



European Economic
and Social Committee

ANNUAL ACTIVITY REPORT 2020

Section VI of the EU-budget

June 2021

Table of contents

		Page
	Statement of Assurance	5
PART I	Presentation and main Achievements 2020	7
PART II	Annual General Accounts 2020 (Accrual Accounting Principle)	63
PART III	Annual Budgetary Accounts 2020 (Modified Cash Accounting Principle) and Report on Budgetary and Financial Management	97
PART IV	Appendices	143



European Economic
and Social Committee

SECRETARIAT-GENERAL
Secretary-General

Brussels, June 2021

**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 achievements 2020

PART I - INDEX

1	PRESENTATION	11
1.1	THE EESC	11
1.2	OBJECTIVES	11
1.3	ORGANISED CIVIL SOCIETY	12
1.4	ALLOCATION OF SEATS	13
1.5	EESC OPINIONS	14
1.6	STRUCTURE OF THE EESC	15
2	MAIN ACHIEVEMENTS 2020	21
2.1	LEGISLATIVE AND RELATED WORK	21
2.1.1	Plenary sessions	21
2.1.2	Cooperation with other institutions	25
2.1.3	Structured dialogue with European citizens	28
2.1.4	Conferences, debates and key topics in the spotlight in 2020	30
2.1.5	Communication activities	40
2.2	ADMINISTRATION	46
2.2.1	Interinstitutional cooperation	46
2.2.2	EESC administration	47
2.2.3	Environmental management	58

1 PRESENTATION

1.1 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 that 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 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 formed of a wide range of organisations, networks, associations, groups and movements that are independent of government and which 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 example, by taking part in a political organisation or supporting a good cause.

Currently, the EESC is made up of 329¹ 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

MEMBERS PER COUNTRY

24

Germany, France, Italy

21

Spain and Poland

15

Romania

12

Austria, Belgium, Bulgaria, the Czech Republic, Greece, Hungary, the Netherlands, Portugal and Sweden

9

Croatia, Denmark, Finland, Ireland, Lithuania and Slovakia

7

Latvia, Slovenia and Estonia

6

Cyprus and Luxembourg

5

Malta

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, members are appointed by the EU Council for a period of five years and work independently in the interests of all EU citizens. By debating issues that involve and affect civil society and by delivering opinions expressing the Committee's views, members play an integral part in the process of policy- and decision-making 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.

Brexit

On 31 January 2020, the UK officially left the European Union. The EESC paid tribute to its British members on 22 January 2020 at the last plenary session they attended before the UK's exit from the EU. The 24 members representing the UK received a commemorative medal at a ceremony that showed the EESC's commitment to maintaining strong ties with British civil society after Brexit. The pro-European activist Madeleine Kay, known as "EU Supergirl", also took part in the ceremony representing the "remainers" - the British citizens who voted for the United Kingdom to remain in the European Union in the 2016 referendum. Ms Kay criticised

the mix of apathy and ignorance that have fuelled the rise of nationalism in the UK and warned EU leaders about the need to change the way they communicate with citizens.

1.4 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 national distribution of seats is shown in the graphic above.

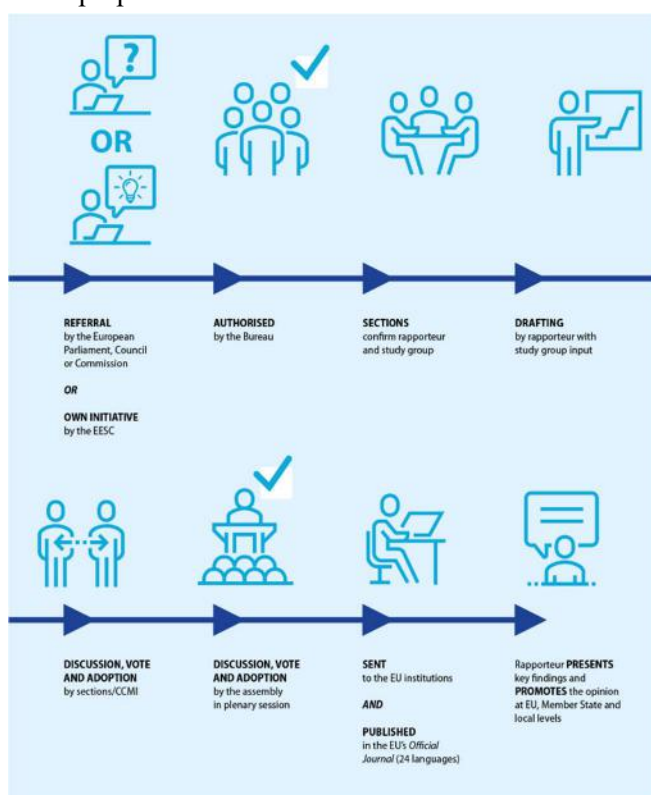
¹ The EESC had 350 Members from 28 Member States until Brexit (31.01.2020).

1.5 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 – from social affairs to economic and monetary policy, energy and sustainability – before passing new laws². The EESC examines proposals and draws up and adopts opinions based on a consensus reached between its members. It also prepares own-initiative opinions related to issues of key interest for European citizens. After they are adopted by the EESC assembly, opinions are sent to the EU institutions and published in the Official Journal.

The EESC also adopts own-initiative opinions on any question pertaining to the European Union, on its policies and on 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 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.

This is how the opinions are prepared:



² A description of all the areas on which the EESC must be consulted according to the Treaties can be found on <https://www.eesc.europa.eu/en/policies>

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

1.6 STRUCTURE OF THE EESC

Members belong to one of three groups: Employers (Group I), Workers (Group II) or Diversity Europe (Group III). The aim is to build dialogue and consensus between all three groups so that EESC opinions reflect the economic and social interests of citizens. For the current term of office, Stefano Mallia (Malta) is president of the Employers' Group, Oliver Röpke (Austria) is president of the Workers' Group, and Seamus Boland (Ireland) is president of the Diversity Europe Group.



Members may also form categories representing the various economic and social interests of organised civil society in the European Union. Group I counts two categories: SMEs, Crafts and Family Business (also with Group III members), and Transport. From March 2021, Group II has one category called Workers' voice for more democratic participation. And Group III encompasses a wide range of categories which include: the Social Economy, the Voluntary Sector, Consumers and the Environment, Farmers, and the Liberal Professions.

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 anticipating and examining the impacts of industrial change across a wide range of sectors. The EESC has also set up three observatories – on the digital transition and 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



6 Sections

- ECO** Economic and Monetary Union and Economic and Social Cohesion
- INT** Single Market, Production and Consumption
- TEN** Transport, Energy, Infrastructure and the Information Society
- SOC** Employment, Social Affairs and Citizenship
- NAT** Agriculture, Rural Development and the Environment
- REX** External Relations

1 Commission

- CCMI** Consultative Commission on Industrial Change

3 Observatories

- DSMO** Digital Transition and Single Market Observatory
- LMO** Labour Market Observatory
- SDO** Sustainable Development Observatory

3 Other bodies

- ESG** European Semester Group
- LG** Liaison Group
- FFRL** Group on Fundamental Rights and the Rule of Law

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 Austrian member Christa Schweng (Group I). As president, Ms Schweng 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, Italian member Giulia Barbucci (Group II) and Irish member Cillian Lohan (Group III), 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.

New Code of Conduct and the Ethical Committee

The Advisory Committee on the Conduct of Members was set up in 2019 to monitor implementation of the principles laid down in the Members' Code of Conduct. This committee was composed of six members, three women and three men, who held no other permanent responsibilities within the EESC. The Advisory Committee held its first meeting on 6 September 2019 and met 10 times before the renewal of the EESC in October 2020.

In January 2020, the EESC President tasked the Advisory Committee with examining a case concerning the conduct of a senior EESC member. The Advisory Committee focused on handling this particular case in accordance with Article 8(3) of the EESC members' Code of Conduct (CoC). The senior EESC member was the subject of an enquiry by the European Anti-Fraud Office ("OLAF"), which concluded there had been a breach of the EESC CoC and the EU Charter of Fundamental Rights. The Advisory Committee examined the case, heard the members concerned and OLAF representatives in March 2020 and delivered its recommendations to the president in late April 2020. The president, in turn, informed the Bureau of the Advisory Committee's conclusions. On 9 June 2020, the Bureau took note of and endorsed the conclusions and recommendations made by OLAF and the EESC Advisory Committee.

As regards the proposals for the revision of the CoC and the Implementing Provisions of the CoC, it was agreed that these tasks would be undertaken by the newly composed Advisory Committee after the EESC renewal of October 2020.

On 27 October 2020, the EESC Bureau asked the Assembly to set up a Rules of Procedure (RoP) Panel, composed of the members of the Advisory Committee, with the twofold mission of preparing a comprehensive revision of the CoC and a partial revision of the RoP.

Following this request, on 29 October, the Assembly decided that there was a need to revise both the RoP and the CoC. Therefore, pursuant to Rule 86 RoP, the Assembly set up a Rules of Procedure Panel with a mandate to produce a draft revision of the RoP and the CoC with a view to their adoption in January 2021.

Drawing inspiration from the best practices of other institutions – in particular the European Parliament and the Committee of the Regions, the proposal for a revised CoC introduced a number of significant changes compared to the previous Code in terms of content and structure. Drawing on recent experiences and on shortcomings in the previous Code, and based on the Ombudsman's recommendations and the European Parliament's observations in the context of the discharge

procedure, the EESC aimed to strengthen its internal framework and procedures in order to better tackle issues related to fraud and misconduct, such as harassment.

The revised CoC contains a number of innovative elements, in particular:

- Strong emphasis is placed on appropriate behaviour by EESC members, by making an explicit reference to dignity and integrity and the relevant principles enshrined in EU law. Attention is drawn in particular to the prohibition of disclosing sensitive information and to the prevention and prohibition of any form of harassment.
- The provisions on the declaration of financial interests and on conflicts of interest have been improved and made more explicit. A new article was also inserted in relation to integrity and financial transparency, especially in relation to the reimbursement of missions and activities.
- The Advisory Committee on the conduct of members is now called the "Ethical Committee". A provision on the appointment of reserve members has been added, as well as the possibility for one of its member to recuse himself or herself, or to be removed if found guilty of breaching the Code of Conduct.
- The Ethical Committee's mission has been broadened to be able to accept complaints from members and staff. The Committee now has explicit investigative powers to enable it to carry out its mission, and may also seek advice from external experts.
- A revised procedure regarding breaches of the Code of Conduct, where the President adopts a reasoned opinion. Specific provisions have been added in relation to the protection of whistle-blowers and the obligation to inform OLAF of such procedures.
- An internal appeals procedure, to be heard by the Bureau, is introduced.
- The penalty system has been considerably reworked. The imposition of penalties is now proportionate to the seriousness of the misconduct and to the member's hierarchical position. Penalties now also include the possibility of temporary loss of entitlement to the daily subsistence allowance, temporary suspension from participation in all or some of the activities or missions of the EESC, prohibition from representing the EESC in any national, inter-institutional or international forum, a restriction of the rights to access confidential or classified information and removal from one or more offices held within the Committee.
- A special procedure is introduced regarding the early termination of a member's term of office, to be endorsed by the Bureau and the Assembly.
- Specific provisions are introduced regarding situations where a case is also investigated by OLAF.

At its plenary session of 28 January 2021, the EESC adopted the revision of the Code of Conduct and Rules of Procedure. The revised texts were published in the Official Journal on 10 February 2021. With the entry into force of the new Code of Conduct, the Advisory Committee pursued its work under its new denomination, the "Ethical Committee".

I.

Presentation and main achievements 2020

Administration



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



Presidency and political bodies 2020-2023

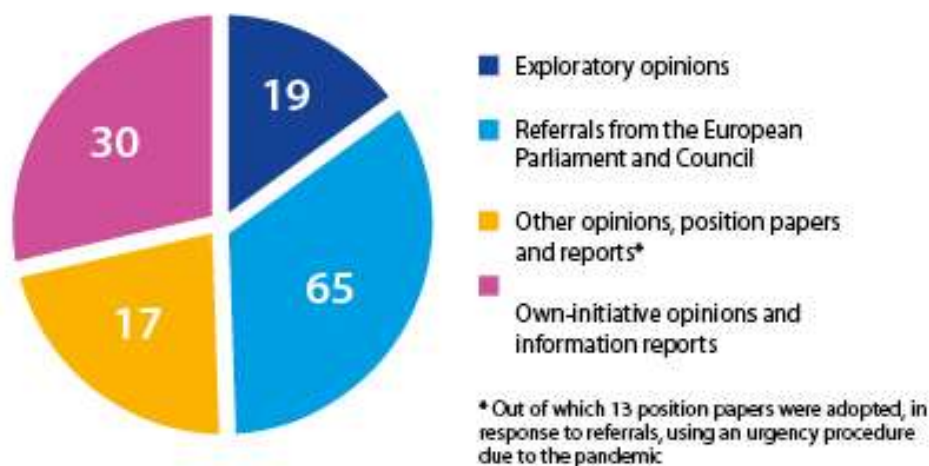


2 MAIN ACHIEVEMENTS 2020

2.1 LEGISLATIVE AND RELATED WORK

Despite the COVID-19 situation, the EESC continued working. In 2020, it adopted a total of 131 opinions, position papers and reports.

131 opinions and reports adopted in 2020



2.1.1 Plenary sessions

The Committee organised a number of high-level debates on topical issues at its plenary sessions.

22 and 23 January 2020

- Debate on the priorities of the Croatian Presidency of the EU, with Gordan Grlić Radman, Minister of Foreign and European Affairs of the Republic of Croatia
- Farewell ceremony for UK members and delegates, with Tom Jenkins, former president of the European Economic and Social Committee, and Madeleine Kay, activist, attended by members of the UK Permanent Representation
- Presentation of the European Citizens' Initiative *End the Cage Age*, with Olga Kikou, Head of the EU office, Compassion in World Farming
- Debate on the theme *COP25 Forum to European Green Deal* with Virginijus Sinkevičius, European Commissioner for the Environment, Oceans and Fisheries; Ovais Sarmad, Deputy Executive Secretary of UNFCCC; Enrico Giovannini, Spokesperson for the Italian

Alliance for Sustainable Development (ASviS); and Semia Cherif, Coordinating Lead Author for the MedECC, Tunisia

19 and 20 February 2020

- Debate on The Future of Work and the European Pillar of Social Rights with Guy Ryder, Director-General of the International Labour Organization
- Debate among EESC members on How the Committee can most effectively respond to international crises
- Presentation of the European Citizens' Initiative Eat ORIGINAL with Paolo Di Stefano, Head of Coldiretti EU Liaison Office
- Presentation of the European Commission's work programme and the multiannual political priorities for 2019-2024 with Maroš Šefčovič, Vice-President of the European Commission

The **March** plenary session was cancelled due to Covid-19.

Remote plenary session on 5 and 7 May 2020

- No debates

Hybrid plenary session on 10 and 11 June 2020

- Debate with Michel Barnier, Head of the task force responsible for finalising negotiations under Article 50 of the Treaty on European Union, on the preparatory work related to the United Kingdom's withdrawal from the European Union, and on preparing and conducting negotiations for future relations with the UK
- Debate with Elisa Ferreira, European Commissioner for Cohesion and Reforms, following the presentation of the Commission's proposal for Next Generation EU

Hybrid plenary session on 15 and 16 July 2020

- Debate on the priorities of the German presidency of the EU, with Peter Altmaier, German Federal Minister for Economic Affairs and Energy
- Debate with Paolo Gentiloni, European Commissioner for Economic and Monetary Affairs, Taxation and Customs Union
- Debate with Margaritis Schinas, European Commission vice-president in charge of Promoting our European Way of Life

Hybrid plenary session on 16, 17 and 18 September 2020

- End-of-mandate ceremony, with video messages from Ursula von der Leyen, David Sassoli, Klára Dobrev, Giuliano de Empoli and Maroš Šefčovič
- Farewell ceremony for outgoing members, with distribution of commemorative medals and diplomas

Remote inaugural plenary session on 27, 28 and 29 October 2020

- Debate on the *Recovery for the Future of Europe – The role of the European Economic and Social Committee*, with video messages from Charles Michel, Ursula von der Leyen, Geert Pauwels (CEO of Lineas), David Maria Sassoli, Luca Visentini (SG of ETUC), Jeremy Wates (SG of EEB) and Apostolos Tzitzikostas.

Hybrid plenary session on **2 and 3 December 2020**

- Debate to mark the International Day of Persons with Disabilities, with Sinéad Burke, disability advocate and director of Tilting the lens
- Debate on *A Europe Fit for the Digital Age* with Margrethe Vestager, executive vice-president of the European Commission – A Europe Fit for the Digital Age
- Short film screening by *Theater STAP!* to mark the International Day of Persons with Disabilities

**SPECIAL 2020 - EESC RENEWAL**

137 out of 329 members are new to the EESC as it began its 2020-2025 term of office in October.

The EESC's 329 members are newly appointed every five years, as laid down by the Treaties. This time, over 40% of them are new, bringing their fresh outlook, ideas and energy to their work alongside returning members.

Women make up 33% of members in the new term, up from 27.3% last time and 24.7% in 2010-2015. The countries with the most women members are Estonia, with 85.7%, followed by the Czech Republic and Croatia, with 66.6%. At the other end of the scale, Portugal and Cyprus have no women at all in their representation. Sweden has a perfect gender balance.

The youngest member is 27, while the most senior is 76.

Members are appointed for a period of five years by the Council, based on nominations from Member States. Members join one or more of the sections and may join one of the three Groups.



EESC Inaugural Plenary Session

29 October 2020

Ursula Von der Leyen

PRESIDENT OF THE EUROPEAN COMMISSION

You are on the frontline to measure the impact of the pandemic, on the economic and social fabric of the European Union. You will have an important role to play in supporting and delivering on this green, digital and resilient recovery. We need your advice and we need your experience.



David Sassoli

PRESIDENT OF THE EUROPEAN PARLIAMENT

I should like to thank the European Economic and Social Committee for their unity with us. They have expressed many times their concerns for all different people who have been affected [by the Covid-19 pandemic] also feel this crisis can be an opportunity to put Europe on the right track. We want a diverse Europe, an inclusive Europe, a fairer Europe, a Europe that offers tangible advantages to all our citizens, the citizens which you represent in the European Economic and Social Committee.



Charles Michel

PRESIDENT OF THE EUROPEAN COUNCIL

You are an essential relay of the hopes and wishes of a society with European representatives. I know it's a difficult one, but it's a key role. Let's work together to build this caring society: economic players, civil society, our contribution is vital here and I know that you play this role.

Your experience and your determination as committed players here are other assets in which I know there is great power. You can count on me, you can count on us, to work with you to the service of Europe.

Christa Schweng

PRESIDENT OF THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE

The EESC plays a key role in making the voice of organised civil society heard at European level. Thanks to its input, European policies can reflect the situation on the ground more accurately and can be implemented more effectively at national or local level. This role is not only positive, but even necessary. More than ever, we need to join forces, develop a vision for a stronger post COVID-19 Europe and do our utmost to ensure that our Committee makes a powerful contribution to Europe's recovery and future resilience.



The EESC united for the future of Europe

2.1.2 Cooperation with other institutions

The Committee maintains and develops effective cooperation with the other EU institutions and bodies.

European Parliament



Members of the EESC held numerous meetings with Members of the European Parliament (MEPs) and took the floor in 19 events in Parliament. MEPs actively participated in 25 EESC meetings.

2020 was marked by the COVID-19, which forced the EU institutions to switch quickly to remote working methods. In spite of the difficulties, the EESC maintained its commitment to cooperate on legislative files, including on the recovery from the pandemic. Due to COVID-19 and Brexit, in 2020 some legislative files had to be ready with very short deadlines, sometimes in just a few days. The EESC demonstrated flexibility in dealing with these files and adapted its procedures to respond to legislative needs.

Vice-President Klára Dobrev and President David Sassoli participated in the EESC closing and inaugural sessions respectively; Mr Sassoli met with Ms Schweng once again in December.



European Commission

High-level meetings were held throughout 2020, with participants, including the Commission President, six Commissioners and the Head of the Task Force for Relations with the UK taking part in seven EESC plenary sessions.



The EESC adopted its contribution to the 2021 Commission Work Programme on 16 July 2020. On 19 October

2020, the European Commission adopted its 2021 Work Programme, which contains new legislative initiatives across all six headline ambitions of President von der Leyen's Political Guidelines and is closely linked to the Recovery Plan for Europe.

The president of the European Commission participated in the EESC's inaugural plenary session with a video message, in which she stressed the EESC's important role in supporting and delivering a green, digital and resilient recovery.



In 2020, the EESC adopted one exploratory opinion requested by the European Commission.

European Council and the Council of the European Union



European Council

Several bilateral exchanges took place in 2020 between the President of the European Council, Charles Michel, and the EESC president, Luca Jahier. Mr Michel attended the EESC inaugural plenary session in October and met the newly elected president, Christa Schweng, in November. They agreed to strengthen cooperation and hold a regular dialogue ahead of European Council meetings on topics relevant to civil society. Mr Michel reiterated the great importance of organised civil society playing an active role in the Conference on the Future of Europe.



Croatia held the Council presidency in the first half of 2020, followed by Germany in the second half, both demonstrating great willingness to cooperate, despite the pandemic. Mr Gordan Grlić Radman, Foreign and European Affairs Minister of Croatia, and Mr Peter Altmaier, Germany's Federal Minister for Economic Affairs and Energy, presented the priorities of their countries' EU presidencies at a plenary session.

The Croatian and German EU presidencies formally requested a total of 15 exploratory opinions. Ministers and representatives of the EU presidencies attended a variety of EESC-organised events on subjects ranging from digitalisation and sustainability to social dialogue as an important pillar of economic sustainability. References to the Committee's opinions and initiatives can be found in a number of Council conclusions.

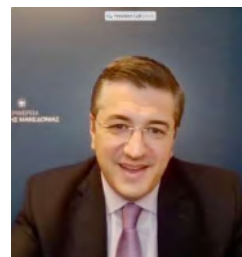
European Committee of the Regions



European Committee of the Regions

Cooperation between the two Committees is enshrined in the Administrative Cooperation Agreement, which was first concluded in 1999 and revised in 2015, establishing a firm legal framework for long-term, efficient and effective cooperation. In May 2020, the general secretaries of the two Committees agreed to extend the cooperation agreement until 30 June 2021.

The CoR president, Apostolos Tzitzikostas, spoke at the inaugural plenary session of the renewed EESC in October 2020. Several events saw the active involvement of EESC members in the CoR's activities, including EuroPCom and the European Week of Regions and Cities.





National Economic and Social Councils

Over the years, the EESC has developed a powerful network with some 21 national Economic and Social Councils (ESCs) and similar institutions. It has maintained this close cooperation throughout 2020, both on a bilateral basis and within the network of national ESCs in the EU.

To further cement this cooperation, the EESC and the French Economic, Social and Environmental Council (ESEC) held a thematic seminar in Paris on European Citizens' Initiatives in February 2020.

In May of the same year, on the occasion of the 70th anniversary of the Schuman declaration, a joint declaration was signed by 10 national ESCs.

