. In the last five years, the overall budget execution ranged between 95.9% in 2015 and 98.7% in 2018, with a tendency to reach above 98% in the last two years. In particular, the spending forecast revealed COVID-19 related effects on budget consumption in chapters, where the activities of members, delegates and experts are affected (Chapters 10 and 14); staff training and missions and will shrink (Chapter 16); meetings, hearings and conferences will not take place, which also affects the use of interpretation (Chapter 25) and communication events will remain limited (Chapter 25). The abovementioned balancing effects relating to the backlog in IT and the refurbishment and safeguarding of buildings will show up in Chapters 20 and 21. This scenario is based on the assumption that the Committee's activities will resume smoothly as of June and that transfers for IT and Buildings will be possible at the year-end.

Expected execution of C8 fund source in 2020

The overall execution of C8 appropriations is expected to stay stable in 2020 at around 83.3%. This is in line with the range of execution rates in the last five years (between 65.7% in 2016 and 84.9% in 2017) and close to consumption of 82.1% in the previous year 2019. The spending forecast did not reveal COVID-19 related effects on payments. With regard to chapters, developments reflect longer trends or remain within known and explainable patterns.