The annual meeting of the Presidents and Secretaries-General of the national ESCs and the EESC was organised in September 2020 with the French Economic, Social and Environmental Council. Due to the pandemic, it could not take place at the seat of the French ESEC, Palais d'Iéna. Nevertheless, several Presidents and/or Secretaries-General of the national ESCs attended remotely. This annual meeting was dedicated to the hot topic of the Conference on the Future of Europe. Several key participants raised the level of the discussions that took place, namely the French Secretary of State for European Affairs, Mr Clément Beaune, the European Commission Vice-President in charge of the Conference on the Future of Europe, Ms Šuica, the Vice-President of the European Parliament responsible for inter-institutional relations, Ms Dobrev, and also Mr Enrico Letta, former Italian Prime Minister and currently dean of the Paris School of International Affairs at Sciences Po (Paris).

At the end of meeting, the EESC and the national ESCs adopted conclusions in view of the incoming Conference on the Future of Europe.

Brexit Follow-Up

A Brexit Follow-Up Group was created by a decision of the Extraordinary Bureau in Tallinn on 16 June 2017, 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 was composed of 12 members and reported regularly to the Bureau on new developments.

In February 2021, the EESC bureau decided to set-up the Follow-up Committee on EU-UK relations to replace the Brexit Follow-up group. The mandate of the new committee is extended from its predecessor, to include a wider scope of varied coordination and monitoring activities related to the EU-UK relations.

The most noteworthy activity carried out by the Brexit Follow-up Group in 2020 was its fact-finding mission to the UK in January 2020. This was the last in a series of five fact-finding missions started in 2019 to assess the situation on the ground, hear the views of socio-economic and political players in the UK and facilitate communication and mutual information between British civil society and its EU-27 counterparts, thus paving the way for formal relations between civil society organisations on both sides of the Channel.

After the EESC's renewal, the EESC's Brexit Follow-up Group resumed its activity, convening its ninth meeting on 3 December 2020, just before the adoption of the Trade and Cooperation Agreement of 24 December between the EU and the UK.

Ultimately, the EESC's objective is to maintain close ties between the EU and the UK, especially at the level of civil society, as the EESC underlined 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 citizen engagement

ECI Day 2020: "Today and Beyond"



The 2020 European Citizens' Initiative Day (25 February) was marked by two major developments: the entry into force of the new ECI Regulation and the upcoming Conference on the Future of Europe. The chosen theme was "Today and Beyond", to illustrate the societal changes in active citizenship and the ongoing democratic transformation towards new forms

of citizen engagement. The event was very well attended, with over 200 participants, including 18 EESC members, 5 (out of 7) representatives of successful ECIs and 10 representatives (out of 14) of ongoing ECIs. The representatives of current ECIs and the ECI Day 2020 partners also had information stands, which every year help both to promote their campaigns and to network. The event was attended by EESC President and European Commission Vice-President Dubravka Šuica and the famous speaker and best-selling author Jamie Susskind. Social media coverage was also very good, with a potential reach of more than four million and nearly 900 mentions. The event was a trending topic in Belgium for the entire afternoon.

Liaison Group meeting on COVID-19: civil society organisations ask to have a hand in designing Europe's recovery plan



A network of umbrella civil society organisations, working closely with the EESC as part of the EESC Liaison Group, gathered for a virtual meeting with EESC Members on 12 May to discuss the challenges they had faced in dealing with the COVID-19 crisis and to call for a key role in designing Europe's recovery plan.

Civil society organisations have been at the forefront of fighting the pandemic in Europe, often stepping in at a moment's notice to plug huge gaps in the public provision of social services and healthcare. Therefore, they asked for a seat at the table with EU institutions and governments to help design a recovery plan for a sustainable Europe. Following the meeting, the two Liaison Group co-chairs issued a joint statement, summing up civil society's requests.

Meeting of presidents and secretaries-general of the Economic and Social Councils (ESCs) of the EU and the EESC - Videoconference, 9 September 2020



Staged jointly by the EESC and the French Economic, Social and Environmental Council, the event was entitled *Conference on the Future of Europe and the role of Economic and Social Councils*.

It made clear that the ESCs will be at the forefront of democratic participation in the Conference on the Future of Europe. This was an extremely high-level event, with the participation of the Vice-President of

the European Parliament, Klára Dobrev, the French Minister for European Affairs, Clément Beaune, and with a video message sent by European Commission Vice-President, Dubravka Šuica.

2.1.4 Conferences, debates and key topics in the spotlight in 2020



Despite the pandemic, the EESC remained very active throughout the year. Below, you can read about some of the main events organised by the Committee in 2020.

☛ For a comprehensive EU economic response to the COVID-19 crisis

The COVID-19 pandemic that hit Europe and the whole world in 2020 triggered a series of severe supply- and demand-side shocks. The health emergency soon turned into a deep recession, a fully-fledged economic and social crisis. Despite the considerable difficulties related to travel and consultation, the EESC made full use of the expertise of its members on the ground and shouldered its responsibilities to guide decision-makers in addressing the economic impact of this unprecedented crisis.



As soon as the first lockdowns in the Member States were announced, the EESC called, in several public statements and position papers, for

the necessary EU policy measures to ensure the integrity of the single market and supplies for our

healthcare systems, and also for a comprehensive emergency package with exceptional fiscal and monetary policy responses to be put in place. The relevant decisions and specific financial instruments were made available by the EU institutions in the following weeks and were welcomed by the EESC. Later on, the Committee adopted a resolution that put forward a series of proposals for post-COVID reconstruction and recovery and reiterated the need for the EU to act as a community of common destiny. In this resolution and the ensuing opinions and public debates, the EESC endorsed the Commission's proposal for a package of EUR 1.8 trillion, comprising the EU's multiannual budget and the *NextGenerationEU* recovery plan. At the same time, the EESC emphasised the need to maintain the rule-of-law clause, to ensure additional financing for the green and digital transitions, and to involve civil society in all stages of the design and implementation of the national recovery and resilience plans within the European semester. These calls were fully supported by the European Parliament's negotiating team and ultimately taken up in the legislative process.

Apart from the immediate financing needs, the COVID-19 crisis has clearly shown the need for a more solidarity-based and prosperity-oriented framework for economic governance. An EESC opinion on the economic governance review launched by the Commission considered this issue, including the possibility of introducing a "golden rule" for public investment and a wider range of economic policy objectives to be pursued within such a framework. The European Parliament and the Commission welcomed the timely work of the EESC as an important contribution to the on-going policy debates. The Commission also gave a commitment to follow up on the economic governance review once the immediate challenges of the crisis have been addressed.

☛ **Leaving no one behind: a minimum wage and protecting fundamental rights and the rule of law, services of general interest (SGIs) and housing**

The COVID-19 pandemic continues to wreak havoc on society, with inequalities rising as a consequence, which is why it is crucial to protect citizens and mitigate the highly damaging socio-economic fall-out of the pandemic. Europe is at a defining moment, when the fight against inequality and poverty in the recovery process remains a priority. In these difficult times, the EESC pays particular attention to vulnerable groups, such as atypical workers, children in poverty, people with disabilities, people in marginalised areas and people with a migrant or ethnic minority background.

Adequate minimum wages



The EESC drew up an exploratory opinion on *Decent minimum wages across Europe*, at the request of the European Parliament and as part of the EESC's work to support implementation of the European Pillar of Social Rights. The opinion took account of the results of virtual meetings with representatives of

organised civil society in Sweden, Germany, Romania, Spain and Poland, as well as a virtual hearing. The EESC expressed concern that poverty in general and in-work poverty in particular were still a significant problem in many Member States. It emphasised that high-quality employment remained the best route out of poverty and that fair minimum wages, combined with active inclusion policies, could help reduce poverty among the working poor. Fair minimum wages could also help achieve a number of EU objectives such as upward wage convergence, improving social and economic cohesion and eliminating the gender pay gap. The EESC stressed that any such EU initiative must be based on an accurate analysis of the situation in Member States, and must fully respect the social partners' role and autonomy, as well as the different models of industrial relations.

Fundamental rights, the rule of law and democracy under threat



Promoting peace, EU values and the well-being of its people are among the EU's most important aims. Eurobarometer surveys consistently show that a very large majority of EU citizens believe it is important for all EU Member States to respect the core values of the EU, including fundamental rights, the rule of law and democracy. However, there is a growing populist and authoritarian drift, which risks undermining the quality of democracy, the rule of law, the protection of fundamental rights and opportunities for civil society to organise itself. The *NextGenerationEU* recovery plans acknowledge these developments, and explicitly link the recovery funds to respect for the rule of law.

In 2020, the EESC's Group on Fundamental Rights and the Rule of Law focused on adding socio-economic perspectives to the analysis of fundamental rights and the rule of law. The group also issued a synthesis report of its findings from country visits to Romania, Poland, Hungary, France, Austria, Italy and Bulgaria, carried out in 2018-2019, and undertook a virtual country visit to Denmark in December 2020. The EESC adopted two relevant opinions on *The rule of law and its*

impact on economic growth and on Principles for public services that contribute directly to the stability of the free democratic basic order in EU countries. These opinions highlighted the economic cost of failing to uphold the rule of law. The EESC called on the European Commission to improve methods for measuring the economic impact, and for this perspective to be embedded in policies addressing fundamental rights and the rule of law, and underlined that socio-economic rights are essential components of well-functioning democratic societies rooted in fundamental rights and the rule of law. The EESC also proposed common European principles to support the role of public services in defence of democracy. They include, for example, the principles of neutrality, legality, proportionality, equal treatment, and respect for the rule of law, including when receiving EU funds.

Services of General Interest (SGIs) and housing



The European Pillar of Social Rights (EPSR) aims to achieve greater social convergence by combining economic development with greater social progress. In 2020, the EESC continued to work to inform debates on the implementation of the EPSR and to shape the upcoming EPSR action plan. That year, the EESC focused on two key EPSR principles:

Principle 20, on the right to access essential services of good quality and Principle 19, on the provision of access to social housing or housing assistance of good quality.

An EESC public hearing on the implementation of essential services in the framework of the EPSR was held in Brussels in 2018 to examine the added value of Principle 20 of the EPSR. Following this event, the EESC drew up recommendations concerning the rights of access, universal access, universal service, affordability, quality of service, assessment of quality of service and the European Semester, with a view to the future action plan of the European Pillar of Social Rights.

In December 2019, an EESC public hearing was held on the subject of *Social housing: a service of general interest to guarantee affordable, decent and energy-efficient housing for all?*, which focused on Member States' increasing shortage of decent and affordable housing. The hearing conclusions led to an EESC own-initiative opinion in which the Committee underlines that, while housing remains a Member State competence, the shortage of decent and affordable housing in the EU requires a dedicated European action plan, with measures that are comprehensive and easy to understand. This will help authorities at all levels to boost the supply of social and affordable housing sustainably and combat homelessness effectively.

The EESC hosted a high-level webinar on universal access to housing in September 2020, which brought together many key players. European Commissioner Nicolas Schmit gave a keynote speech and rapporteurs from the EESC and the EP shared their respective findings on access to decent and affordable housing and answered stakeholders' questions. Building further on all of these essential steps, in 2021, the EESC will focus on the Commission's Renovation strategy to boost the renovation of both public and private buildings in order to improve their energy performance and contribute to alleviating energy poverty in Europe.

☛ Addressing the climate challenge and sustainable consumption: European Climate Pact, Towards an EU strategy on sustainable consumption

The EESC supports the call for the EU to commit to achieving carbon neutrality by 2050 and to adjusting its greenhouse gas reduction target for 2030 accordingly. There are compelling arguments to aim for a minimum reduction of 55% by 2030, to ensure the EU plays its part in the response to the massive global need to reduce emissions.

The potential impact of the COVID-19 crisis cannot and should not lead to relaxing the 2030 reduction target. The EESC believes that we cannot simply restore what existed in the past: we need to restructure and improve it. In addition, the current pandemic is a wake-up call for change when it comes to addressing the climate challenge and truly transforming our old patterns of consumption, with sustainable consumption being the only possible way forward.

The European Climate Pact



In 2020, the EESC delivered an exploratory opinion drawn up at the request of the European Commission (DG CLIMA) on the *European Climate Pact*, as well as an own-initiative opinion entitled *Towards structured youth engagement on climate and sustainability in the EU decision-making process*. Both opinions made a substantial contribution to the

European Green Deal's civil society participation and enabling stream. The Climate Pact created a great opportunity to model an innovative participatory approach, which will mirror, support and inspire action already taking place in civil society, within communities, cities and regions. The EESC put forward some very practical proposals in this regard, such as the Youth Climate and Sustainability Round Tables, an EU Climate Finance Forum and appointing members of the EESC as EU-level ambassadors for the constituencies they represent. Moreover, on 4 December

2020, with the support of the German EU Council Presidency, the EESC and the German Development Institute/*Deutsches Institut für Entwicklungspolitik* (DIE) hosted an online event bringing together the EU Institutions, the COP26 UK Presidency, the High-Level Climate Champions and key climate actors to discuss opportunities to strengthen engagement and climate action.

Towards an EU strategy on sustainable consumption



In 2020, the EESC called for a comprehensive EU strategy on sustainable consumption, in a dedicated own-initiative opinion, which stated that a more harmonised approach is needed to overcome the current fragmentation of EU policies and the silo approach and argued that

sustainable products and services should be made accessible and affordable to all. Incorporating the social dimension would make our production and consumption systems fairer and more sustainable in the long run. Sustainable consumption is one of the key foundations for achieving the goals of the European Green Deal and the 17 Sustainable Development Goals.

A webinar dedicated to this topic was hosted by the EESC on 11 June 2020. The rapporteur for the opinion on the topic highlighted key messages and recommendations from the opinion at various events, in particular at a virtual side-event on *Making circularity work for a just transition to climate neutrality*, held on 14 July 2020 as part of the UN High-Level Political Forum on Sustainable Development.

☛ Transition in industry: the EU's raw materials sector; Developing sustainable batteries in the EU; and ECESP – the European Circular Economy Stakeholder Platform

EU industry is undergoing a green and digital transition, as industrial sectors face the need for urgent action to mitigate impacts on the climate and the environment. This requires a clear roadmap for a just transition over the coming decades. Energy-intensive industries, in particular, will deliver the most effective levers to reduce CO₂ emissions on a large scale.

It is clear that all industrial sectors will need to undergo profound change, which is already happening in some areas. In addition to waste reduction through implementation of the circular economy and industrial symbiosis criteria, preservation of the environment, sustainable

production and the protection of people and workers' health remain key elements for decarbonising our future.

The EU's raw materials sector: the EESC calls for the digitalisation of mining to make European industrial supply chains more resilient



Securing sustainable access to raw materials, including metals, industrial minerals and raw materials for construction, particularly critical raw materials, is of huge importance to the European economy, in

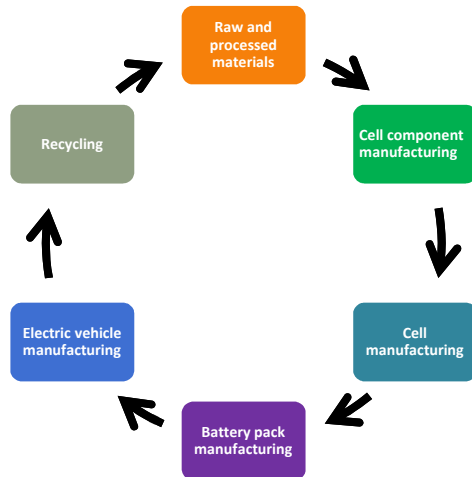
which at least 30 million jobs depend on the availability of raw materials. The ongoing COVID-19 pandemic is highlighting the importance of digital transformation.

At its September plenary session, and at a crucial time for the implementation of the Green Deal and the EU recovery plan, the EESC adopted an own-initiative opinion on *Digital Mining in Europe: New solutions for the sustainable production of raw materials*.

In the opinion, the EESC recommends the digitalisation of the EU raw materials sector as a unique opportunity to make European industrial supply chains more resilient, to improve the environmental performance of the minerals sector and to increase transparency and dialogue with citizens and communities affected by mining activities. The EESC highlights the importance of having a global, comprehensive minerals intelligence network to underpin the digital transformation and informed decision-making at EU level. The Joint Research Centre is currently developing and maintaining a European raw materials information system, as acknowledged by the EESC.

The EESC believes that the EU and the Member States must actively support the digital transformation of the EU mining sector. This is a crucial step in making EU industry and the raw materials value chain more resilient. Mines using digital technologies, including integrated automation, cognitive networks and real-time analytics, are more efficient, clean and safe. Smaller environmental footprints and safer environments are easier to achieve in "smart mines", and this is crucial for obtaining the "social licence" to operate in Europe.

Developing sustainable batteries in the EU



The topic of batteries in the EU is a cross-cutting issue that involves many different policy fields, from the sustainability and competitiveness of strategic value-chains, to the electrification of transport and the development of energy storage.

The EESC has always been at the forefront of promoting the development of sustainable batteries in the EU. It is a strategic factor for the decarbonisation of transport and for a clean energy transition and is an essential component of the EU's circular economy approach.

The EESC welcomed the creation of a European Battery Alliance and the Strategic Action Plan on Batteries. However, the Committee noted that greater efforts are needed to achieve the necessary level of technological expertise in the EU, to secure the supply of raw materials from third countries and EU sources and to ensure that batteries can be recycled safely and cleanly.

The EESC continued to monitor the matter closely and held a debate on batteries and critical raw materials in February 2020, with the participation of important stakeholders, to highlight the need to secure permanent access to raw materials as soon as possible, in order to develop a strong battery industry for electric vehicles. In March 2020, the need for a new regulatory framework for batteries, already envisaged in the Strategic Action Plan for Batteries and under the European Green Deal, was acknowledged by the Commission in the new Circular Economy Action Plan and Industrial Strategy launched. Furthermore, in September 2020, the Commission presented its communication on Critical Raw Materials Resilience, which addressed the challenge posed by the use of critical raw materials in the batteries value chain. Finally, the new *Proposal for a Regulation concerning batteries and waste batteries* was adopted by the Commission in December 2020.

With the European Green Deal as the EU's sustainable strategy for growth and the COVID-19 outbreak exposing the fragility of the current economic model, the circular economy presents an economic model that keeps resources in the economy for longer. It also ensures that production and consumption remain within limits that are acceptable for our planet. In order to achieve these objectives and continue with the transition, the Commission has adopted a new [Circular Economy Action Plan](#) (CEAP) for a cleaner and more competitive Europe. The CEAP is at the core of the European Green Deal, announcing a series of actions to change production and consumption patterns in Europe, with a focus on preventing waste in the first place. However, the

transition to a circular economy can only be implemented with the active engagement of civil society and the businesses, workers and consumers it represents.

The European Circular Economy Stakeholder Platform

Proposed by the EESC in its 2016 Opinion on the Circular Economy Package, and set up jointly by the Commission and the Committee in 2017, the Platform's mandate was renewed in November 2020 to continue serving as a "network of networks", going beyond sector-specific activities and highlighting cross-sectoral opportunities and challenges. The Platform also serves as a model for linking policy and practice in the field of the circular economy. It is essentially a knowledge-gathering hub, a place for dialogue and a bridge between existing initiatives, helping to disseminate the concept of the circular economy at national, regional and local level by making information more easily accessible and by providing a framework for exchange and discussion.

Looking back on what the first mandate has delivered, these three years have seen four well-attended joint annual conferences, a Coordination Group that has delivered 50 initiatives, and a website that has received close to 300 000 visits and has brought together over 450 good practices, 44 strategies and more than 270 knowledge items. The Platform has an active presence on social media, with close to 4 000 followers on Twitter and over 1 000 on LinkedIn, launched in May 2020.

As the essential link between policy-making in Brussels and Europe's civil society, the EESC is represented by three active EESC Members, whose role is instrumental in facilitating relations with the members of the Coordination Group. Composed of 24 members selected through an open call for expressions of interest, the [Coordination Group](#) brings together circular economy stakeholders from across Europe's businesses, trade unions and civil society; national, regional and local networks; multi-stakeholder platforms and knowledge and research communities.



On a wider scale, the annual Circular Economy Stakeholder Conference serves as an opportunity for dialogue with stakeholders, drawing together their knowledge and experiences of the

circular economy transition and documenting their views. Co-organised by the EESC and the Commission, this two-day conference constitutes the major EU event for stakeholder engagement on the circular economy, and with an average of 600 participants each year, the conference showcases civil society's drivers powering the transition. The fifth European Circular Economy Stakeholder Platform annual conference took place on 3-4 November 2020. This year's main event for the circular economy in Europe went fully digital!

🔗 More sustainable trade / integrating the green and digital transitions

In the midst of major paradigm changes, international trade has reached a re-defining moment, with the need to address issues such as the green and digital transitions. The EU is tackling these challenges at all levels - unilaterally, bilaterally and multilaterally - and the EESC is definitely playing its part. Over the past year, the EESC's sections have worked hand in hand to infuse more sustainability into all relevant files. The sections have combined forces on several issues, such as trade and the Green Deal, Sustainable Supply Chains and decent work in international trade, mandatory due diligence, and the circular economy. The EESC has continued to support the work of the Domestic Advisory Groups and other civil society mechanisms to ensure trade deals deliver for civil society, notably on the ambitions for Trade and Sustainable Development.

Contributing to the democratisation and EU integration of the Western Balkans

Global supply chains play a major role in economic activities and trade around the world. The COVID-19 crisis has shown their fragility. It has also exposed the vulnerability of workers and the adverse social, health and safety impacts of business operations in today's supply chains. In its exploratory opinion, the EESC provides a detailed assessment of sustainable supply chains and makes wide-ranging recommendations. The opinion calls for an ambitious European action plan comprising legislative and other initiatives, with cross-sectoral EU legislation on due diligence regarding human rights and responsible business conduct at its heart. The EESC considers the EU to be uniquely placed to take the lead on due diligence, in particular with a view to European companies' global leadership.

At international level, the EESC stresses the urgent need to close gaps in governance. This means, for instance, supporting a UN Binding treaty on business and human rights and establishing an ILO Convention on decent work in supply chains. By nature, trade policy must be a crucial component of the COVID-19 recovery, and one of its key tasks must be the effective enforceability and full enforcement of trade and sustainable development (TSD) chapters in Free Trade Agreements (FTAs). TSD chapters form an increasingly important part in all new-generation EU FTAs and the EESC emphasises that the impact of Domestic Advisory Group recommendations on investigating TSD violations needs to be considerably strengthened.

Some of this opinion's new approaches include linking the reduction of trade tariffs to genuine progress on TSD implementation and requiring investors to comply with due diligence before benefiting from investment agreements, to name but a few.

☛ Artificial Intelligence made in Europe - sustainable and human-in-command approach

In May 2017, the EESC was among the first EU institutions to present an own-initiative opinion on the impact of AI on society, and introduced the concept of the "human-in-command approach" when it comes to the development of AI technologies. In the following years, other major EESC opinions stressed the role of the sustainable development framework in guiding the future evolution of AI. In July 2020, the EESC adopted its opinion on the Commission's White Paper on AI, in which it also affirms that EU law should set safe boundaries for high-risk AI applications.

Between 2018 and 2020, AI-related issues were tackled in the Temporary Study Group on AI. This group worked, among other things, on a report focussing on civil society participation in shaping national AI strategies. The purpose of this analysis was to assess whether and how civil society in selected Member States has been involved in the preparation of national AI strategies. The final report was published in September 2020 and was shared with the EU institutions and other stakeholders.

A new Observatory for the Digital Transition and the Single Market was set up in October 2020 and now coordinates the strategy in the EESC's work on AI. One of its tasks will be to organise the next AI Europe/Stakeholder summit in the second half of 2021. This summit was supposed to have taken place in April 2020, but was postponed due to the COVID-19 pandemic.

2.1.5 Communication activities

The health crisis drastically affected communication activities in 2020, as visits to the EESC's headquarters could not take place and a large number of events had to be cancelled, while others – such as Europe Day and the communication activities linked to the constitutive plenary session of the EESC's new term of office in October – were conducted online. Particularly noteworthy for 2020 are the activities and projects related to the COVID-19 pandemic and recovery and the growing use of digital communication, including webinars and podcasts.

The impact of COVID-19 on communications



Online communication has become increasingly important for the EESC. By the end of 2020, the Committee reached two milestones as regards follower numbers on its social media corporate accounts: over 50 000 followers on Twitter, over 30 000 on LinkedIn (more than doubling in 2020) and 36 600 on Facebook, while the one-year old Instagram account also saw rapid growth, reaching 3 700 by the end of the year. The EESC also streamlined and rationalised its social media presence, particularly on Twitter, by combining topical accounts and closing down several smaller and inactive accounts, thereby improving the image conveyed by the EESC on social media.

Especially during the spring lockdown, communication relied largely on the Internet and social media to make the EESC's position and its crisis-related work visible to the EU institutions and EESC stakeholders in Brussels and in the Member States. This greater focus on online communication was in line with the core principle of the EESC's external communication strategy: to make sure that the appropriate message reaches the right people at the right time, using the most suitable medium.

Particularly noteworthy in this context are the 43 contributions from EESC members from all 27 Member States, presenting their thoughts concerning the pandemic, which were first published in the "*Draw me...*" section of the *EESC Info* newsletter between April and September 2020 and later published as a collection, and the *Civil society against COVID-19* mini-site highlighting what the EESC and European civil society are doing to combat the consequences of COVID-19. During the first lockdown, the EESC also started to organise a series of webinars, the first being held in April with Committee President Luca Jahier and former Italian Prime Minister Enrico Letta. In total, 12 webinars were held, generating an extraordinary amount of views, engagement and debates with users, notably on Facebook. The two webinars on EU-Africa relations were the most successful, with several hundred comments.

In 2020, the EESC also completed the first series of 10 podcasts on *The Grassroots View*, launched in 2019, and started *EESC in a flash* – a series of two-minute online interviews with an EESC member who comments on a topical matter with the aim of raising the visibility of the Committee's work. From 2019 to 2020, a series of eight videos was created, showcasing the work of EESC members, including a portrait of Vice-President Isabel Caño Aguilar.

Digital platforms were also an important vehicle for communicating on the new term of office, both with external audiences and with returning and new members. To prepare for the new term, the members' section of the intranet was fully revamped, the main objective being to set up a one-stop-shop providing all the information members need. This intranet site also served as a

communication channel for all matters relating to COVID-19. To facilitate the integration of new members, a dedicated welcome site with essential information on the EESC and the start of the new term of office was launched, gathering positive feedback. A specific web presence was created for the new EESC president and vice-presidents, and a successful social media campaign accompanied the start of the mandate.

Events

70 YEARS OF SOLIDARITY



Europe Day

On 9 May 2020, the EESC joined forces with the other EU institutions to celebrate Europe Day digitally by communicating through videos, social media and the internet.

The COVID-19 pandemic and the lockdowns across most EU Member States and beyond made 9 May 2020 a very special Europe Day. The EESC's Communication Commission members participated actively in the project, with a video they made focussing on tangible actions taken by the EU to help tackle the COVID-19 crisis.

Throughout the day, testimonials from the fight against the COVID-19 virus were shared, quizzes were held, music concert organised, and images of the EU flag in different shapes were promoted extensively online.



Civil Solidarity Prize

Instead of its annual Civil Society Day, in 2020 the EESC launched a one-off Civil Solidarity Prize entitled *Civil society against COVID-19*, to reward not-for-profit initiatives carried out by individuals, civil society organisations or private companies that aim to tackle the COVID-

19 crisis and its manifold consequences.

Launched in July 2020, the competition received 250 applications from across the EU and the UK, from which 23 winners were selected. Through this prize – worth EUR 10 000 per winner – the EESC aimed to boost the visibility of these initiatives, raising awareness of their impact and celebrating all those battling coronavirus in society at large, displaying courage, engagement, solidarity, and civic responsibility.



Commemoration of the Schuman declaration

A ceremony paying tribute to this founding father of a united Europe took place on 7 July at the EESC, on the initiative of its secretary-general Gianluca Brunetti, with the participation of EESC president Luca Jahier, Jean Quatremer, a European affairs specialist and correspondent for the French daily *Libération*, and Pierre Kroll, a cartoonist for the

Belgian newspaper *Le Soir*. 70 years on, Robert Schuman's declaration reminds us that it takes political courage and vision to make a difference and change the course of history. According to Jean Quatremer, if Robert Schuman were to repeat his appeal today, he would focus his project on the need for solidarity between poor and wealthy countries and on European values. Actors Aurélie Vauthrin and Rachid Benbouchta gave a reading of the declaration, reinterpreted for the modern age. A video produced on that occasion was published on social media.



Webinars

It is worth noting the production of many webinars – showing the EESC's ability to adapt to the new working conditions – which featured both EESC members and guests who spoke on topical issues. To

name a few:

1. (24 April 2020) A fully-fledged Health Union must become the key priority for the future. In the first ever webinar hosted by the European Economic and Social Committee, Luca Jahier, EESC president, made it clear that the time was ripe for a new step forward in European integration. In discussing the future challenges that the EU was facing with the COVID-19 emergency, Mr Jahier was joined by MEP Margarida Marques, vice-chair of the European Parliament's Budget Committee, and Enrico Letta, former Italian Prime Minister and president of the Jacques Delors Institute.
2. (29 April 2020) The EU partnership with Africa was the topic of a webinar where participants agreed that consolidation of supply chains and an agreement to ease the external debt burden of African countries were key issues, with the participation of the EESC President Luca Jahier, Vera Songwe, Under-Secretary General of the United Nations and Executive Secretary of the Economic Commission for Africa, Ambassador Ranieri Sabatucci, Head of the EU Delegation and the European Union's Special Representative to the African Union, Stefano Manservigi, former Director-General for International Cooperation and Development

(DEVCO) at the European Commission and Dilyana Slavova, President of the Section for External Relations of the EESC.

3. (15 May 2020) Post-COVID-19 and the urgent choices to be made to support future generations, and the urgent need for a strategic review of EU policies, with the participation of EESC President Luca Jahier, Romano Prodi, former Italian Prime Minister and Commission President, Emma Bonino, senator and former Italian minister of foreign affairs and EU Commissioner, and Tiziano Treu, president of the Italian National Council for Economics and Labour.

A new logo



In October 2019, the Bureau adopted the new EESC logo. The new logo, which was developed by the EESC's in-house graphic designers, reflects the logos of the other EU institutions, with the EU flag in the middle and a grey element that alludes to the three groups and their dynamic way of reaching consensus. The EESC was commended by the other EU institutions for this change of logo, and the EU Publications Office highlighted it to the other EU institutions and agencies as an example to follow.

A more targeted approach to visits and culture

The EESC switched its visits policy towards online visits (the *EESC Online Talks*) to operate more effectively in the current health climate, while at the same time allowing a more flexible and environmentally sustainable approach.

In order to generate greater interest in the EESC cultural activities and hence to reach a larger audience, the EESC decided to step up efforts to organise events in partnership with other EU institutions and involving the three EESC groups. One of the first such events was the ILO's centenary anniversary exhibition, which took place in February 2020, with the support and attendance of the three group presidents and an ILO representative, to discuss the importance of ILO conventions and their relevance to the EESC's work. Moreover, the EESC supported and prioritised cultural events connected to the work of the sections, as a way to convey the EESC's work and messages through culture.



EESC PRESS @EESC_PRESS

December 4, 2020

Twitter moments - Sinéad Burke at the EESC

A very successful example of this new approach was the presence of Sinéad Burke, an Irish writer, academic and disability activist, at the December 2020 plenary session to mark the International day of persons with disabilities and the debate on the EESC opinion on the voting rights of persons with disabilities in the EU elections, which received broad coverage, both in the press and on social media.

In the cultural field, the EESC also introduced a new communication tool: the studies commissioned by the EESC groups. The first presentation was of the Group II study entitled *On the road to gender equality: gender balance in the EESC*, and took place shortly before the lockdown in March 2020.

A few weeks later, the health situation also drove digitalisation in the cultural sphere: the exhibition *Female Notes*, which was held in cooperation with Women's Toponymy (the winner of the 2019 EESC Civil Society Prize) to mark International Women's Day and which featured female composers and musicians, was held online. This first EESC online cultural event, which reached out to a large audience, was followed by others, such as the photo exhibition *Habitat*, organised as part of the German EU Presidency.

2.2 ADMINISTRATION

The European Economic and Social Committee is assisted by a general secretariat, headed by a secretary-general, who reports to the President. The general secretariat provides the EESC's members with the policy, communication, organisational, linguistic and material support that enables them to perform their task of building up and strengthening links with other EU institutions and civil society. The general secretariat is made up of approximately 700 staff members. It continually takes initiatives to attract, train and retain skilled staff, optimise its organisational structure and working methods and promote a respectful working environment, against a background of a limited budget.

Key administrative achievements of 2020 are outlined below.

2.2.1 Interinstitutional cooperation

Relations with the European Committee of the Regions

Close cooperation with the European Committee of the Regions continued in 2020, providing further administrative synergies in the fields of translation, infrastructure, logistics, HR and IT.

The current Administrative Cooperation Agreement was in application until the end of 2020. Negotiations to reach a new cooperation agreement were delayed, mainly due to the COVID-19 pandemic crisis. For this reason, the current agreement has been extended and remains in application until 30 June 2021.

At the same time, the pandemic provided an opportunity to strengthen cooperation with the European Committee of the Regions, including in areas not covered by the agreement. This was reflected, for instance, in

- even closer alignment of human resources decisions and communication so that the staff of both committees were adequately covered as regards crisis management: telework, cooperation between medical services, etc.;
- operational safety measures taken to make the work environment on the premises safe: aligning approaches to mask-wearing and hydroalcoholic gel distribution, adaptation of meeting rooms with plexiglas separators, posters and signs, etc.

Relations with other EU institutions

The EESC strives to increase its outreach by strengthening follow-up activities and interinstitutional relations. Therefore, for keynote opinions, sections analysed the EESC's impact on all the legislative stages.

2.2.2 EESC administration***Impact of the pandemic – new working methods***

The COVID-19 pandemic has been a major challenge for both the political and the administrative activities of the EESC. Members' travel has been restricted and teleworking remains the norm in Belgium. Everyone therefore has had to adapt to working remotely.

This has provided an opportunity for major improvements and changes in ways of working.

While the Committee already had a Business Continuity Plan (BCP) in place, its detailed processes were not considered as the most appropriate tools to handle the scope and pace of this unprecedented crisis, which has required agile, immediate mitigation. Therefore, a COVID-19 task force was set up to cover physical, operational, technical and medical aspects, with additional subgroups where needed (human resources, logistics, services to members). Given the ongoing, constantly evolving nature of the crisis, a new version of the BCP will be drawn up, based on lessons learnt from the COVID-19 crisis.

New IT tools were made available or improved to facilitate remote communication, and a huge effort was put into the organisation of remote meetings (Skype for Business, Webex, Interactio, etc.). 2020 saw the first plenary sessions organised on EESC premises in hybrid mode, starting i.e. with a high number of participants connecting remotely. Distance voting was made available only a few weeks after lockdown, and a system was rapidly put in place to allow remote simultaneous interpreting. This allowed the EESC to continue to perform its institutional role from the very start of the crisis.

Indeed, throughout the health crisis, the EESC remained extremely active, holding 562 remote meetings between mid-March and the end of December: 326 with interpreting (using Interactio, a new tool offering simultaneous interpretation or Webex, with consecutive interpretation), as well as 236 meetings without interpretation.

However, a limited number of languages can be covered for videoconferences, partly due to technical constraints; videoconferencing therefore does not allow for the equal treatment of all

languages and of members. Furthermore, when holding meetings in remote or hybrid format, technical problems sometimes complicate the smooth running of meetings.

A paperless working environment became the norm. The EESC IT tool for mail workflow (called Adonis) was upgraded, enabling easy electronic file workflow. The EESC drastically reduced its use of paper files for meetings of EESC bodies, and members are making more intensive use of the members' portal, where all official documents are stored.

New EESC organisation chart

The new organisation chart, approved by the EESC Bureau on 24 September 2019, was implemented in January 2020, introducing the following main changes:

- grouping a number of departments supporting key Committee bodies in one directorate entitled "Statutory Bodies and Members' Working Conditions";
- carrying out a reshuffle between the two directorates for legislative work in order to enhance consistency and synergies;
- strengthening the Communication department, thus creating the "Directorate of Communication and Interinstitutional Relations";
- moving the Legal Service to a more horizontal position, allowing it a broader vision and knowledge of the files to be dealt with, thereby maximising efficiency;
- introducing a new legislative coordination function with a view to rationalising, simplifying and harmonising various administrative procedures in the two directorates for legislative work.

New EESC term of office

Importantly, 2020 was the renewal year for the EESC assembly.

Despite the COVID-19 crisis, one term of office ended and a new term of office was launched successfully. This event gave rise to many preparations in order to welcome the EESC members in the best possible conditions. A series of brochures and documents, introducing the EESC's work, methods and rules to the new members, were drafted. Welcome Days were organised, with stands, multilingual seminars and individual meetings with members (online and face-to-face). A new EESC members' training programme was set-up with a special focus on a move to e-learning. Members' data was collected in fully digitalised format with full respect for the data protection rules in force. FAQs on EESC beneficiaries' financial rights were published in 23 languages. A

new life/disability insurance policy was put in place, allowing, inter alia, the direct management of insurance complaints by beneficiaries.

Support for legislative work

In spite of the difficult context of the COVID-19 pandemic, the EESC managed to maintain its political activities. To achieve this, various departments took several measures, at all levels of the organisation.

Due to the extremely tight deadlines for adopting opinions at the beginning of the pandemic and in order to respect interinstitutional deadlines, the Committee created a new type of document – a position paper – and an adoption procedure to go with it. Sections started organising virtual study group meetings. All interinstitutional requirements and deadlines were respected and only a few own-initiative opinions were postponed due to the heavy workload and limited online meeting possibilities. EESC rapporteurs and their counterparts in other institutions held remote meetings together.

As regards the management of events, the focus was placed on statutory meetings rather than on major external events. Tools were put in place to enable the Committee to function remotely, with continual improvements throughout the year (Interactio videoconferencing system, remote voting, etc.). The Committee's internal meeting management tool, Agora, was partly adapted to the new COVID-19 environment. The legal framework was adjusted to facilitate business continuity: complementary reimbursement rules for members were adopted regarding remote attendance at meetings. All relevant stakeholders were informed about these rules and stricter (ex ante) controls and checks were put in place. Information sessions on how to organise and manage remote meetings were organised for the staff concerned.

Valuable lessons have been learnt about the organisation of remote events. They will help the Committee develop new event management procedures after the crisis. A project team was put in place to this effect in late 2020. It will report its findings in 2021 and make proposals on how a new, effective, sustainable and innovative meetings and events management system could be developed.

In the two directorates for legislative work, initiatives were also carried out to enhance administrative support for cross-cutting work and sustainable working methods. Cross-functional cooperation was also stepped up. To cite just a few examples, they shared expertise and drafted common tables on EU measures (e.g. on the European Green Deal and on recovery and resilience measures) as well as key position papers (e.g. on international trade, the digital transition and the Green Deal).

Various procedures involving the two directorates for legislative work as well as the directorates for statutory bodies and communication were streamlined thanks to the establishment of a legislative coordination function. The legislative coordination function assisted in particular in revising the EESC's Rules of Procedure and Code of Conduct, drafted and updated President's decisions on the remote adoption of EESC opinions and on the organisation of remote and hybrid plenary sessions. It supported members in drafting the EESC resolution on post-Covid and the EESC's contribution to the European Commission's (EC's) 2021 Work Programme.

Modernisation of communication tools

On 29 October 2019, the EESC Bureau adopted a new logo representing the Committee. In the course of 2020, this new symbol was incorporated into external displays, publications, promotional items, banners, the web, audiovisual products and products using the EESC graphic charter, gradually replacing the previous one.

The EESC's social media presence was also streamlined and rationalised. All the details on this can be found on page 41.

Ethics and integrity

Dignity at work and respect in the workplace are fundamental values at the core of the EU Institutions, to which the EESC fully subscribes.

In 2020 and especially in light of a particular challenging harassment case at the EESC, the institution fully acknowledged and embraced the need to review and strengthen its ethical framework, in order to ensure at the same time: availability of robust legal tools to tackle potential issues in a more efficient and effective manner, targeted training and operational measures to support a strong rooting throughout the organisation of the ethics and integrity environment, and wide-spread awareness and user-friendly information available to everyone within the Institution.

In this context, a working group was set up, composed of representatives from the administration and the staff committee. This group started work on revising the current legal framework, specifically the three decisions on administrative enquiries and disciplinary procedures, the prevention of harassment and the decision laying down the rules on whistleblowing.

The working group's remit was then extended in order to prepare for a broader revision of the ethical framework and to draw up recommendations to feed into a comprehensive action plan. The various recommendations made and action to be taken are grouped into three types of measures, as the pillars of a strengthened ethical framework and aimed at:

- strengthening the legal framework: revision of the aforementioned decisions; revision of the Code of Conduct for members; a proposal to revise the Members' Statute; and creation of a function of internal ombudsman;
- consolidating the administrative and operational framework: charters; various recommendations on training; the establishment in Directorate E of an ethics coordinator for the EESC; and professionalisation of internal investigations;
- improving awareness of, and information for, staff and members: updating the intranet; dedicated brochures; joint action with members; and information and communication campaigns specifically relating to the action plan to facilitate ownership by all individuals.

The secretary-general validated the action plan on reinforcing the framework for ethics and integrity at the very beginning of 2021; the plan was also forwarded to the European Parliament's Committee on Budgetary Control, as requested in the context of the discharge procedure.

Already in 2020, several measures contained in the action plan were carried out, in particular the preparation of a first brochure on ethics and respect at work for the new EESC term of office and the establishment of an ethics coordinator in the Directorate for Human Resources and Finance. Implementation of the specific measures of the action plan will continue throughout 2021.

Sick leave and return to work policy

The EESC continued to introduce measures to tackle the psychosocial risks identified in the 2016 staff survey. In this context, a new absence management policy, including a return-to-work approach, was envisaged. As a first step, at the beginning of 2020, two independent medical roles were introduced: an occupational medical doctor and a return-to-work medical advisor. However, the COVID-19 crisis rapidly required a shift of most of the available medical expertise towards pandemic-related priorities. Moreover, due to the departure of one of the two doctors during the summer, a new recruitment process had to be organised. A recently recruited doctor took up duties in March 2021.

Training activities

The upskilling sessions that had been planned were held in part, depending on their nature. While technical knowledge was in many cases able to be taught via online sessions, most team-building and other sessions aimed at behavioural change were postponed to a time when face-to-face training courses would be possible again. A total of 111 internal upskilling training sessions (face-to-face and remote) were organised, in which there were 1163 participants in total. These were mainly financial, IT, general training courses and coaching sessions.

The learning path for heads of sector, which started in 2019, is a programme spread over several months that combines the involvement of external and internal trainers. Its purpose is to tap into a talent pool of internal staff already managing small teams and provide support on their career path, to build up their competencies for future career opportunities, their personal development and to connect them with peers. As participants come from a wide range of backgrounds with various levels of leadership and management experience, it was necessary to develop a programme to respond to all the particular needs and ensure a positive learning impact for each participant and for the whole group learning together. An agile approach was also used, allowing for the fine-tuning of each module according to participants' needs.

The first cycle was completed in June 2020. The second one started in October 2020.

This learning path is an integral part of talent management at the EESC. Its efforts to put this detailed training in place have been recognised at interinstitutional level: in February 2021, the EESC won the first EUSA LD Award granted by the European School of Administration in the "Best EU Leadership programme" category.

Annual administrative work programme

In 2020, the EESC Management Board decided to revamp its annual work programme and to focus on a limited number of strategic annual objectives, directly linked to the management plan. For this purpose, all administrative entities set 32 strategic objectives. The mid-term review of the 2020 annual work programme was carried out in the summer.

Multiannual management plan

As its multiannual management plan was due to run out at the end of 2020, the EESC general secretariat prepared a new management plan for 2021-2025. The new document frames the EESC administration's strategy and defines five sets of values and five key strategic objectives that will steer the work of the general secretariat over the five-year period.

Internal control standards and risk assessment

After the adoption of the annual work programme, each directorate assessed to what extent the objectives set by them in the annual work programme complied with internal control standards.

In the course of 2020, the EESC also organised four training sessions on risk assessment for staff and middle management (around 15% of staff were trained). Workshops (coaching sessions) on risk management were organised for each directorate to help them assess the impact of risk scenarios on their annual objectives.

Thereafter, the inherent risks were analysed and linked to existing control measures (as defined in the internal control standards), thus obtaining the level of residual risk.

At the end of 2020, a register was set-up linking objectives, risks and control measures for each directorate.

Financial management tools

The EESC is pursuing modernisation of its tools for financial management.

"Legal Commitment Kernel" (LCK) is a tool which allows all EESC contracts (i.e. legal commitments) to be managed in one integrated application (ABAC Workflow). The LCK was rolled out in the course of 2020 and became mandatory as of 1 January 2021. Training and individual coaching sessions for all financial actors were organised and the majority of contracts in force were entered in the ABAC LCK module by the end of December 2020.

In February 2020, the EESC prepared an action plan to improve the forecasting accuracy of costs for the reimbursement of its members; the implementation was delayed due to the COVID-19 crisis. Nevertheless, during the year 2020, the IT department developed new software features that will improve data quality for forecasting.

Legal advice

In 2020, the Legal Service continued to assist the EESC in ensuring the legality of its decisions, by providing legal advice 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 was consulted on various occasions on pandemic-related business continuity issues. It was also involved in several aspects of the follow-up of the harassment case mentioned above, providing legal advice during one plenary session and one Bureau meeting. It made a major and active contribution to the revision of the EESC's Rules of Procedure and the Code of Conduct for members (adopted by the Assembly on 28 January 2021).

The Legal Service delivered 34 legal opinions, 97 replies to other legal consultations and 22 replies linked to legal matters. It also represented the EESC before the General Court: four cases are still ongoing while two cases and three procedural motions were closed in 2020.

Data Protection

The EESC Data Protection Officer's (DPO's) role is to ensure the internal application of the data protection rules by providing advice and monitoring compliance with these rules. In 2020, its team received requests from controllers, processors, subjects, other DPOs and the European Data Protection Supervisor (EDPS). 189 cases were opened, with 93 records created and/or updated in the public central register. Decisions on the EESC's implementing rules for data protection and on restrictions on data subjects' rights are in the pipeline. One of the main files currently on the DPO's desk is monitoring the EESC's legal obligation to publish the central register of data processing activities on both the intranet and the internet. In addition, the data protection team contributed to the survey carried out by the EDPS on data processing operations in the COVID-related return-to-work strategy and new IT remote working tools and solutions.

Internal audit

The Internal Audit Sector (IAS) continued its efforts to strengthen the EESC's internal audit function, and, in addition, extended its assurance services to new areas in the audit universe. A new draft audit charter was submitted to the Legal Service which, however, saw a need for a more stringent approach; the drafting of the charter and of an audit manual further defining working methods and procedures is ongoing.

An audit report on verification was submitted to the President and the Audit Committee in July 2020 and an audit on ethics and integrity reached the contradictory stage, where auditees were asked to take a stand on the draft report.

One IAS staff member obtained the title of Certified Internal Auditor awarded by the Institute of Internal Auditors.

The 2020 internal audit report can be found under Part IV, Appendix 2, of this annual activity report.

Buildings strategy and adaptation to the COVID-19 crisis

A long-term buildings strategy agreed between EESC and CoR was drawn up and approved by the EESC Bureau in October 2017. Its implementation was pursued in 2020, with the aim of ensuring optimal, high-quality, efficient, appropriate and modern working conditions for members and staff, and with high priority being attached to health, safety, well-being and comfort.

Various scenarios have been studied and presented to future occupants, both for the renovation of office spaces in the VMA building and for the occupation of the BvS and REM buildings. Multiannual planning for building occupation has been agreed upon as the basis for long-term budgetary planning.

The Committee continued to play an exemplary role in managing its buildings in a sustainable way, in line with the Sustainable Development Goals and the various EU strategies on sustainability.

Negotiations with the European External Action Service on the take-over of the lease of the B100 building were conducted and are now close to finalisation.

Additionally, in a preventive way, the Committees' buildings have been adapted to the present COVID-19 crisis by putting in place various appropriate measures, especially in common areas:

- Relevant posters and signs are displayed in all strategic places;
- Hydro-alcoholic gel dispensers have been made available;
- The ventilation system is functioning with 100% fresh air;
- Cleaning procedures have been adapted and a medical disinfection procedure has been set up to come into play in the event of a suspected COVID-19 infection;
- The maximum number of people allowed to enter meeting rooms and conference rooms has been determined and is indicated outside and inside the rooms concerned;

- Plexiglas screens have been installed in some areas;
- All catering vending points have been closed and the furniture in the public area of the cafeteria has been removed.

IT and digital strategy

In June 2019 the Bureau adopted a digital strategy for the EESC that presents its vision for the EESC IT environment and identifies the major IT challenges in relation to that vision.

The two committees' activities receive IT support in four broad domains: policy work, document management, communications and HR/finance. For political work, the main project in 2020 was the development of a new tool for processing amendments. The Members' Portal was adapted to provide support for the Committee's new term of office. A proof of concept of the Strategic Management Tool was prepared. For the Document Management tool, new versions of the search engines were deployed to better support paper-poor meetings and the specific needs of the Directorate for Translation. The Adonis document workflow tool was significantly improved to support paperless document workflows. For Communication, the existing catalogue of web services was maintained. An improved version of the staff assessment application was deployed at the request of the Directorate for Human Resources and Finance.

The operational objective for the IT infrastructure sector was to remotely operate and monitor the system components without creating security holes. The main projects completed by this service during 2020 were the installation of new generation office automation and application servers, the replacement of network switches and the doubling of internet capacity. Multi-factor authentication for external access to webmail was introduced. A number of important forward-looking measures were taken, including the preparation of a network evolution strategy, a hybrid cloud assessment and a backup strategy review.

IT User Support Services provide user support, develop user solutions, maintain user relations, organise logistics and manage user policies: demand for these services increased by approximately 40% during the pandemic, while performance indicators remained stable.

During 2020, the IT budget was reinforced with transfers of credits, which made it possible to finance twenty-three projects aligned with the objectives of the Digital Strategy.

Modernisation and simplification of the EESC's working methods

Efforts for modernisation and digitalisation continued, and sometimes were even accelerated by the current health crisis. The most relevant improvements were:

- a decrease in paper use due to the availability in the Agora meeting management tool of a technical module for printing documents on demand and, since September, "opting out" being set as default status;
- the launch of a project on electronic signatures for signing contracts and other official documents;
- widespread deployment of portable PCs and rapid uptake of unified communication;
- the carrying out of an external study on the main EESC document types, as an initial necessary step for simplifying electronic document management;
- the creation of a Register of Briefings, open to all EESC staff;
- the switch to electronic workflows in the Adonis document management tool.

Security

In line with the security projects carried out in 2019, the EESC acquired a new automated visitor management scheme called "e-visitors". Its deployment, however, has been delayed because of the COVID-19 pandemic and will be ready for use by mid-2021.

Technical security work also started in the entrance hall of the VMA building. Two thirds of this refurbishment work was completed in 2020 and the remaining parts are scheduled to be finished in the first quarter of 2021.

All passes (badges) for EESC members and staff have been renewed with new "DESFire" technology, which enables electronic interinstitutional recognition.

Translation and other language services

The Committee took the following initiatives to improve the quality of its documents:

- A clear writing campaign was launched;
- Drafting and editing guidelines on inclusive language in written communication were adopted and communicated to staff and members;
- The DT Knowledge base was launched, which is the online repository of all the Directorate for Translation's procedures.

In order to optimise its human and financial resources, the Directorate for Translation continued to work on the implementation and development of translation tools such as the new version of SDL Trados Studio and a computer-aided translation environment, using the PM² project management methodology. All developments are accompanied by measures to further deepen and develop the sustainable multilingualism policy.

The Directorate for Translation also has also been paying considerable attention to strengthening synergies in interinstitutional cooperation:

- implementation of new inter-institutional framework contracts for translation outsourcing;
- continued full implementation of KIAPI (Key Inter-institutional Activity and Performance Indicators) methodology;
- optimisation of work-sharing via the workload balancing platform developed and hosted by the Committees;
- participation in EU inter-institutional translation service networks;
- organisation of translation-related training courses to pool resources and seek synergies.

2.2.3 Environmental management

Environment



In December 2019, the European Commission adopted the European Green Deal – the European strategy that calls on Member States, institutions and people to take action to make Europe the first carbon-neutral continent by 2050. The EESC, in cooperation with the CoR and along with other EU institutions, has fully embraced the European Green Deal. Among other things, thanks to the Eco-Management and Audit Scheme (EMAS), the EESC's ambition is to "put the Green Deal into practice".

Eco-Management

The EESC, in close cooperation with the CoR, has set up an environmental management system as part of a process of continuous improvement in this sphere.

These efforts have borne excellent results over the last few years and they earned the Committees the Brussels Ecodynamic Enterprise label in 2009. In 2011 the Committees were also awarded

EMAS and ISO 14 001 certification. As in the subsequent years, those three labels were confirmed for 2020.

The EESC and CoR canteen was the first EU institution canteen to go plastic-free.

Carbon footprint

The Committee has been calculating its carbon footprint since 2016.

In 2019³, total emissions amounted to 20 427 tonnes of CO₂ equivalent. This is the equivalent of emissions produced by 2 375 EU citizens. As in previous years, transportation of people remains the largest source of CO₂ emissions (80.7%). The second-largest area of CO₂ emissions is the provision of equipment and services, which includes external services (maintenance, catering, security, IT, consultancy, interpreting and external translation), office equipment and the purchase of catering equipment and food supplies.



In 2020, the Committees participated for the first time in the Joint Offsetting Scheme, together with the European Parliament and other European institutions, in order to show its commitment to compensate for the totality of their carbon emissions for the year 2019. Thus, since 2020, the Committees have been carbon neutral for the first time ever.

Main achievements in 2019⁴: by choosing to operate as sustainably as possible, the Committees have achieved significant results in several areas (see table).

³ 2020 data are not available at the time of preparation of this report.

⁴ 2020 data are not available at the time of preparation of this report.

I.

Presentation and main achievements 2020



These efforts bring not only environmental benefits but also financial savings.

Though the figures for 2020 are not yet known, they will very likely show some reductions in energy consumption due to the pandemic.

Useful links

EESC website: www.eesc.europa.eu

Facebook: www.eesc.europa.eu/facebook

Twitter: www.eesc.europa.eu/twitter

Instagram: <http://eesc.europa.eu/instagram>

YouTube: www.eesc.europa.eu/youtube

LinkedIn: www.eesc.europa.eu/linkedin

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

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

Civil Solidarity Prize:
<https://www.eesc.europa.eu/en/agenda/our-events/events/civil-solidarity-prize>

Civil Society Against COVID-19:
<https://www.eesc.europa.eu/en/initiatives/civil-society-against-covid-19>

European Circular Economy Stakeholder Platform: <https://circulareconomy.europa.eu/platform/>

PART II

Annual General Accounts 2020 (Accrual Accounting Principle)

(Final)

PART II - INDEX

1. CERTIFICATION OF THE ACCOUNTS.....	67
2. ACCOUNTING POLICIES.....	68
2.1 LEGAL PROVISIONS AND THE FINANCIAL REGULATION.....	68
2.2 ACCOUNTING PRINCIPLES	68
2.3 CURRENCY AND BASIS FOR CONVERSION	69
2.4 THE ECONOMIC OUTTURN ACCOUNT	69
2.4.1 Revenue.....	69
2.4.2 Expenditure.....	69
2.5 BALANCE SHEET.....	70
2.5.1 Intangible fixed assets.....	70
2.5.2 Tangible fixed assets.....	70
2.5.3 Depreciation rates	70
2.5.4 Leases	71
2.5.5 Impairment of assets	71
2.5.6 Receivables	71
2.5.7 Cash and cash equivalents.....	72
2.6 THE CASH FLOW STATEMENT	72
2.7 USE OF ESTIMATES	72
3. THE ECONOMIC OUTTURN ACCOUNT	73
4. THE BALANCE SHEET.....	76
5. STATEMENT OF CHANGES IN NET ASSETS.....	78
6. THE CASH FLOW STATEMENT	79
7. NOTES	80

1. CERTIFICATION OF THE ACCOUNTS

Brussels, June 2021

I acknowledge my responsibility for the preparation and presentation of the annual accounts of European Economic and Social Committee in accordance with Article 246 of the Financial Regulation ('FR')¹ and I hereby certify that the annual accounts of the European Economic and Social Committee for the year 2020 have been prepared in accordance with Title XIII of the FR and the accounting rules adopted by the Commission's Accounting Officer, as are to be applied by all the institutions and union bodies.

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. 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.



Giaprakis Stavros
Accounting Officer of the
European Economic and Social
Committee

¹ REGULATION (EU, Euratom) 2018/1046 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012.

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 (2019).

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 principle². The general accounts allow for the preparation of the

² This differs from cash-based accounting because of elements such as carry-overs.

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.

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	2020	2019
From ordinary activities		1,373,234	8,633,111
<u>Revenue</u>			
Funds transferred from the Commission		106,100,000	121,000,000
Revenue from administrative operations		17,087,350	16,711,131
Other operating revenue		2,008	2,456
	1	<u>123,189,358</u>	<u>137,713,587</u>
<u>Expenses</u>			
Staff expenses and members' expenses		-85,334,218	-93,864,175
Depreciation, amounts written off, provisions and accruals		-11,113,179	-4,092,168
Land and building related expenses		-7,268,574	-8,880,306
Other expenses		-18,100,153	-22,243,827
		<u>-121,816,124</u>	<u>-129,080,476</u>
From financial activities		-6,883,788	-7,073,384
Financial operations revenue		0	0
Financial operations expenses	2	-6,883,788	-7,073,384
Economic result of the year		-5,510,554	1,559,727

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.

Revenue :

The decrease by 11% is mainly explained by the lower replenishment amounts received from the European Commission. This decrease represented a total amount of about 15 mio € as a consequence of the lower activities due to the Covid-19 health crisis.

Expenses :

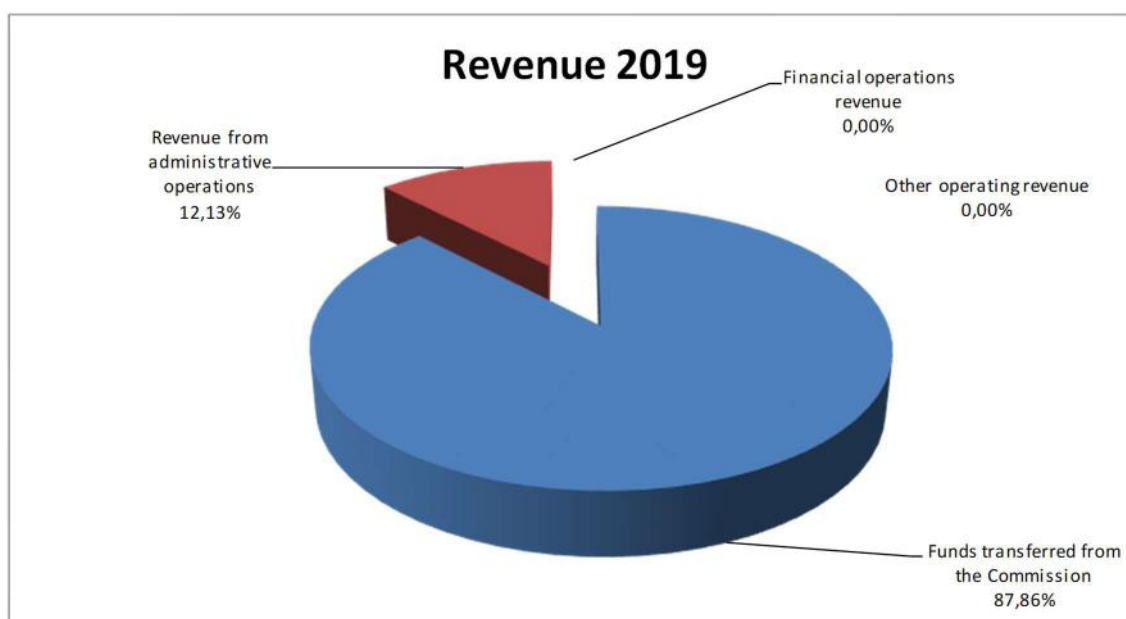
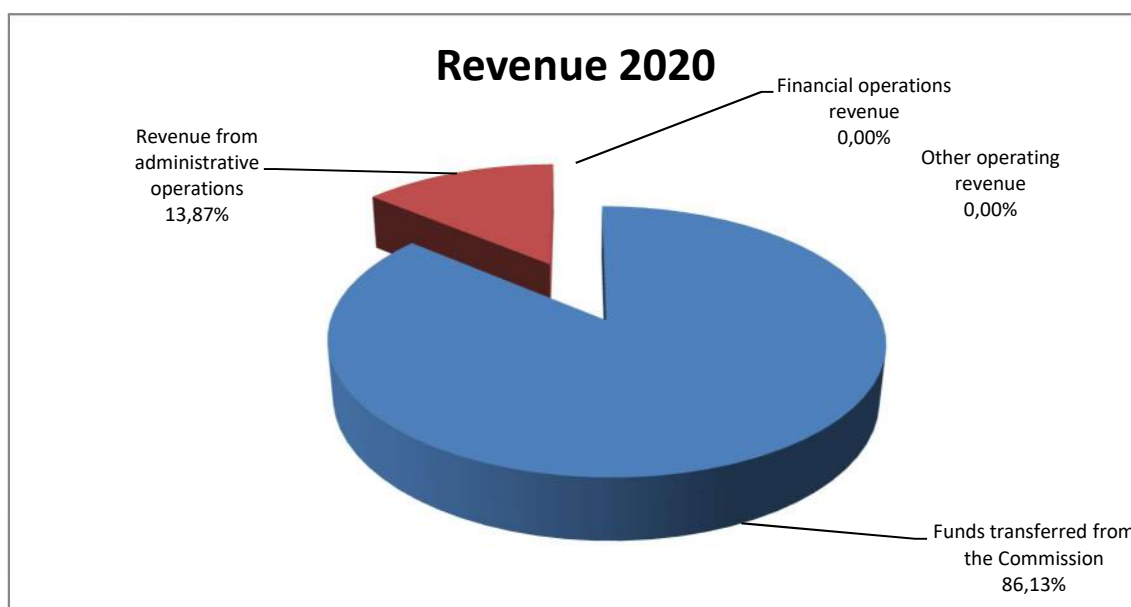
The overall expenses have decreased by 6% compared to last year. The decrease of 'staff and members expenses' (9%) is mainly explained by the lower physical presences of members in the Brussels offices resulting in a drop in travel allowances due to the Covid-19 pandemic. A significant decrease in the other expenses (19%) can also be observed, as a direct consequence of the health crisis and the related travel restrictions in particular on those areas covering

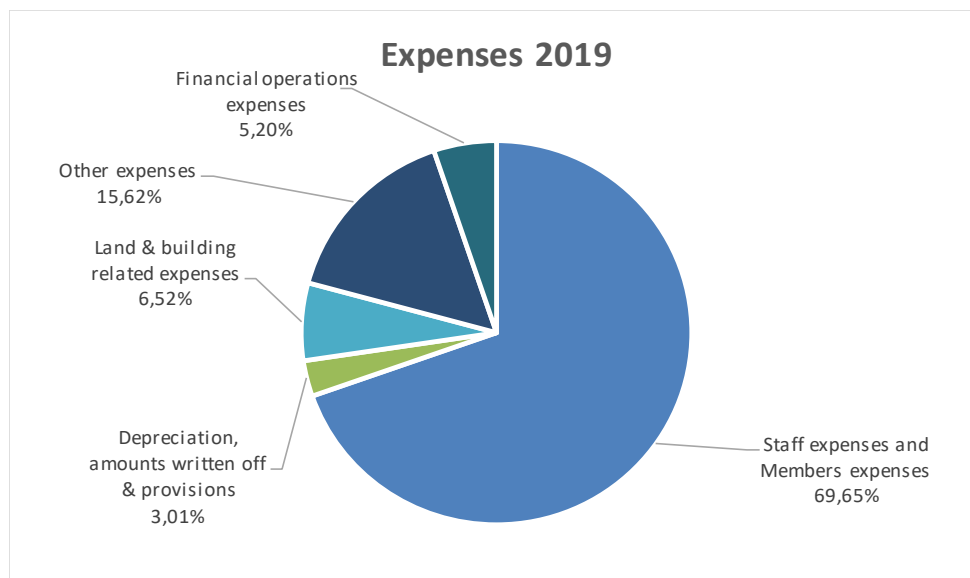
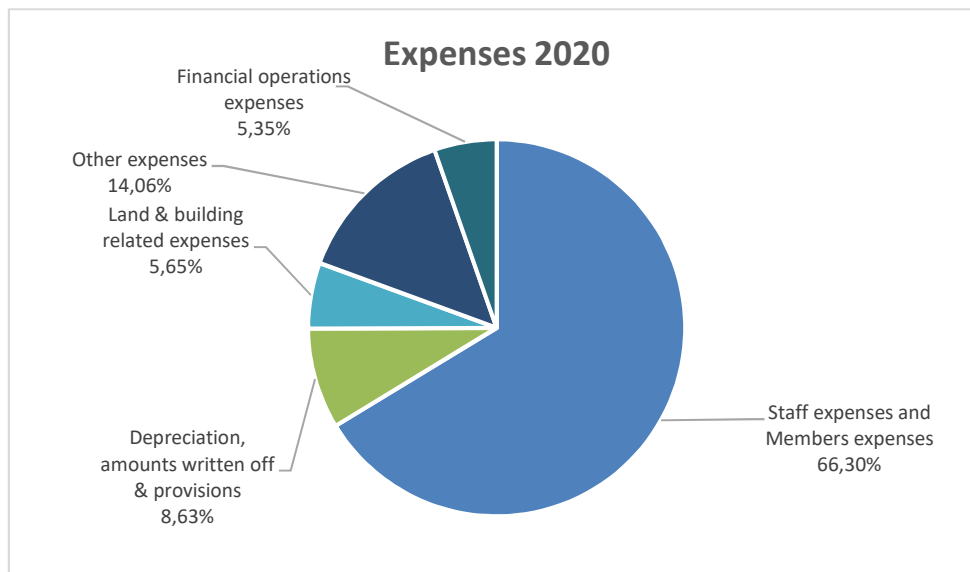
II.

Annual General Accounts 2020

interpretation and the organisation of events and hearings, including catering related to these events.

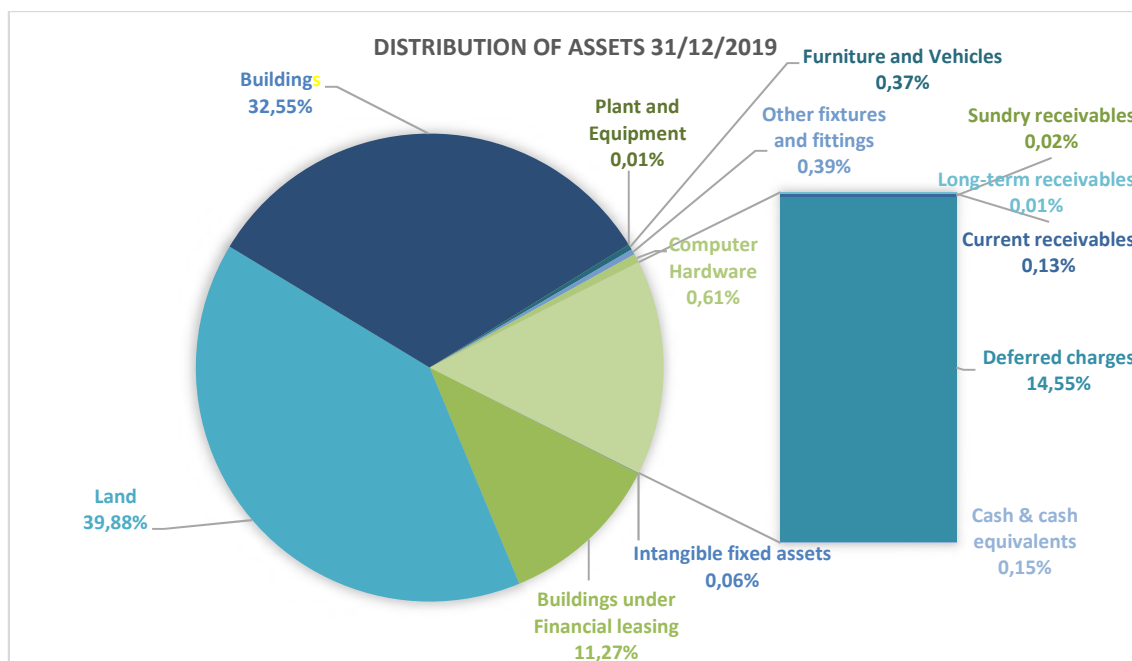
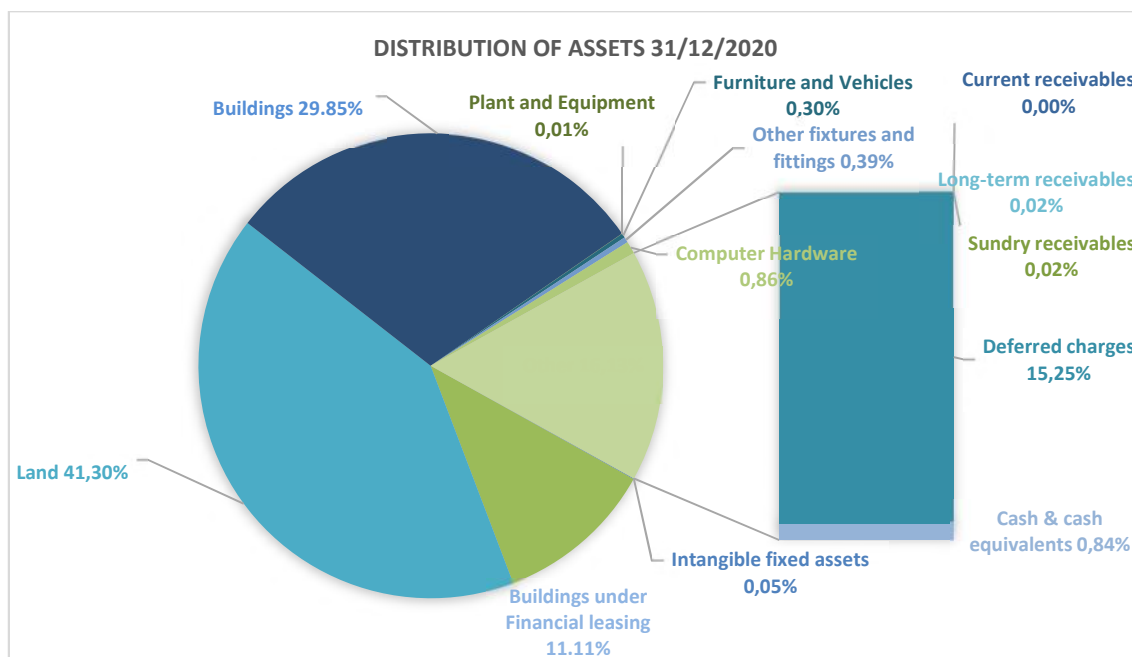
On the other hand, the provisions and accruals have increased (172%) as a consequence of postponed planned business activities and other expenses directly linked to the health crisis.





4. THE BALANCE SHEET

	Note	31/12/2020	31/12/2019
<u>I. Non-current assets</u>			
Intangible fixed assets	3	<u>54,379</u>	<u>59,373</u>
<u>Tangible fixed assets</u>			
Land and buildings under financial leasing	4	11,472,268	12,048,221
Land	4	42,643,384	42,643,384
Buildings	4	30,824,842	34,805,270
Plant and equipment	5	10,370	8,933
Other fixtures and fittings	5	405,304	414,283
Furniture and vehicles	6	306,182	392,368
Computer hardware	7	<u>887,191</u>	<u>654,307</u>
		<u>86,549,541</u>	<u>90,966,766</u>
Long-term receivables	8	<u>19,298</u>	<u>14,848</u>
		<u>86,623,218</u>	<u>91,040,987</u>
<u>II. Current assets</u>			
<u>Short-term receivables</u>			
Current receivables	9	649	137,107
Sundry receivables		18,862	24,610
Deferred charges		<u>15,742,977</u>	<u>15,551,707</u>
		<u>15,762,488</u>	<u>15,713,424</u>
Cash and cash equivalents		<u>871,216</u>	<u>161,976</u>
		<u>16,633,704</u>	<u>15,875,400</u>
Total assets		103,256,922	106,916,387
<u>III. Non-current liabilities</u>			
Other long-term liabilities	10	<u>64,458,976</u>	<u>70,497,180</u>
		<u>64,458,976</u>	<u>70,497,180</u>
<u>IV. Current liabilities</u>			
Provisions for risk and charges	11	<u>349,606</u>	<u>-51,900</u>
		<u>349,606</u>	<u>-51,900</u>
<u>Accounts payable</u>			
Current payables	12	5,335,602	4,415,165
Long-term liabilities falling due within the year	13	6,038,204	5,691,810
Sundry payables		11,283	17,531
Accrued charges		<u>12,069,962</u>	<u>5,842,759</u>
		<u>23,455,051</u>	<u>15,967,265</u>
Total liabilities		88,263,634	86,412,545
Net assets		14,993,288	20,503,842
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 2019</u>	18,944,115	1,559,727	20,503,842
Allocation of the economic outturn 2019	1,559,727	-1,559,727	0
Economic outturn 2020	0	-5,510,554	-5,510,554
<u>Balance as of 31 December 2020</u>	<u>20,503,842</u>	<u>-5,510,554</u>	<u>14,993,288</u>

Note: The EESC has no share capital or previously injected capital. The net assets are the difference between the value of the assets and the value of the liabilities.

6. THE CASH FLOW STATEMENT

	31/12/2020	31/12/2019
Cashflows from ordinary activities		
Surplus/(deficit) from ordinary activities	-5,510,554	1,559,727
Operating Activities		
Amortization (intangible fixed assets)	20,997	29,656
Depreciation (tangible fixed assets)	5,300,715	5,312,513
Increase/(decrease) in provision for risks and liabilities	401,506	-76,900
(Increase)/decrease in long-term receivables	-4,450	16,179
(Increase)/decrease in short-term receivables	-49,064	-419,976
Increase/(decrease) in other long-term liabilities	-6,038,204	-5,691,810
Increase/(decrease) in accounts payable	7,487,786	-1,191,750
Other non-cash movements	-9	0
Net cash flow from operating activities	<u>1,608,723</u>	<u>-462,361</u>
Investing activities		
Increase in intangible and tangible fixed assets (-)	-899,484	-486,894
Net cash flow from investing activities	<u>-899,484</u>	<u>-486,894</u>
Net Increase/(decrease) in cash and cash equivalents	<u>709,240</u>	<u>-949,255</u>
Net increase/(decrease) in cash and cash equivalents	709,240	-949,255
Cash and cash equivalents at the beginning of 2020	<u>161,976</u>	<u>1,111,231</u>
Cash and cash equivalents at the end of 2020	871,216	161,976

7. NOTES

NOTE 1

Operating revenue

	2020	2019
Funds transferred from the Commission	<u>106,100,000</u>	<u>121,000,000</u>
Revenue from staff	12,838,565	12,514,480
Other administrative revenue	<u>4,248,785</u>	<u>4,196,651</u>
Revenue from administrative operations	<u>17,087,350</u>	<u>16,711,131</u>
Other operating revenue	0	0
Exchange rate gains	<u>2,008</u>	<u>2,457</u>
Other operating revenue	<u>2,008</u>	<u>2,457</u>
	123,189,358	137,713,588
Non-exchange revenue	118,938,565	133,514,480
Exchange revenue	4,250,793	4,199,108
	123,189,358	137,713,588

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 2020

NOTE 2

Financial operations expenses

	2020	2019
Other interest expenses	-6,875,100	-7,062,171
Other financial expenses	-7,488	-8,379
Bank charges	-1,200	-2,834
	-6,883,788	-7,073,384

NOTE 3

Intangible fixed assets

	31/12/2020	31/12/2019
<u>Computer software</u>		
Gross carrying amount 1 January	1,303,326	1,289,975
Additions	36,034	24,653
Disposals	0	-11,302
Transfers between headings	-24,6	0
Other changes	0	0
Gross carrying amount 31 December	<u>1,314,707</u>	<u>1,303,326</u>
Accumulated amortization 1 January	-1,243,953	-1,225,600
Amortization	-20,997	-29,655
Disposals	0	11,302
Transfers between headings	4,623	0
Other changes	0	0
Accumulated amortization 31 December	<u>-1,260,328</u>	<u>-1,243,953</u>
Net carrying amount 31 December	54,379	59,373

Non-capitalised research costs	0	0
Non-capitalised development costs	218,411	16,454
	218,411	16,454

At 31 December 2020, the EESC and the European Committee of the Regions (CoR) had external research and development costs for a total amount of EUR 301,728. This amount was split according to an agreed division between the two Committees as follows:

100% EESC (project developed only for EESC): EUR 93,435

60% EESC: EUR 124,976

40% CoR: EUR 83,317

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

Land and buildings (owned and under financial leasing)

	31/12/2020	31/12/2019
<u>Land and Buildings under Financial Leasing</u>		
Gross carrying amount, 1 January	21,288,768	21,288,768
Additions	0	0
Transfer between headings	-422,358	0
Gross carrying amount, 31 December	<u>20,866,410</u>	<u>21,288,768</u>
Accumulated depreciation, 1 January	-9,240,547	-8,659,254
Transfer between headings	411,676	0
Depreciation	-565,271	-581,293
Accumulated depreciation, 31 December	<u>-9,394,142</u>	<u>-9,240,547</u>
	<u>11,472,268</u>	<u>12,048,221</u>
<u>Land</u>		
Gross carrying amount	<u>42,643,384</u>	<u>42,643,384</u>
<u>Buildings</u>		
Gross carrying amount, 1 January	99,752,131	99,752,131
Additions	0	0
Transfer between headings	422,358	0
Gross carrying amount, 31 December	<u>100,174,489</u>	<u>99,752,131</u>
Accumulated depreciation, 1 January	-64,946,861	-60,912,430
Transfer between headings	-411,676	0
Depreciation	-3,991,110	-4,034,431
Accumulated depreciation, 31 December	<u>-69,349,647</u>	<u>-64,946,861</u>
	<u>30,824,842</u>	<u>34,805,270</u>
Net carrying amount, 31 December	84,940,494	89,496,875

The presentation changes in 2020 in order to highlight the depreciation of own buildings versus the leased buildings.

	Capital	Interest
<u>Distribution of charges</u>		
Cumulative charges paid	92,588,179	122,191,301
<u>Charges to be paid</u>		
< 1 year	6,038,204	3,549,240
1-5 years	28,045,239	10,429,165
> 5 years	36,413,737	3,810,653
	<u>70,497,180</u>	<u>17,789,058</u>
Gross carrying amount 31 December	163,085,359	139,980,359

At 31 December 2020, the EESC and the CoR jointly held two buildings³ under long-term leases and three owned shared buildings :

	Total net asset value	Total debt
Bertha von Suttner building (BvS), Rue Montoyer 92-102	30,968,521	26,434,067
Remorqueur building (REM), Rue Belliard 93	6,604,691	0
Rue de Trèves 74 building (TR74)	13,673,262	16,096,215
Rue Belliard 68-72 building (B68-72)	14,963,021	13,619,730
Jacques Delors building (JDE), Rue Belliard 103-113	73,742,259	61,044,741
TOTAL	139,951,754	117,194,753

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 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 84,913,081. On the liability side, the EESC's part of the total debt is EUR 70,497,180 (other long-term liabilities amount to EUR 64,458,976 and long-term liabilities falling due within one year amount to EUR 6,038,204).

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

³ 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.

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 in 2019 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

	31/12/2020	31/12/2019
Gross carrying amount, 1 January	90,537	86,445
Additions	3250	4,092
Disposals	-3580	0
Transfers between headings	0	0
Other changes	0	0
Gross carrying amount, 31 December	90,207	90,537
Accumulated depreciation, 1 January	-81,604	-80,007
Depreciation	-1,813	-1,597
Disposals	3,580	0
Transfers between headings	0	0
Other changes	0	0
Accumulated depreciation, 31 December	-79,837	-81,604
Net carrying amount, 31 December	10,370	8,933

Other fixtures and fittings

	31/12/2020	31/12/2019
Gross carrying amount, 1 January	2,531,742	2,550,987
Additions	198,091	103,148
Disposals	0	-122,393
Transfers between headings		
Other changes	0	0
Gross carrying amount, 31 December	2,729,833	2,531,742
Accumulated depreciation, 1 January	-2,117,459	-2,015,541
Depreciation	-207,070	-224,625
Disposals	0	122,707
Transfers between headings	0	0
Other changes	0	0
Accumulated depreciation, 31 December	-2,324,529	-2,117,459
Net carrying amount, 31 December	405,304	414,283

NOTE 6

Furniture and vehicles

	31/12/2020	31/12/2019
Gross carrying amount, 1 January	3,547,765	3,449,976
Additions	8,319	105,725
Disposals	-206,298	-7,936
Transfers between headings	0	0
Other changes	<u>0</u>	<u>0</u>
Gross carrying amount, 31 December	<u>3,349,786</u>	<u>3,547,765</u>
Accumulated depreciation, 1 January	-3,155,396	-3,057,541
Depreciation	-94,506	-105,792
Disposals	206,298	7,936
Transfers between headings	0	0
Other changes	0	0
Accumulated depreciation, 31 December	<u>-3,043,604</u>	<u>-3,155,397</u>
Net carrying amount, 31 December	306,182	392,368

NOTE 7

Computer hardware

	31/12/2020	31/12/2019
Gross carrying amount, 1 January	3,705,982	4,360,301
Additions	653,790	249,276
Disposals	-260,146	-903,595
Transfers between headings	24,654	0
Other changes	0	0
Gross carrying amount, 31 December	<u>4,124,280</u>	<u>3,705,982</u>
Accumulated depreciation, 1 January	-3,051,675	-3,590,180
Depreciation	-440,937	-365,090
Disposals	260,146	903,595
Transfers between headings	-4,623	0
Other changes	0	0
Accumulated depreciation, 31 December	<u>-3,237,089</u>	<u>-3,051,675</u>
Net carrying amount, 31 December	887,191	654,307

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 2020

NOTE 8

Long-term receivables

	31/12/2020	31/12/2019
Other (advances to members)	19,298	14,848
	19,298	14,848

NOTE 9

Current receivables

	31/12/2020	31/12/2019
<u>Customers</u>		
Gross total	593	15,323
Amounts written down	0	0
Net value	<u>593</u>	<u>15,323</u>
<u>Member States</u>		
Gross total	0	4,640
Amounts written down	0	0
Net value, VAT to be recovered	<u>0</u>	<u>4,640</u>
<u>Other institutions</u>		
Gross total	56	117,144
Amounts written down	0	0
Net value	<u>56</u>	<u>117,144</u>
	649	137,107

NOTE 10**Other long-term liabilities**

	31/12/2020	31/12/2019
Buildings and buildings under financial leasing*	64,458,976	70,497,180
	64,458,976	70,497,180

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

II.

Annual General Accounts 2020

NOTE 11

Provisions for risks and charges

	31/12/2020	31/12/2019
Possible outcome of pending court case	349,606	-51,900
	349,606	-51,900

NOTE 12

Current payables

	31/12/2020	31/12/2019
<u>Vendors</u>		
Gross total	<u>1,325,462</u>	<u>924,823</u>
<u>Other institutions</u>		
European Commission	3,905,819	3,470,554
European Parliament	98,237	19,788
European Committee of the Regions	6,000	0
EU decentralised agencies	84	0
Gross total	<u>4,010,140</u>	<u>3,490,342</u>
	5,335,602	4,415,165

II.

Annual General Accounts 2020

NOTE 13

Long-term liabilities falling due within the year

	31/12/2020	31/12/2019
Buildings and buildings under financial leasing *	6,038,204	5,691,810
	6,038,204	5,691,810

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

NOTE 14**Contingent assets**

	31/12/2020	31/12/2019
Performance guarantees*	0	0
	0	0

* The sum of performance guarantees in supplier contracts was EUR 305,528 at 31 December 2020. 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**

	31/12/2020	31/12/2019
<u>Commitments for future funding</u>		
Commitments against appropriations not yet consumed (RAL)	1,785,696	2,574,058
Operating leases	4,652,485	7,062,908
Contractual commitments	3,789,094	3,431,117
Other	0	0
	10,227,275	13,068,083

NOTE 16 Disclosures**Covid-19**

During 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.

Brexit

On 1 February 2020 the United Kingdom ceased to be a Member State of the European Union. Following the conclusion of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community (the 'Withdrawal Agreement') between the two parties, the United Kingdom committed to pay all its obligations under the current MFF and previous financial perspectives following from its membership of the Union. The United Kingdom has paid into the 2020 EU Budget during the year, and received payments, as if it were a Member State.

At the date of transmission of these accounts, and based on the Withdrawal Agreement concluded and already in operation, there is no financial impact to be reported in these accounts. For further information on the impact of the Withdrawal Agreement on the EU, please see the 2020 consolidated EU annual accounts.

PART III

Annual Budgetary Accounts 2020 (Modified Cash Accounting Principle) and Report on Budgetary and Financial Management

PART III - INDEX

1. GENERAL REMARKS ON THE BUDGET.....	101
1.1 BUDGET OUTTURN 2020.....	101
1.2 ESTABLISHING THE 2020 BUDGET.....	101
1.3 BUDGET GOVERNANCE 2020	102
2. REVENUE	104
3. FINAL APPROPRIATIONS.....	106
4. USE OF FINAL APPROPRIATIONS (C1) IN 2020	112
4.1 COMMENTS ON USE OF FINAL APPROPRIATIONS (C1) IN 2020.....	116
5. USE OF APPROPRIATIONS AUTOMATICALLY CARRIED FORWARD FROM 2019 TO 2020 (C8).....	126
5.1 COMMENTS ON USE OF APPROPRIATIONS AUTOMATICALLY CARRIED FORWARD FROM 2019 TO 2020 (C8).....	130
6. USE OF ASSIGNED REVENUE IN 2020 (C4).....	136
7. RE-USED ASSIGNED REVENUE FROM 2019 (C5).....	138
8. APPROPRIATIONS FROM EXTERNAL ASSIGNED REVENUE (R0)	140
9. EESC BUDGET RESULT.....	142

1. GENERAL REMARKS ON THE BUDGET

1.1 BUDGET OUTTURN 2020

The total 2020 budget was EUR 142.5 million, of which EUR 130.9 million was spent or carried forward to 2021 as commitments¹. This equals a take-up rate of 91.8%, compared to 98.1% in 2019. This difference is mainly explained by the impact of the COVID-19 pandemic on EESC activities. The take-up of appropriations carried forward from 2019 to 2020 was slightly lower than in 2019: 79.2% (EUR 6.9 million) in 2020 as compared to 82.1% in 2019 (EUR 7.1 million)².

1.2 ESTABLISHING THE 2020 BUDGET

The EESC 2020 budget estimates submitted to the Commission totalled EUR 144 343 130, an increase of 4.22% on the 2019 budget totalling EUR 138 502 768. The main reason behind the rise in expenditure was the need to address the backlog in buildings maintenance and IT investments, which accounted for around EUR 2.5 million and represented 1.78% of the overall increase compared to the 2019 budget. The second most important budget increase was on salary-related expenses, totalling EUR 2.3 million and representing 1.65% of the overall increase on the 2019 budget.

The estimates for salary-related expenditure contained an unchanged number of establishment posts but included 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 to the EESC budget request, totalling EUR -984 065.

The Commission cut the EESC budget request in the following areas: by EUR 230 000 on "Supplementary services for the translation service", by EUR 200 000 on "Interpreting", by EUR 404 065 on buildings and by EUR 150 000 on IT outside assistance. However, the European Commission excluded roughly EUR 2.5 million of additional expenditure, mainly related to specific needs for buildings and for investments in line with the Committees' IT strategy, from the nominal freeze.

In its reading, the Council introduced further reductions on eight different budget lines, curtailing the EESC draft budget by a further EUR 1 200 000, of which EUR 450 000 was on "Cleaning and

¹ See table "Use of final appropriations (C1) in 2020", page 54.

² See table "Use of appropriations automatically carried forward from 2019 to 2020 (C8)", page 68.

maintenance". The Council position of EUR 142 159 065 implied a nominal increase for the EESC budget of 2.64 % compared to the 2019 budget.

The European Parliament (EP) subsequently suggested reinstating appropriations amounting to EUR 1 630 000, restoring all cuts by the Council and a part of the cuts made by the European Commission (EUR 430 000). The EESC budget after the EP's reading amounted to EUR 143 789 065, an increase of EUR 5 286 297 or 3.82% compared to 2019.

On 18 November 2019, Parliament and Council reached a provisional agreement on the 2020 Union budget during the conciliation procedure. The budget conciliation incorporated the effects of a 1.1 percentage point lower than initially budgeted salary update as of 1 July 2019, which meant that the EESC budget was reduced by EUR 819 672. In addition, the EP's proposed reinstatement of cuts made to external translation and interpreting (EUR 430 000) was reversed.

This agreement was confirmed the following week by the decision of the Foreign Affairs Council on 25 November. The final adoption of the budget took place on 27 November 2019 at the European Parliament during its plenary session.

The budget procedure resulted in a total budget of EUR 142 539 393 for 2020, corresponding to an increase of 2.91% on 2019. The establishment plan approved by the Budgetary Authority confirmed the number of staff posts for 2020 as 668, which corresponds to the same number as in 2019.

1.3 BUDGET GOVERNANCE 2020

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 in general before each EESC Bureau meeting, around 11 times per year. In order to be able to deal with specific subjects more efficiently, the CAF can set up subgroups on different topics. These subgroups 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, 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 administration and proposed by the secretary-general. Based on this preparatory work and after deliberation, the CAF then submits the proposed draft estimates to the Bureau for approval and subsequent submission to the Budgetary Authority.

During the year 2020 and given the special situation created by the COVID-19 pandemic, the CAF and its IT subgroup focused in particular on setting up a contingency plan to allow the EESC's activities to continue under these exceptional circumstances, by proposing guiding principles based on specific priorities. These priorities included setting-up adequate logistical support to allow remote meetings to be held, partly with simultaneous interpretation (via suitable videoconferencing tools), as well as providing reimbursement for participation in remote meetings under certain conditions and providing guidance on transfers of unused funds.

The ongoing effects of the COVID-19 health crisis caused a delay in the implementation of the project to improve spending forecasting on the budget line "Members' travel and subsistence allowances" in the existing projection system. However, some first "quick wins" could already be implemented at the beginning of 2021.

In 2020, and as a direct consequence of the health crisis and the related travel restrictions in particular, significant leftovers appeared from the middle of the year, mainly on the budget lines for members' travel costs and allowances, as well as on those covering interpretation, staff missions and the organisation of events and hearings, including catering related to these events. To address these leftovers, the EESC initiated transfers earlier in the year, thus resulting in an exceptionally high total transfer amount of around EUR 12.5 million. Despite these efforts, the 2020 execution rate of 91.81% remained lower than in previous years as not all leftovers due to the health crisis could be absorbed.

The CAF and its buildings subgroup also dealt with the follow-up of the buildings strategy. The main element of the buildings strategy, "geographical concentration", was achieved by exchanging the TRE/B68 buildings for the VMA building. This exchange was confirmed in an administrative agreement with the Commission in August 2019. The 2021 budget therefore includes a "one-off" request for an amount of EUR 5.4 million (EESC share) linked to the exchange of the buildings and the renovation of the VMA, and was accepted by the budget authority.

In November 2020, the new EESC term of office started, for the first time in its history, with a virtual inaugural plenary session due to COVID-19 restrictions. Giulia Barbucci, an Italian member of the Workers' Group, became the EESC's new vice-president with responsibility for the budget and the CAF was newly composed with eight new members in total.

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 2014 to 2020, the nominal increase in the EESC's budget was EUR 13.98 million or 10.9% – a small increase in real terms of 2.1%.

2. REVENUE

		Revenue and income recognised	
		2020	Carried over
Total		17.074.395	118.533
4	Revenue accruing from persons working with the institutions and other union bodies	12.880.462	0
40	Miscellaneous taxes and deductions	6.779.380	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	5.651.703	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	1.127.677	0
41	Contributions to the pension scheme	6.101.082	0
410	Staff contributions to the pension scheme	5.843.159	0
411	Transfer or purchase of pension rights by staff	257.923	0
5	Revenue accruing from the administrative operation of the institution	4.193.933	118.533
50	Proceeds from the sale of movable property (supply of goods) and immovable property	1.556	0
500	Proceeds from the sale of movable property (supply of goods)	1.556	0
5001	Proceeds from the sale of other movable property — Assigned revenue	1.556	0
51	Proceeds from letting and hiring	1.844.676	0
511	Proceeds from letting and subletting immovable property and reimbursement of charges connected with lettings	1.844.676	0
5110	Proceeds from letting and subletting immovable property — Assigned revenue	1.844.676	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	2.319.304	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	2.319.304	0
57	Other contributions and refunds in connection with the administrative operation of the institution	14.216	118.533
570	Revenue arising from the repayment of amounts wrongly paid — Assigned revenue	7.736	117.144
573	Other contributions and refunds in connection with the administrative operation of the institution — Assigned revenue	6.480	1.389
59	Other revenue from administrative operations	14.180	0
590	Other revenue from administrative operations	14.180	0

2020			2019				
Revenue and income cashed		Outstanding Balance	Revenue and income recognised		Revenue and income cashed		Outstanding Balance
2020	Carried over		2019	Carried over	2019	Carried over	
17.192.396	0	531	16.821.231	1.389	16.702.770	0	119.850
12.880.462	0	0	12.514.480	0	12.514.480	0	0
6.779.380	0	0	6.546.089	0	6.546.089	0	0
5.651.703	0	0	5.466.823	0	5.466.823	0	0
1.127.677	0	0	1.079.267	0	1.079.267	0	0
6.101.082	0	0	5.968.391	0	5.968.391	0	0
5.843.159	0	0	5.685.193	0	5.685.193	0	0
257.923	0	0	283.198	0	283.198	0	0
4.311.935	0	531	4.306.751	1.389	4.188.290	0	119.850
1.556	0	0	0	0	0	0	0
1.556	0	0	0	0	0	0	0
1.556	0	0	0	0	0	0	0
1.844.676	0	0	1.570.064	0	1.570.064	0	0
1.844.676	0	0	1.570.064	0	1.570.064	0	0
1.844.676	0	0	1.570.064	0	1.570.064	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
2.319.366	0	-62	2.254.144	0	2.254.083	0	62
2.319.366	0	-62	2.254.144	0	2.254.083	0	62
132.336	0	413	475.239	1.389	356.839	0	119.789
124.880	0	0	271.900	0	153.500	0	118.400
7.456	0	413	203.340	1.389	203.340	0	1.389
14.000	0	180	7.304	0	7.304	0	0
14.000	0	180	7.304	0	7.304	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
1636	Restaurants and canteens
1638	Early childhood centre and approved day nurseries

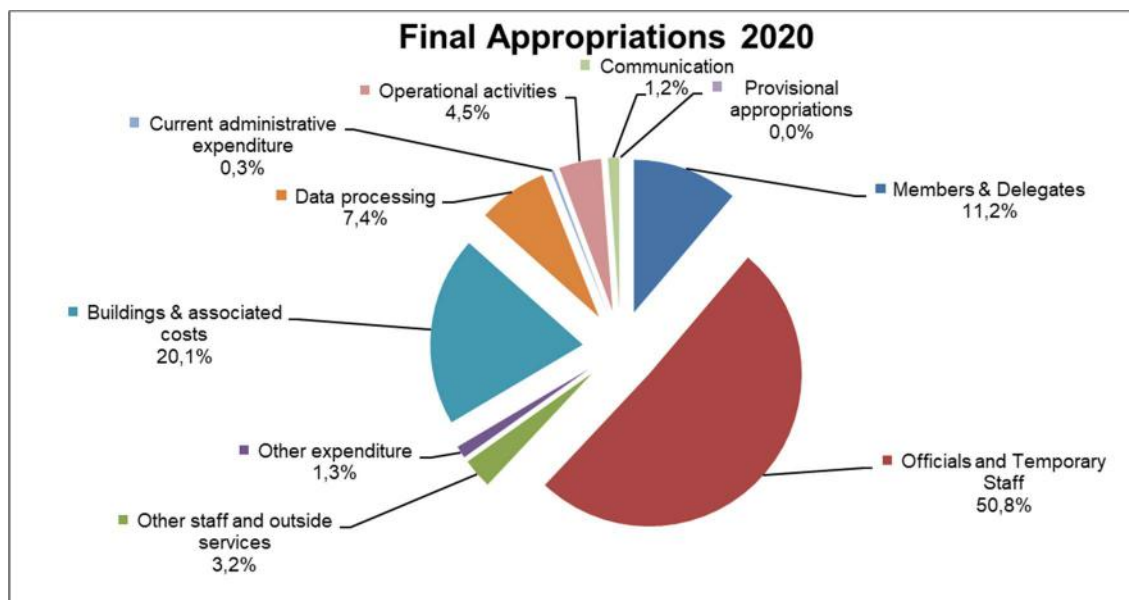
**Annual Budgetary Accounts 2020
and Report on Budgetary and Financial Management**

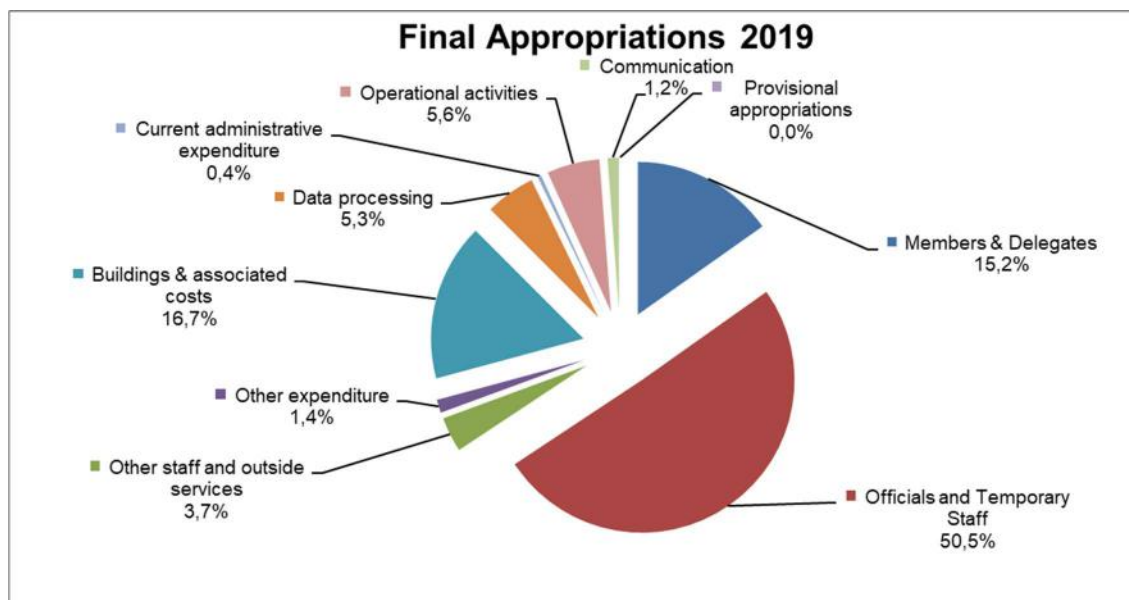
2020			2019
Initial	Transfers	Final	Final
142.539.393	0	142.539.393	138.502.768
101.825.721	-6.993.913	94.831.808	98.080.579
21.332.356	-5.380.000	15.952.356	21.033.507
21.255.356	-5.380.000	15.875.356	20.967.087
149.320	80.680	230.000	130.200
20.595.079	-5.280.680	15.314.399	20.383.977
510.957	-180.000	330.957	452.910
77.000	0	77.000	66.420
73.073.401	-701.913	72.371.488	69.937.285
72.816.175	-631.913	72.184.262	69.642.250
72.380.869	-631.913	71.748.956	69.178.220
19.787	0	19.787	29.912
415.519	0	415.519	434.118
257.226	-70.000	187.226	295.035
257.226	-70.000	187.226	295.035
5.411.129	-820.000	4.591.129	5.137.987
3.377.421	-120.000	3.257.421	3.308.279
2.556.480	0	2.556.480	2.507.384
761.581	-120.000	641.581	741.072
59.360	0	59.360	59.823
2.033.708	-700.000	1.333.708	1.829.708
1.200.000	-330.000	870.000	1.080.000
731.708	-400.000	331.708	658.708
102.000	30.000	132.000	91.000
2.008.835	-92.000	1.916.835	1.971.800
586.911	-75.000	511.911	584.300
40.100	0	40.100	46.100
546.811	-75.000	471.811	538.200
412.924	-100.000	312.924	423.500
1.009.000	83.000	1.092.000	964.000
50.000	0	50.000	50.000
175.000	-10.000	165.000	175.000
122.000	10.000	132.000	120.000
0	47.800	47.800	0
662.000	35.200	697.200	619.000

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
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
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 2020 and Report on Budgetary and Financial Management

2020			2019
Initial	Transfers	Final	Final
142.539.393	0	142.539.393	138.502.768
40.713.672	6.993.913	47.707.585	40.422.189
22.801.152	5.878.866	28.680.018	23.143.784
16.315.895	6.081.899	22.397.794	16.662.567
2.223.070	1.375.000	3.598.070	1.929.413
12.634.513	5.672.219	18.306.732	12.432.709
1.121.655	-677.463	444.192	2.132.226
336.657	-287.857	48.800	168.219
6.485.257	-203.033	6.282.224	6.481.217
3.203.055	18.075	3.221.130	3.337.555
819.184	-166.526	652.658	806.284
2.374.618	-26.710	2.347.908	2.250.370
88.400	-27.871	60.529	87.008
7.498.439	2.966.852	10.465.291	7.299.673
6.099.533	3.019.379	9.118.912	5.934.363
1.928.943	1.529.482	3.458.425	2.241.646
2.812.265	1.068.121	3.880.386	2.449.738
1.358.325	421.776	1.780.101	1.242.978
147.409	0	147.409	150.852
1.179.691	-52.527	1.127.164	1.136.958
71.806	0	71.806	77.500
551.152	-72.265	478.887	523.925
170.277	-58.809	111.468	154.755
6.000	0	6.000	6.000
150.000	0	150.000	135.000
67.830	-13.456	54.374	73.600
157.045	0	157.045	154.570
8.110.011	-1.779.540	6.330.471	7.733.349
8.110.011	-1.779.540	6.330.471	7.733.349
228.700	0	228.700	240.100
651.311	-245.000	406.311	587.249
40.000	0	40.000	40.000
90.000	-50.000	40.000	66.000
7.100.000	-1.484.540	5.615.460	6.800.000
1.752.918	0	1.752.918	1.721.458
1.253.000	0	1.253.000	1.231.540
816.000	90.000	906.000	729.880
437.000	-90.000	347.000	412.660
0	0	0	89.000
499.918	0	499.918	489.918
250.000	0	250.000	242.000
157.900	0	157.900	155.900
92.018	0	92.018	92.018





4. USE OF FINAL APPROPRIATIONS (C1) IN 2020

		Final Appropriations
Total		142.539.393
1	Persons working with the institution	94.831.808
10	Members of the institution and delegates	15.952.356
100	Specific allowances and payments	15.875.356
1000	Specific allowances and payments	230.000
1004	Travel and subsistence allowances, attendance at meetings and associated expenditure	15.314.399
1008	Travel and subsistence allowances, attendance at meetings and associated expenditure of delegates of the CCMI	330.957
105	Further training, language courses and other training	77.000
12	Officials and temporary staff	72.371.488
120	Remuneration and other entitlements	72.184.262
1200	Remuneration and allowances	71.748.956
1202	Paid overtime	19.787
1204	Entitlements on entering the service, transfer and leaving the service	415.519
122	Allowances upon early termination of service	187.226
1220	Allowances for staff retired or placed on leave in the interests of the service	187.226
14	Other staff and external services	4.591.129
140	Other staff and external persons	3.257.421
1400	Other staff	2.556.480
1404	Graduate traineeships, grants and exchanges of officials	641.581
1408	Entitlements on entering the service, transfer and leaving the service	59.360
142	External services	1.333.708
1420	Supplementary services for the translation service	870.000
1422	Expert advice connected with legislative work	331.708
1424	Interinstitutional cooperation and external services in the field of personal management	132.000
16	Other expenditure relating to persons working with the institution	1.916.835
161	Expenditure relating to staff management	511.911
1610	Expenditure on recruitment	40.100
1612	Further training	471.811
162	Missions	312.924
163	Activities relating to all persons working with the institution	1.092.000
1630	Social welfare	50.000
1632	Social contacts between members of staff and other social measures	165.000
1634	Medical service	132.000
1636	Restaurants and canteens	47.800
1638	Early childhood centre and approved day nurseries	697.200

Annual Budgetary Accounts 2020 and Report on Budgetary and Financial Management

Committed	Committed (%)	Payments	Appropriations carried forward to 2021	Unused appropriations	Unused Appropriations (%)
130.862.193	91,81%	118.523.444	12.338.749	11.677.200	8,19%
86.846.688	91,58%	84.028.754	2.817.934	7.985.120	8,42%
10.027.441	62,86%	8.766.942	1.260.499	5.924.915	37,14%
9.995.232	62,96%	8.745.116	1.250.116	5.880.124	37,04%
97.022	42,18%	74.889	22.133	132.978	57,82%
9.667.253	63,13%	8.516.241	1.151.013	5.647.146	36,87%
230.957	69,78%	153.987	76.970	100.000	30,22%
32.209	41,83%	21.826	10.383	44.791	58,17%
71.176.912	98,35%	71.048.651	128.261	1.194.576	1,65%
71.026.464	98,40%	70.898.203	128.261	1.157.798	1,60%
70.756.134	98,62%	70.642.362	113.772	992.822	1,38%
6.849	34,62%	6.849	0	12.938	65,38%
263.481	63,41%	248.992	14.489	152.038	36,59%
150.448	80,36%	150.448	0	36.778	19,64%
150.448	80,36%	150.448	0	36.778	19,64%
4.153.450	90,47%	3.768.856	384.594	437.679	9,53%
2.975.741	91,35%	2.915.981	59.760	281.680	8,65%
2.353.581	92,06%	2.336.808	16.773	202.899	7,94%
605.931	94,44%	562.944	42.987	35.650	5,56%
16.229	27,34%	16.229	0	43.131	72,66%
1.177.709	88,30%	852.875	324.834	155.999	11,70%
814.001	93,56%	687.579	126.422	55.999	6,44%
231.708	69,85%	103.126	128.582	100.000	30,15%
132.000	100,00%	62.170	69.830	0	0,00%
1.488.885	77,67%	444.305	1.044.580	427.950	22,33%
405.080	79,13%	272.459	132.621	106.831	20,87%
27.239	67,93%	10.809	16.430	12.861	32,07%
377.841	80,08%	261.651	116.191	93.970	19,92%
70.375	22,49%	46.172	24.203	242.549	77,51%
1.013.430	92,80%	125.673	887.756	78.571	7,20%
19.690	39,38%	4.326	15.364	30.310	60,62%
165.000	100,00%	73.061	91.939	0	0,00%
121.540	92,08%	48.286	73.253	10.461	7,92%
697.200	100,00%	0	697.200	0	0,00%

Annual Budgetary Accounts 2020 and Report on Budgetary and Financial Management

		Final Appropriations
Total		142.539.393
2	Buildings, furniture, equipment and miscellaneous operating expenditure	47.707.585
20	Buildings and associated costs	28.680.018
200	Buildings	22.397.794
2000	Rent	3.598.070
2001	Annual lease payments and similar expenditure	18.306.732
2007	Fitting-out of premises	444.192
2008	Other expenditure on buildings	48.800
202	Other expenditure on buildings	6.282.224
2022	Cleaning and maintenance	3.221.130
2024	Energy consumption	652.658
2026	Security and surveillance	2.347.908
2028	Insurance	60.529
21	Data processing, equipment and furniture: purchase, hire and maintenance	10.465.291
210	Equipment, operating costs and services relating to data-processing and telecommunications	9.118.912
2100	Purchase, servicing and maintenance of equipment and software, and related work	3.458.425
2102	Outside assistance for the operation, development and maintenance of software systems	3.880.386
2103	Telecommunications	1.780.101
212	Furniture	147.409
214	Technical equipment and installations	1.127.164
216	Vehicles	71.806
23	Current administrative expenditure	478.887
230	Stationery, office supplies and miscellaneous consumables	111.468
231	Financial charges	6.000
232	Legal costs and damages	150.000
236	Postage on correspondence and delivery charges	54.374
238	Removals and other administrative expenditure	157.045
25	Operational activities	6.330.471
254	Meetings, conferences, congresses, seminars and other events	6.330.471
2540	Miscellaneous expenditure on internal meetings	228.700
2542	Expenditure on the organisation of and participation in hearings and other events	406.311
2544	Costs of organising the CCMI	40.000
2546	Representation expenses	40.000
2548	Interpreting	5.615.460
26	Communication, publications and acquisition of documentation	1.752.918
260	Communication, information and publications	1.253.000
2600	Communication	906.000
2602	Publishing and promotion of publications	347.000
262	Acquisition of information, documentation and archiving	499.918
2620	Studies, research and hearings	250.000
2622	Documentation and library expenditure	157.900
2624	Archiving and related work	92.018

Annual Budgetary Accounts 2020
and Report on Budgetary and Financial Management

Committed	Committed (%)	Payments	Appropriations carried forward to 2021	Unused appropriations	Unused Appropriations (%)
130.862.193	91,81%	118.523.444	12.338.749	11.677.200	8,19%
44.015.505	92,26%	34.494.690	9.520.815	3.692.080	7,74%
28.562.393	99,59%	24.778.218	3.784.175	117.625	0,41%
22.360.475	99,83%	20.576.841	1.783.634	37.319	0,17%
3.562.851	99,02%	2.182.147	1.380.705	35.219	0,98%
18.306.732	100,00%	18.306.732	0	0	0,00%
444.192	100,00%	75.627	368.565	0	0,00%
46.700	95,70%	12.336	34.364	2.100	4,30%
6.201.918	98,72%	4.201.377	2.000.541	80.306	1,28%
3.194.536	99,17%	1.867.318	1.327.217	26.594	0,83%
612.319	93,82%	612.319	0	40.339	6,18%
2.340.189	99,67%	1.668.147	672.042	7.719	0,33%
54.875	90,66%	53.593	1.281	5.654	9,34%
10.304.631	98,46%	6.058.033	4.246.598	160.660	1,54%
9.075.499	99,52%	5.296.296	3.779.203	43.413	0,48%
3.455.840	99,93%	1.781.239	1.674.602	2.585	0,07%
3.879.658	99,98%	1.891.372	1.988.286	728	0,02%
1.740.001	97,75%	1.623.685	116.315	40.100	2,25%
118.473	80,37%	26.390	92.084	28.936	19,63%
1.068.264	94,77%	693.768	374.496	58.900	5,23%
42.395	59,04%	41.580	815	29.411	40,96%
370.804	77,43%	155.067	215.738	108.083	22,57%
91.010	81,65%	63.006	28.004	20.458	18,35%
1.500	25,00%	0	1.500	4.500	75,00%
102.100	68,07%	6.500	95.600	47.900	31,93%
47.500	87,36%	7.910	39.590	6.874	12,64%
128.695	81,95%	77.651	51.044	28.350	18,05%
3.386.690	53,50%	3.045.224	341.466	2.943.781	46,50%
3.386.690	53,50%	3.045.224	341.466	2.943.781	46,50%
106.175	46,43%	95.163	11.012	122.525	53,57%
106.916	26,31%	100.100	6.815	299.395	73,69%
12.719	31,80%	1.196	11.523	27.281	68,20%
13.357	33,39%	10.562	2.795	26.643	66,61%
3.147.523	56,05%	2.838.202	309.321	2.467.937	43,95%
1.390.987	79,35%	458.148	932.838	361.931	20,65%
959.561	76,58%	300.155	659.406	293.439	23,42%
687.870	75,92%	233.086	454.785	218.130	24,08%
271.690	78,30%	67.069	204.621	75.310	21,70%
431.426	86,30%	157.993	273.433	68.492	13,70%
189.245	75,70%	0	189.245	60.755	24,30%
150.481	95,30%	115.083	35.398	7.419	4,70%
91.700	99,65%	42.910	48.790	318	0,35%

4.1 COMMENTS ON USE OF FINAL APPROPRIATIONS (C1) IN 2020

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 132 978 (57.82%)

These appropriations cover insurance for members, the special duty allowance for the president and the vice-presidents, specific allowances in kind for members with disabilities and the issuing of laissez-passers for members. Due to the ongoing pandemic, the expected expenditure of EUR 100 000 for laissez-passers has not been spent. The laissez-passers has to be issued in person and as travel restrictions have prevented members from travelling, no documents could be issued for the new members of the EESC as initially planned.

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

❖ Amount not committed: EUR 5 647 146 (36.87%)

This budget heading covers travel expenses and allowances for members. Reimbursement claims for meetings in 2020 were to be submitted within a six-week deadline, which improved the reliability of the estimates considerably. However, the ongoing health crisis has heavily influenced spending on travel expenses and allowances. Additionally, between mid-March and the end of May no reimbursement could be provided for remote attendance at meetings, thus causing a considerable reduction in the expenditure. As reimbursements can theoretically be made until the end of 2021, a certain amount has been carried forward to cover any remaining obligations for 2020.

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

❖ Amount not committed: EUR 100 000 (30.22%)

This budget heading covers travel expenses and allowances for delegates. Reimbursement claims for meetings in 2020 were to be submitted within a six-week deadline, which improved the reliability of the estimates considerably. However, the ongoing health crisis has heavily influenced spending on travel expenses and allowances. Additionally, between mid-March and the end of May no reimbursement could be provided for remote attendance at meetings, thus

causing a considerable reduction in the expenditure. As reimbursements can theoretically be made until the end of 2021, a certain amount has been carried forward to cover any remaining obligations for 2020.

105: Further training, language courses and other training

❖ Amount not committed: EUR 44 791 (58.17%)

These appropriations cover the language, IT and communication training courses that members are allowed to follow outside the EESC, in accordance with the conditions laid down in the Decision on rules on support for training activities for members. It also covers the costs linked to members' training activities organised internally by the EESC, to improve the knowledge and skills members need to carry out their mandate. Due to the COVID-19 health crisis fewer collective courses were organised at the EESC's premises. Furthermore, fewer members than expected have requested external training courses organised outside the EESC. Given that a new term of office began in the third quarter of 2020 and the fact that a course fee cannot be split over several years, several members have not yet registered for external training following their appointment.

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

❖ Amount not committed: EUR 152 038 (36.59%)

These appropriations cover various statutory allowances and removal costs for officials and temporary agents on entry into/departure from the service. The number of staff members entering or leaving the service is inherently difficult to predict. Likewise, the various allowances are highly dependent on the situation of the official concerned (family composition, place of recruitment, grade). Removals can take place up to two years after entering the service and three years after leaving the service. The reason that appropriations were not used is that very few EESC pensioners applied for their entitlement (relocation, moving, travel expenses) in 2020 due to the restrictions linked to the COVID-19 health crisis.

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

❖ Amount not committed: EUR 36 778 (19.64%)

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 budget, the estimates were made for an AD 13 official to leave in the interests of the service (Article 42(c)). In 2020, the official who benefited from Article 42(c) was an AST 8. In 2019 the official who benefited from Article 42(c) and who continued to be paid during the year 2020 was of grade AD 9. Difficulties in predicting the exact grade of the beneficiary 14 months in advance led to the under-consumption of appropriations.

1400: Other staff

❖ Amount not committed: EUR 202 899 (7.94%)

These appropriations are intended to cover the salary costs and allowances for contractual and interim staff and the special advisor. In 2020 there was less need for interim staff, as during the COVID-19 health crisis the number of plenary sessions and other events decreased. Due to the related travel restrictions and the suspension of pre-recruitment medical checks, the recruitment of contractual staff was considerably delayed in several cases and started later in the year. Furthermore, part of the budget earmarked to cover the recruitment of the new staff of the President's Cabinet during the interregnum period was not used, as the recruitment of the Cabinet staff took place only after the change of mandate.

1404: Graduate traineeships, grants and exchanges of officials

❖ Amount not committed: EUR 35 650 (5.56%)

In 2020, the budget appropriations for "exchanges of officials" corresponded to the equivalent of seven full-time seconded national experts (SNEs) over the full period. Due to the COVID-19 health crisis, recruitment of seconded national experts was postponed, contributing to a lower consumption of the allocated budget.

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

❖ Amount not committed: EUR 43 131 (72.66%)

These appropriations cover various statutory allowances and removal costs for contractual agents on entry into/departure from the service. Eligibility criteria for the entitlements and disbursement rules are similar to those used for item 1204 above. The reasons why the appropriations were not used are that fewer staff members were recruited from abroad with their families, probably as a result of the COVID-19 health crisis, and the fact that no contractual agents retired in 2020.

1420: Supplementary services for the translation service

❖ Amount not committed: EUR 55 999 (6.44%)

This budget heading mainly covers translation outsourcing. Appropriations under this budget heading were increased in the context of the cooperation agreement signed with the European Parliament in 2014 and the resulting reduction in translation staff. In 2020, translation outsourcing reached 18.7 %, slightly under the 20% target, compared to 16.5% in 2019. Despite the fact that workload was higher in 2020 than in 2019 (especially from May to December), good planning and the implementation of preventive measures in agreement with the requesting services throughout this period allowed outsourcing to be kept at the anticipated level. Prices did not increase significantly in 2020 following the entry into force of new framework contracts. The number of requests for outsourcing is difficult to anticipate and mainly depends on translation demand.

1422: Expert advice connected with legislative work

❖ Amount not committed: EUR 100 000 (30.15%)

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. The ongoing health crisis meant that for a certain period and due to reduced activity, there was less need for expert advice. Additionally, no reimbursement was provided for experts attending meetings remotely for part of the year, thus causing a considerable reduction in the expenditure.

1612: Further training

❖ Amount not committed: EUR 93 970 (19.92%)

The COVID-19 health crisis and the linked measures had and are still having a significant impact on the organisation of some learning and development activities. The cancellation of planned team-building activities has had the biggest effect. The lockdown and subsequent restrictive measures had a considerable impact on the "missions-linked-to-training budget", on the costs of enrolment in external language courses and on other external training activities. Due to the extended COVID-19 measures some projects needed to be postponed and some training sessions could only partially be delivered or completed.

162: Missions

- ❖ Amount not committed: EUR 242 549 (77.51%)

Due to the COVID-19 health crisis, staff missions were suspended from March 2020 until December 2020. Only 57 missions were authorized in 2020 (for reference, 454 missions took place in 2019).

1630: Social welfare

- ❖ Amount not committed: EUR 30 310 (60.62%)

This appropriation is intended to assist staff and their 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. Since 2016, requests for help have steadily increased. The new interinstitutional decision adopted in 2020 slightly increased the institution's contribution but the number of cases decreased. As a single case can entail considerable costs, a sufficient safety margin must be kept.

1636: Restaurants and canteens

- ❖ Amount not committed: EUR 37 800 (79.08%)

This appropriation is intended to ensure the provision of a minimum catering service via one cafeteria, which also involves compensating the contractor for potential losses due to an insufficient number of clients as a result of the requested opening. Following a decision by the Belgian authorities to lockdown once again in November 2020 and the EESC's ensuing decision to strongly encourage staff to telework due to the second wave of the COVID-19 crisis, it was decided to close the cafeteria from November until the end of the year. As a result, the appropriations earmarked for this purpose were not used.

2024: Energy consumption

- ❖ Amount not committed: EUR 40 339 (6.18%)

Due to the high variation in energy consumption and prices, spending on this budget item is particularly difficult to estimate. The COVID-19 health crisis, generalized teleworking and the closure of some buildings contributed to energy consumption being much lower than initially expected.

212: Furniture

- ❖ Amount not committed: EUR 28 936 (19.63%)

Members and staff were not present in the buildings as often due to the COVID-19 health crisis and this resulted in decreased demand for new furniture, which explains this surplus. In addition, the existing interinstitutional framework contract came to an end after the summer and thus prevented some purchase orders from being placed. The new interinstitutional framework contract only entered into force in 2021.

214: Technical equipment and installations

- ❖ Amount not committed: EUR 58 900 (5.23%)

In the joint services (shared with the CoR), spending by the Infrastructure Service was lower as a result of the COVID-19 health crisis. This was due to the fact that restaurants, canteens and cafeterias were closed and, with regard to restaurant equipment, kitchen installations needed less maintenance than expected. In the field of printing, the amount estimated for the recycling of chemical waste was not used due to the drastic decrease in production. As a result of lockdown and obligatory teleworking, there were some delays in structural building works, which resulted in the postponement of non-urgent work to replace security equipment or purchases of new equipment. In addition, the rollout of the new visitor's management scheme was delayed, preventing the planned purchase of equipment in the field of security.

216: Vehicles

- ❖ Amount not committed: EUR 29 411 (40.96%)

The low execution rate on this budget line can be explained by the sudden ceasing of all in-person activities in mid-March, resulting in fewer transport requests. Expenditure for transport linked with meetings abroad was only requested during the first trimester of 2020. However, it should be noted that the health crisis did not have an impact on spending on the lease of the three EESC service vehicles.

232: Legal costs and damages

- ❖ Amount not committed: EUR 47 900 (31.93%)

Given the 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, which explains the low execution

of this budget heading. It should be pointed out that in recent years, the Legal Service was successful in obtaining favourable rulings in all cases before the EU Courts.

238: Removal costs and other administrative expenditure

- ❖ Amount not committed: EUR 28 350 (18.05%)

This appropriation is intended to cover all removal and handling expenses and the purchase and maintenance of uniforms for ushers, drivers, medical personnel and various technical services. Due to the COVID-19 health crisis, the number of internal removals was reduced. Moreover, logistical support was no longer needed from March onwards, since plenary sessions took place in virtual mode and various other events requiring such support were cancelled.

2540: Miscellaneous expenditure on internal meetings

- ❖ Amount not committed EUR 122 525 (53.57%)

These appropriations are intended to cover expenses related to office holders' reception and representation obligations on behalf of the EESC, in the interest of the service and as part of their activities. Although a new term of office began in 2020, which usually entails higher spending, obligatory social distancing due to the ongoing COVID-19 health crisis has led to considerable underspending. Normal activities ceased in mid-March and normal catering services were replaced by a minimum service requested from the contractor, on the condition that compensation was paid via budget item 1636.

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

- ❖ Amount not committed EUR 299 395 (73.69%)

In 2020, the COVID-19 health crisis and the resulting travel restrictions worldwide severely impacted the organisation of EESC activities. From mid-March 2020 onwards, many events did not take place or were postponed until 2021. The events that did take place were organised in a fully virtual or hybrid mode and external participants were not granted access to the EESC's premises. As a result, services provided by catering companies, transport companies and external participants were not required, or were only needed to support virtual or hybrid meetings. For these reasons, there were hardly any reimbursements to cover external participants' travel costs nor any catering costs, resulting in the exceptionally low consumption.

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

- ❖ Amount not committed: EUR 27 281 (68.20%)

This budget item covers expenses similar to those on budget line 2542 but specifically for the Consultative Commission on Industrial Change (CCMI). In 2020, due to the COVID-19 health crisis, many events had to be cancelled or held in remote format. Consequently, after mid-March there were hardly any reimbursements to cover external participants' travel costs nor any catering costs.

2546: Representation expenses

- ❖ Amount not committed: EUR 26 643 (66.61%)

This budget item covers expenses similar to those on budget line 2540 but specifically for external meetings. Although a new term of office began in 2020, which usually entails higher spending, obligatory social distancing due to the ongoing COVID-19 health crisis has led to considerable underspending, as normal activities ceased right at the start of the year.

2548: Interpreting

- ❖ Amount not committed: EUR 2 467 937 (43.95%)

The low spending on this budget item is mainly explained by the sudden decrease in activities for a period of several months, starting in mid-March 2020. Despite the gradual installation of INTERACTIO – a system for holding videoconferences with interpretation – in various meetings rooms in the JDE building, which allowed activities to resume and plenary sessions to be held on the EESC's premises, requests for interpretation to support these meetings were reduced. This was partly due to restrictions applying to the use of the interpretation booths, which meant that fewer languages could be offered, and partly due to reduced language regimes. Furthermore, a considerable number of activities were replaced by videoconferences held using facilities that do not allow for simultaneous interpretation (e.g. Webex, Teams etc.). Additionally, activities abroad also partly requiring interpretation services only took place in the first three months of the year. As a result, the demand for interpretation over the whole year remained very limited.

2600: Communication

- ❖ Amount not committed: EUR 218 130 (24.08%)

These appropriations cover the EESC's communication and information expenses. Due to the COVID-19 health crisis, which resulted in severe travel restrictions and a lockdown in the spring and autumn of 2020, most events, including major ones, had to either be postponed or cancelled. Those that took place, often had to be virtual or hybrid, which limited their scope. The budget for the Civil Solidarity Prize had been reinforced in order to exceptionally allow 29 projects to be granted the award (instead of the usual five). However, in the end the prize could only be awarded to 23 projects.

2602: Publishing and promotion of publications

- ❖ Amount not committed: EUR 75 310 (21.70%)

This appropriation is intended to cover the EESC's publication costs on all media. The postponement or cancellation of most of the prominent events due to the COVID-19 health crisis had a direct impact on the activities linked to it (publications, writing of articles etc.). The postponement of the launch of the Conference on the Future of Europe also impacted consumption.

2620: Studies, research and hearings

- ❖ Amount not committed: EUR 60 755 (24.30%)

This appropriation is intended to cover the cost of expert hearings in specific fields and studies contracted out to experts and research institutes. The lower budget execution is linked to two factors: firstly, the renewal of the EESC and the resulting change in priorities within the sections, which led to the cancellation of one study; secondly, a number of offers received for several studies were awarded at a lower price than initially estimated.

5. USE OF APPROPRIATIONS AUTOMATICALLY CARRIED FORWARD
FROM 2019 TO 2020 (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
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

Annual Budgetary Accounts 2020 and Report on Budgetary and Financial Management

Appropriations	Payments	Payments (%)	Unused	Unused (%)
8.722.448	6.906.814	79,18%	1.815.634	20,82%
2.090.535	1.065.224	50,95%	1.025.311	49,05%
1.363.486	655.611	48,08%	707.875	51,92%
1.330.584	635.600	47,77%	694.985	52,23%
8.346	1.155	13,84%	7.191	86,16%
1.289.644	629.361	48,80%	660.283	51,20%
32.595	5.084	15,60%	27.511	84,40%
32.902	20.012	60,82%	12.891	39,18%
54.315	46.986	86,51%	7.329	13,49%
54.315	46.986	86,51%	7.329	13,49%
24.787	24.086	97,17%	701	2,83%
29.528	22.900	77,55%	6.628	22,45%
350.633	134.141	38,26%	216.493	61,74%
62.974	49.287	78,27%	13.687	21,73%
24.569	18.581	75,63%	5.988	24,37%
38.404	30.705	79,95%	7.699	20,05%
287.660	84.854	29,50%	202.806	70,50%
125.721	59.583	47,39%	66.137	52,61%
147.371	12.627	8,57%	134.743	91,43%
14.568	12.643	86,78%	1.925	13,22%
322.101	228.487	70,94%	93.614	29,06%
142.041	102.549	72,20%	39.491	27,80%
4.690	4	0,08%	4.686	99,92%
137.351	102.546	74,66%	34.805	25,34%
60.496	39.093	64,62%	21.404	35,38%
119.564	86.845	72,63%	32.719	27,37%
8.723	4.866	55,79%	3.857	44,21%
37.675	28.362	75,28%	9.313	24,72%
73.167	53.617	73,28%	19.550	26,72%

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

Annual Budgetary Accounts 2020
and Report on Budgetary and Financial Management

Appropriations	Payments	Payments (%)	Unused	Unused (%)
8.722.448	6.906.814	79,18%	1.815.634	20,82%
6.631.913	5.841.590	88,08%	790.323	11,92%
2.253.057	2.064.791	91,64%	188.265	8,36%
1.157.401	1.090.253	94,20%	67.148	5,80%
358.671	352.074	98,16%	6.597	1,84%
668.075	612.553	91,69%	55.522	8,31%
130.655	125.626	96,15%	5.029	3,85%
1.095.656	974.538	88,95%	121.118	11,05%
428.956	347.908	81,11%	81.047	18,89%
665.747	626.473	94,10%	39.274	5,90%
953	156	16,41%	797	83,59%
2.662.206	2.392.866	89,88%	269.340	10,12%
1.942.839	1.845.782	95,00%	97.057	5,00%
836.958	792.319	94,67%	44.640	5,33%
990.313	983.500	99,31%	6.813	0,69%
115.568	69.963	60,54%	45.605	39,46%
70.459	24.930	35,38%	45.529	64,62%
638.199	512.684	80,33%	125.515	19,67%
10.709	9.470	88,43%	1.239	11,57%
109.896	43.875	39,92%	66.021	60,08%
32.352	19.340	59,78%	13.012	40,22%
5.218	1.200	23,00%	4.018	77,00%
92	0	0,00%	92	100,00%
30.055	8.566	28,50%	21.490	71,50%
42.179	14.770	35,02%	27.409	64,98%
847.669	655.853	77,37%	191.816	22,63%
847.669	655.853	77,37%	191.816	22,63%
70.403	46.554	66,13%	23.849	33,87%
97.552	73.849	75,70%	23.704	24,30%
3.841	3.324	86,54%	517	13,46%
24.386	1.056	4,33%	23.330	95,67%
651.486	531.069	81,52%	120.417	18,48%
759.085	684.204	90,14%	74.880	9,86%
495.962	432.070	87,12%	63.893	12,88%
300.546	241.897	80,49%	58.649	19,51%
195.416	190.173	97,32%	5.243	2,68%
263.123	252.135	95,82%	10.988	4,18%
210.200	210.200	100,00%	0	0,00%
44.044	41.935	95,21%	2.109	4,79%
8.879	0	0,00%	8.879	100,00%

5.1 COMMENTS ON USE OF APPROPRIATIONS AUTOMATICALLY CARRIED FORWARD FROM 2019 TO 2020 (C8)

For all budget headings with appropriations carried forward from 2019 to 2020 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 660 283 (51.20%)

This budget heading mainly covers travel expenses and allowances for members. Reimbursement claims for meetings in 2019 were to be submitted within a deadline of six weeks, which improved the estimations considerably. As reimbursements could still be made until the end of 2020, a certain amount had to be carried forward to cover any remaining expenditure for 2019. Since travel costs are very variable it is not possible to precisely determine the amounts still to be claimed by EESC members and a certain security margin has to be included. Furthermore, the Commission's pricing policy for the laissez-passers, under which the individual price charged is calculated after the end of the year based on the total number of laissez-passers ordered across all the institutions, makes it difficult to estimate the budget required. In the end, laissez-passers costs were lower than expected and a part of the safety margin for the reimbursement was not needed.

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

❖ Unused amount: EUR 27 511 (84.40 %)

This budget heading covers travel expenses and allowances for delegates of the Consultative Commission on Industrial Change. Reimbursement claims for meetings in 2019 were to be submitted within a deadline of six weeks, which improved the estimations considerably. As reimbursements could still be made until the end of 2020, a certain amount had to be carried forward to cover any remaining expenditure for 2019. 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.

1420: Supplementary services for the translation service

- ❖ Unused amount: EUR 66 137 (52.61%)

Appropriations had to be kept available to cover translation demand until the very last working day of 2019, which also allowed a high level of outsourcing to be reached. However, not all 2019 appropriations committed for this purpose were used to order external translation in the end and a part was therefore left over. Furthermore, the cost of interinstitutional projects was committed in 2019, but the final amount was only known in September/October 2020 and was lower than initially estimated.

1422: Expert advice connected with legislative work

- ❖ Unused amount: EUR 134 743 (91.43%)

This budget heading covers travel expenses and allowances for external experts providing advice in relation to consultative work. Reimbursement claims for meetings in 2019 had to be submitted within a deadline of six weeks but could be reimbursed until the end of 2020. An amount therefore had to be carried forward to cover any remaining expenditure for 2019. As it is not possible to precisely determine the amounts still to be claimed by experts, since travel costs are very variable and depend on their place of residence, 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 34 805 (25.34%)

The amount carried forward from 2019 to 2020 was overestimated. This is due to the non-use of appropriations to cover missions in the context of training courses, to less external language training and to less use of the Service Level Agreement granting access to European Commission training courses. Furthermore, some appropriations remained unused due to unfinished coaching sessions, and due to other training sessions that were only partially completed or delivered.

2007: Fitting-out of premises

- ❖ Unused amount: EUR 55 522 (8.31%)

Spending on this budget item was lower than estimated as some projects could not or could only be partially executed. This was due to the partial slowdown or the complete interruption of construction projects because of the COVID-19 health crisis.

2022: Cleaning and maintenance

- ❖ Unused amount: EUR 81 047 (18.89%)

The underutilisation of appropriations resulted from the discrepancy between the estimated costs for various building maintenance projects, technical assistance and other possible interventions, and the final invoices received for these services. This difference has occurred due to 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 2020.

2026: Security and surveillance

- ❖ Unused amount: EUR 39 274 (5.90%)

Final invoices for security services, with the actual amounts to be paid, were received only in 2020. The costs were lower than initially estimated at the end of 2019. Moreover, a certain security margin had to be provided in order to be able to cover possible unexpected circumstances. This amount proved not to be necessary.

2100: Purchase, servicing and maintenance of equipment and software, and related work

- ❖ Unused amount: EUR 44 640 (5.33%)

The under-consumption on this budget item can mainly be explained by the cancellation of a purchase, as a contractor declined to provide a software subscription renewal because of technical problems. Less use of the copying machines due to fewer people being present in the office led to lower maintenance costs, which were only known with the final bill in 2020. Also, as a contractor failed to deliver part of the service, the final amount of the invoice was reduced, contributing to the underspending on this budget item.

2103: Telecommunications

- ❖ Unused amount: EUR 45 605 (39.46%)

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 to cover changes in communications consumption and prices, a margin that in the end turned out to be too high.

212: Furniture

❖ Unused amount: EUR 45 529 (64.62%)

The under-consumption on this budget item can partly be explained by the fact that there was less demand than expected for senior management and members' furniture and office chairs. Some offers of new furniture, e.g. for selective waste recycling bins, arrived too late, in December, and it was no longer possible to order them.

214: Technical equipment and installations

❖ Unused amount: EUR 125 515 (19.67%)

The unspent amounts in the printing service are mainly due to the late delivery of a certificate of conformity for the new copying machines, which delayed the start of lease payments. They are also a result of the "paper-poor" policy, which led to fewer printed copies and therefore lower amounts to be paid to the service provider for the number of copies. In the field of catering, the investments in kitchen equipment were delayed until the awarding of the new contract for the restaurant service. As this contract only came into force during the COVID-19 health crisis, in the absence of normal activity and due to the uncertainty about catering needs in the short, medium and long run, it was decided to further postpone investments in the restaurant service until the situation becomes clearer.

238: Removal costs and other administrative expenditure

❖ Unused amount: EUR 27 409 (64.98%)

The under-consumption in the field of removals is due to an overestimation of the number of working days needed for internal removals, for preparing plenary sessions and for the removal of furniture and IT equipment needed towards the end of the year. As invoices with the final figures were only received in 2020, the estimation was made taking into account a security margin.

2548: Interpreting

- ❖ Unused amount: EUR 120 417 (18.48%)

Appropriations were carried forward to cover the expenditure that could not be paid in 2019, with a certain safety margin. The safety margin allows for possible extra hours and for ordering any last minute interpreting. In the past years, improved forecasting tried to reduce the carry forward, thus keeping the amount of these funds as low as possible. Real consumption cannot be estimated with 100% accuracy as changes in agendas, participants and the varying availability of languages all have an impact on the calculation. The exact amount is only known when invoices are received.

2600: Communication

- ❖ Unused amount: EUR 58 649 (19.51%)

Unused appropriations carried forward were mainly meant to cover the expenditure linked to events organised at the end of the year. The final amount proved to be lower than expected based on the invoices received. On some occasions, the estimated amount carried over was too high, e.g. for the civil society media seminar.

6. USE OF ASSIGNED REVENUE IN 2020 (C4)

		Final Appropriations
	Total	4.313.129
1	Persons working with the institution	125.404
10	Members of the institution and delegates	7.593
100	Specific allowances and payments	7.593
1004	Travel and subsistence allowances, attendance at meetings and associated expenditure	7.593
14	Other staff and external services	667
142	External services	667
1420	Supplementary services for the translation service	667
16	Other expenditure relating to persons working with the institution	117.144
163	Activities relating to all persons working with the institution	117.144
1638	Early childhood centre and approved day nurseries	117.144
2	Buildings, furniture, equipment and miscellaneous operating expenditure	4.187.725
20	Buildings and associated costs	3.687.022
200	Buildings	1.844.676
2000	Rent	1.844.676
202	Other expenditure on buildings	1.842.346
2026	Security and surveillance	1.842.346
21	Data processing, equipment and furniture: purchase, hire and maintenance	461.317
210	Equipment, operating costs and services relating to data-processing and telecommunications	188.639
2103	Telecommunications	188.639
214	Technical equipment and installations	272.678
23	Current administrative expenditure	14.000
232	Legal costs and damages	14.000
25	Operational activities	976
254	Meetings, conferences, congresses, seminars and other events	976
2548	Interpreting	976
26	Communication, publications and acquisition of documentation	24.409
260	Communication, information and publications	5.261
2602	Publishing and promotion of publications	5.261
262	Acquisition of information, documentation and archiving	19.149
2622	Documentation and library expenditure	19.149

Annual Budgetary Accounts 2020 and Report on Budgetary and Financial Management

Committed	Committed (%)	Payments	Payments (%)	Outstanding commitments	Available credits	Available percentage
3.276.332	75,96%	2.497.486	76,23%	778.846	1.036.797	24,04%
124.737	99,47%	76.341	61,20%	48.396	667	0,53%
7.593	100,00%	7.593	100,00%	0	0	0,00%
7.593	100,00%	7.593	100,00%	0	0	0,00%
7.593	100,00%	7.593	100,00%	0	0	0,00%
0	0,00%	0		0	667	100,00%
0	0,00%	0		0	667	100,00%
0	0,00%	0		0	667	100,00%
117.144	100,00%	68.748	58,69%	48.396	0	0,00%
117.144	100,00%	68.748	58,69%	48.396	0	0,00%
117.144	100,00%	68.748	58,69%	48.396	0	0,00%
3.151.595	75,26%	2.421.146	76,82%	730.450	1.036.130	24,74%
2.687.847	72,90%	2.176.608	80,98%	511.239	999.175	27,10%
1.520.776	82,44%	1.009.537	66,38%	511.239	323.900	17,56%
1.520.776	82,44%	1.009.537	66,38%	511.239	323.900	17,56%
1.167.071	63,35%	1.167.071	100,00%	0	675.275	36,65%
1.167.071	63,35%	1.167.071	100,00%	0	675.275	36,65%
449.235	97,38%	244.537	54,43%	204.697	12.083	2,62%
187.560	99,43%	109.722	58,50%	77.837	1.080	0,57%
187.560	99,43%	109.722	58,50%	77.837	1.080	0,57%
261.675	95,96%	134.815	51,52%	126.860	11.003	4,04%
0	0,00%	0		0	14.000	100,00%
0	0,00%	0		0	14.000	100,00%
0	0,00%	0		0	976	100,00%
0	0,00%	0		0	976	100,00%
0	0,00%	0		0	976	100,00%
14.513	59,46%	0	0,00%	14.513	9.896	40,54%
0	0,00%	0		0	5.261	100,00%
0	0,00%	0		0	5.261	100,00%
14.513	75,79%	0	0,00%	14.513	4.635	24,21%
14.513	75,79%	0	0,00%	14.513	4.635	24,21%

7. RE-USED ASSIGNED REVENUE FROM 2019 (C5)

		Final Appropriations
Total		218.419
1	Persons working with the institution	999
14	Other staff and external services	999
142	External services	999
1420	Supplementary services for the translation service	999
2	Buildings, furniture, equipment and miscellaneous operating expenditure	217.420
20	Buildings and associated costs	202.890
200	Buildings	198.090
2000	Rent	153.156
2007	Fitting-out of premises	44.933
202	Other expenditure on buildings	4.800
2022	Cleaning and maintenance	800
2026	Security and surveillance	4.000
21	Data processing, equipment and furniture: purchase, hire and maintenance	4.096
210	Equipment, operating costs and services relating to data-processing and telecommunications	2.039
2103	Telecommunications	2.039
214	Technical equipment and installations	2.057
23	Current administrative expenditure	6.500
232	Legal costs and damages	6.500
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	339
260	Communication, information and publications	30
2600	Communication	30
262	Acquisition of information, documentation and archiving	310
2622	Documentation and library expenditure	310

**Annual Budgetary Accounts 2020
and Report on Budgetary and Financial Management**

Committed	Committed (%)	Payments	Payments (%)	Outstanding commitments	Available credits	Available percentage
208.294	95,36%	162.681	78,10%	45.613	10.125	4,64%
999	100,00%	999	100,00%	0	0	
999	100,00%	999	100,00%	0	0	
999	100,00%	999	100,00%	0	0	
999	100,00%	999	100,00%	0	0	
207.295	95,34%	161.682	78,00%	45.613	10.125	4,66%
202.890	100,00%	157.586	77,67%	45.303	0	
198.090	100,00%	153.156	77,32%	44.933	0	
153.156	100,00%	153.156	100,00%	0	0	
44.933	100,00%	0	0,00%	44.933	0	
4.800	100,00%	4.430	92,29%	370	0	
800	100,00%	430	53,75%	370	0	
4.000	100,00%	4.000	100,00%	0	0	
4.096	100,00%	4.096	100,00%	0	0	
2.039	100,00%	2.039	100,00%	0	0	
2.039	100,00%	2.039	100,00%	0	0	
2.057	100,00%	2.057	100,00%	0	0	
0	0,00%	0		0	6.500	100,00%
0	0,00%	0		0	6.500	100,00%
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%
310	91,26%	0	0,00%	310	30	8,74%
0	0,00%	0		0	30	100,00%
0	0,00%	0		0	30	100,00%
310	100,00%	0	0,00%	310	0	
310	100,00%	0	0,00%	310	0	

III.

Annual Budgetary Accounts 2020 and Report on Budgetary and Financial Management

8. APPROPRIATIONS FROM EXTERNAL ASSIGNED REVENUE (R0)

		Final appropriations
	Total	160.006
2	Buildings, furniture, equipment and miscellaneous operating expenditure	160.006
25	Operational activities	160.006
254	Meetings, conferences, congresses, seminars and other events	160.006
2542	Expenditure on the organisation of and participation in hearings and other events	160.006

III.

Annual Budgetary Accounts 2020 and Report on Budgetary and Financial Management

Committed	Committed (%)	Payments	Payments (%)	Outstanding commitments	Available credits	Available percentage
111.822	69,89%	101.760	91,00%	10.062	48.183	30,11%
111.822	69,89%	101.760	91,00%	10.062	48.183	30,11%
111.822	69,89%	101.760	91,00%	10.062	48.183	30,11%
111.822	69,89%	101.760	91,00%	10.062	48.183	30,11%
111.822	69,89%	101.760	91,00%	10.062	48.183	30,11%

9. EESC BUDGET RESULT

2020	EUR
Revenue for the financial year	17.192.396
Payments against current year's budget appropriations	-118.523.444
Payments against assigned revenue appropriations	-2.761.928
Payment appropriations carried over to year N+1	-12.338.749
Cancellation of unused payment appropriations carried over from year N-1	1.815.634
Evolution of assigned revenue	-1.711.207
Exchange differences for the year (symbolic)	0
Budget result	-116.327.296

PART IV

Appendices

PART IV – CONTENTS

1. INTERNAL CONTROL ENVIRONMENT: STATE OF PLAY	148
2. 2020 INTERNAL AUDIT REPORT	149
2.1 AUDIT UNIVERSE	149
2.2 INTERNAL AUDIT SECTOR.....	149
2.3 STATEMENT OF ASSURANCE, DISCHARGE AND COMMUNICATIONS WITH EXTERNAL CONTROL BODIES.....	149
2.4 AUDIT ENGAGEMENTS	150
2.5 OTHER ACTIVITIES.....	151
2.6 AUDIT COMMITTEE.....	152
2.7 CONCLUSION.....	152
3. DISPOSING OF FIXED ASSETS 2020	153
3.1 DISPOSING OF IMMOVABLE PROPERTY OR MAJOR INSTALLATIONS FREE OF CHARGE IN 2020	153
4. KEY ACTIVITY AND PERFORMANCE INDICATORS ("KAPIS").....	154
4.1 INTRODUCTION	154
4.2 DIRECTORATES FOR LEGISLATIVE WORK	155
4.4 DIRECTORATE FOR STATUTORY BODIES AND MEMBERS' WORKING CONDITIONS	157
4.5 DIRECTORATE OF COMMUNICATION AND INTERINSTITUTIONAL RELATIONS....	159
4.6 DIRECTORATE FOR HUMAN RESOURCES AND FINANCE	166
4.7 LEGAL SERVICE.....	183
4.8 DIRECTORATE FOR LOGISTICS	184
4.9 DIRECTORATE FOR TRANSLATION.....	193
5. RESULTS OF EX POST CONTROLS 2020.....	199
5.1 OVERALL ASSESSMENT OF THE COSTS AND BENEFITS OF CONTROLS	199
5.2 RESULTS OF EX POST VERIFICATION.....	200
6. REPORT ON BUILDING CONTRACTS 2020 AND REPORT TO THE EUROPEAN PARLIAMENT AND THE COUNCIL ACCORDING TO ART. 266(1) OF THE FINANCIAL REGULATION	201
6.1 BUILDING CONTRACTS 2020	201
6.2 ARTICLE 266 FR REPORT	202
6.2.1 Part 1: The expenditure and surface area for each building	202
6.2.2 Part 2: The expected evolution of the global programming	202

6.2.3	Part 3: Project implementation of new building projects previously submitted to the European Parliament and the Council	206
6.2.4	Table: Expenditure and surface for each building (CoR and EESC together)	208
7.	INSTRUCTIONS GIVEN REGARDING DECISIONS WHICH ARE IRREGULAR OR CONTRARY TO THE PRINCIPLES OF SOUND FINANCIAL MANAGEMENT DURING 2020	209
7.1	ARTICLE 92 (3) INSTRUCTIONS RECEIVED IN 2020	209
8.	WAIVING OF RECOVERY OF AMOUNTS RECEIVABLE INVOLVING EUR 60 000 OR MORE IN 2020	210
8.1	WAIVING OF RECOVERY OF AMOUNTS RECEIVABLE INVOLVING EUR 60 000 OR MORE IN 2020	210
9.	REPORT ON CONTRACTS AND NEGOTIATED PROCEDURES 2020	211
9.1	REPORT ON NEGOTIATED PROCEDURES ACCORDING TO ARTICLE 74 'POWERS AND DUTIES OF THE AUTHORISING OFFICER' OF THE FINANCIAL REGULATION .	213
9.2	EX-POST PUBLICITY OF SIGNED CONTRACTS IN 2020, ACCORDING TO POINT 3.3 OF ANNEX I OF THE FINANCIAL REGULATION	214
10.	AVERAGE PAYMENT TIMES – PAYMENT DELAY SUSPENSION	215
10.1	FIGURES ON AVERAGE PAYMENT TIMES – PAYMENT DELAY SUSPENSION IN 2020	217
11.	FOLLOW-UP TO OBSERVATIONS IN THE PARLIAMENT'S 2018 AND 2019 FINAL DISCHARGE RESOLUTIONS	218
11.1	EUROPEAN PARLIAMENT RESOLUTION OF 20 OCTOBER 2020 WITH OBSERVATIONS FORMING AN INTEGRAL PART OF THE DECISION ON 2018 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))	218
11.2	EUROPEAN PARLIAMENT RESOLUTION OF 29 APRIL 2021 WITH OBSERVATIONS FORMING AN INTEGRAL PART OF THE DECISION ON 2019 DISCHARGE IN RESPECT OF THE IMPLEMENTATION OF THE GENERAL BUDGET OF THE EUROPEAN UNION FOR THE FINANCIAL YEAR 2019, SECTION VI – EUROPEAN ECONOMIC AND SOCIAL COMMITTEE (2020/2145(DEC))	228
12.	RESULTS AND CONSEQUENCES OF CLOSED EUROPEAN ANTI-FRAUD OFFICE (OLAF) CASES IN 2020	267
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 ...	267
13.	DISTRIBUTION OF STAFF BY NATIONALITY, FUNCTION GROUP, TYPE OF CONTRACT AND GENDER ON 1 MARCH 2021	268

14. OCCUPATION OF POSTS BY GRADE ACTUALLY FILLED ON 31 DECEMBER 2020	271
15. DETAILED BREAKDOWN OF MEMBERS' EXPENDITURE CONCERNING ITEM 1004	273
15.1 COUNCIL DECISION No 2013/471/EU OF 23 SEPTEMBER 2013	273
15.2 EVALUATION REPORT ON THE APPLICATION OF COUNCIL DECISION No 2013/471/EU IN 2020	273
15.3 DETAILED ANNEXES SHOWING THE REIMBURSEMENT TO EESC MEMBERS FOR MISSIONS AND THE MEETINGS ATTENDED BY EESC MEMBERS AND THEIR ALTERNATES.....	277

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 2020. Compliance was assessed through an ad hoc questionnaire, composed of 36 questions.

Based on the 2019 questionnaire, the 2020 one was revised: one of the questions under ICS 12 related to communication matters, was split into two questions. Therefore, the 2020 questionnaire has a wider coverage, i.e. each Directorate had to answer one more question compared to 2019.

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 2020, there was an improvement in terms of compliance with the ICS when compared to 2019 as all standards were implemented. The risk assessment exercise took place for all Directorates and the process will be continued every year.

In 2020, the EESC took all necessary steps with regard to assessing sensitive functions, by carrying-out an analysis of the residual risk linked to each post. A detailed policy was adopted in December 2020. This policy includes the definition of sensitive posts and the methodology to be used for assessing the risks associated with all posts.

On the basis of the ICS report, the authorising officer by delegation decided the following action to further improve compliance with the control standards in 2021:

- ICS 8: Processes and procedures

During the year 2020, a template for procedures was created and communicated to all Directorates with purpose to revise all main processes and related procedures. Moreover, all Directorates were invited to register their revised procedures on a common SharePoint page. The process of registry and centralisation started in 2020 but has not been finalised within all Directorates. For that reason, this action was kept for 2021.

- ICS 12: Information and communication

In 2020, reflections were ongoing on how to include the numerous existing activities within the new internal communication strategy. Therefore, this action was kept for 2021.

2. 2020 INTERNAL AUDIT REPORT

2.1 AUDIT UNIVERSE

The EESC's Internal Audit Sector (IAS) covers all activities, services and appropriations managed by the EESC, as regards both the Committee's own structures and the Joint Services, i.e. the Directorates for Logistics and for Translation. Concerning audits in the Joint Services, the IAS works closely with the Internal Auditor of the European Committee of the Regions (CoR), under the provisions of the EESC-CoR Cooperation Agreement¹.

2.2 INTERNAL AUDIT SECTOR

The staffing level of the IAS has a direct impact on the volume of work that can realistically be undertaken and thus on the assurance the Internal Auditor is able to provide on the EESC's risk and control environment. Currently, three posts are earmarked for the IAS: the Internal Auditor, one administrator and one assistant. The question of staffing was raised with the Audit Committee in 2020.

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 planning and underlying risk assessment, the IAS relies, *inter alia*, on the annual statement of assurance from the European Court of Auditors (ECA) and the discharge decision and resolution adopted by the European Parliament, including any preparatory document used in this context. According to the audit charter, the IAS must be notified of official communications with external control bodies. However, the IAS was not explicitly informed of the report issued in January 2020 by OLAF, the European Anti-Fraud Office, which ultimately led to the EP refusing to grant the EESC discharge for 2018². The IAS cannot know what other information it does not receive. Considering that the EESC does not rely on a risk assessment in its activities – as also pointed out by the ECA in its report on the implementation of the EU budget for the 2019 financial year – it is a matter of concern that the only global risk assessment carried out within the EESC, namely that of the IAS, is based almost exclusively on information that the IAS has managed to

¹ The current cooperation agreement runs until the end of June 2021 (originally 2016-2019, but has twice been extended).

² The exact wording of the charter is: "*The internal auditor shall be informed of [...] official communications with external control bodies with financial or budgetary implications*". In practical terms, all activities of a public sector body such as the EESC have financial or budgetary implications. In its discharge resolution, the European Parliament made an explicit reference to the financial impact of harassment, the issue addressed by OLAF in its report. It should be noted that the charter only stipulates that the IAS must be informed, not that the IAS must receive the actual communications.

obtain for itself, with little active input from stakeholders³. The exception in this respect is the Finance and Financial Verification Unit, which consistently provides the IAS with all relevant information within its area of responsibility.

2.4 AUDIT ENGAGEMENTS

One audit launched in 2019 was finalised in 2020. The related audit report was submitted to the president and the Audit Committee on 3 July. The topic was verification.

2.4.1. Audit on verification

Verification is a major component of the internal control systems. It represents implementation of the "four eyes principle", which serves to ensure the legality and regularity of operations, to mitigate the risks of failure to achieve objectives, and to prevent and detect errors and fraud. In the EESC, the verification function is organised as a sector within the Finance and Financial Verification Unit. A team of verifying officers, appointed by the Authoring Officer by Delegation (i.e. the Secretary-General), is charged with performing ex-ante controls of practically all operations with budgetary implications⁴.

The IAS found that the EESC's internal financial rules, together with other provisions specific to the Committee, establish a system that, overall, meets the requirements for controls set out in the Financial Regulation. Only two major issues surfaced in the audit process. Firstly, financial circuits (including verification) differ in the Joint Services, depending on the committee that "owns" the operation. This creates unnecessary challenges both for the Joint Services and for verification and affects procedural stability and controls. This issue will be part of the negotiations on the next administrative cooperation agreement between the EESC and the CoR. Secondly, one type of operation was found to fall outside established controls altogether, namely those special cases that are not otherwise covered by the Bureau decision on the reimbursement of expenses and allowances for members, delegates etc. and can only be settled under the president's authority, in accordance with Article 22 of the said decision. No agreement on this was reached while the action plan was drawn up but a potential pathway towards a solution has subsequently been found by the services involved, with the assistance of the IAS.

2.4.2. Other audits in the 2020 work programme

The 2020 audit work programme included two audits, one on ethics and one on controls of statutory rights. Both were launched in July 2020. The audit entitled *Ethics and Integrity* reached the so-called contradictory stage and is expected to be finalised in February/March 2021. The

³ See https://www.eca.europa.eu/Lists/ECADocuments/annualreports-2019/annualreports-2019_EN.pdf, point 9.12, p. 227.

⁴ Certain low-risk operations are subject to a specific "light verification" where the Verification Sector is involved only as ex-post controller.

work on the audit entitled *Statutory Rights* is still in progress and the related report is expected in May/June 2021.

The intention is to conduct 2.5 audits per year, counted over a four-year period starting from 2019.

2.4.3. Independence and cooperation

The IAS has not experienced any interference in determining the scope of internal auditing, performing work, or communicating results and can thus confirm its organisational independence.

Overall, cooperation with the various EESC departments has been excellent, not least in the context of audits. Auditees seem to fully embrace the IAS's role as a critical friend.

2.5 OTHER ACTIVITIES

IAS activities in 2020 also included, among other things:

- *Establishment of a better-defined and more consistent audit framework:* The intention was to update the 2011 audit charter in the course of 2020. After a debate in the Audit Committee on 5 February, a draft was submitted to the Legal Service for a legal opinion. This opinion, provided in June, raised a number of fundamental questions and made it clear that a different approach would be required. Even so, some of the issues raised by the Legal Service will be difficult to solve, as the legal framework is inconsistent or even contradictory. The IAS is in the process of making a new draft. Once a new audit charter is adopted, an audit manual and procedural rules for the Audit Committee should also be drawn up, the latter in accordance with Rule 83 of the Rules of Procedure adopted in February 2019.
- *Follow-up to agreed action plans:* A thorough follow-up was given to the audit on Interpreting, which was finalised in 2019. As the implementation of the agreed action plan was affected by COVID-19, three out of the five recommendations made in the report and the related actions that had been agreed will need to be revisited at an opportune moment in the future.
- *Organisation of meetings and other technical and secretarial assistance to the Audit Committee:* See point 2.6.
- *Cooperation with other institutions:* The cooperation with the CoR's Internal Audit Service has already been mentioned. In 2020, the CoR conducted two audits in the area of logistics. The IAS also maintains direct contact with the ECA, the Budget Unit being the ECA's formal contact point at the EESC.
- *Training:* The 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 2020, staff continued to take part in training sessions offered by the European Commission, including the Commission's Internal Audit Training Programme, which consists of presentations and lectures. The administrator in the IAS obtained the title of a Certified Internal Auditor awarded by the Institute of Internal Auditors.

- *Archiving*: The IAS continued to reorganise all documents kept and stored since it started its activities some 20 years ago. Concerning physical archiving, all material was finally collected in one place (room BvS 464), which was fitted out for the purpose, with secure access. As to electronic archiving, the development of a better-defined environment was continued using SharePoint software.

2.6 AUDIT COMMITTEE

The Audit Committee consists of three EESC members, supported by an external expert. Its task is to ensure the independence of the Internal Auditor, monitor the quality of the internal audit work, and ensure 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 work of the Audit Committee was somewhat impeded by COVID-19 in 2020. Only two meetings were held, on 5 February and on 15 September. At the EESC's renewal in October, two out of the three Audit Committee members were replaced. The Audit Committee did not become fully operational after the renewal in 2020, as no new chairperson was appointed. This is expected to happen in January 2021. Despite this, the IAS organised an information session on 17 December – mainly intended for the two new members of the Audit Committee – as a fully remote meeting.

A debate between the Audit Committee and the section/CCMI presidents on the 2019 audit on compliance with institutional deadlines was supposed to be organised in 2020. This debate was also postponed due to COVID-19 and is now expected to take place in 2021.

2.7 CONCLUSION

With the continued engagement of auditees in implementing audit recommendations, the audits completed or followed up on in 2020 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. However, the part of the audit universe that can be covered, even over time, remains very limited.

3. DISPOSING OF FIXED ASSETS 2020

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 2020

No immovable property or major installations were made available free of charge by the European Economic and Social Committee during 2020.

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 2020, 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.

It has to be noted that some KAPIs were influenced by the COVID-19 health crisis and thus present high modifications in figures, some showing:

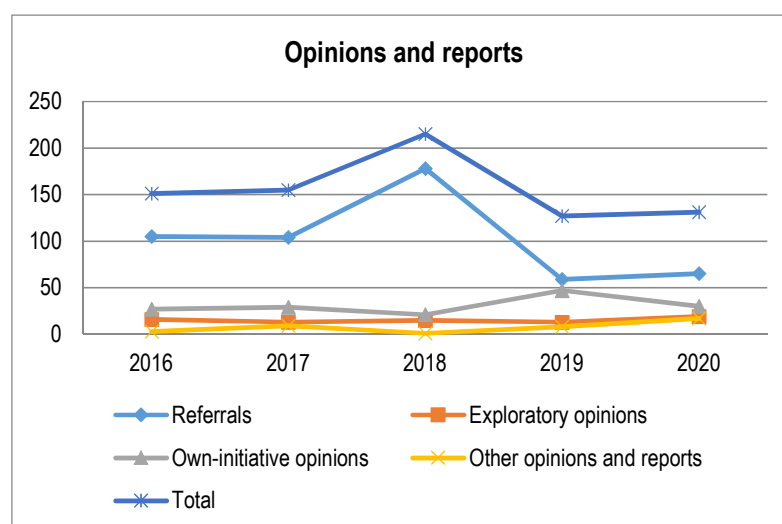
- a) a decrease, such as:
 - organisation of physical meetings (such as conferences, hearings partnerships, meetings within the EESC, as well as external ones, etc.);
 - interpretation provided for meetings;
 - communication related activities (e.g. visits of groups and presentations made, press activities, etc.);
 - difficulties in workplace relations;
 - copy shop, offset and mailing productivity.
- b) an increase, amongst which:
 - internet and social media; occasional telework.

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, position papers and reports	Total
2020	65	19	30	17*	131
2019	59	13	47	8	127
2018	178	15	21	1	215
2017	104	13	29	9	155
2016	105	16	27	3	151

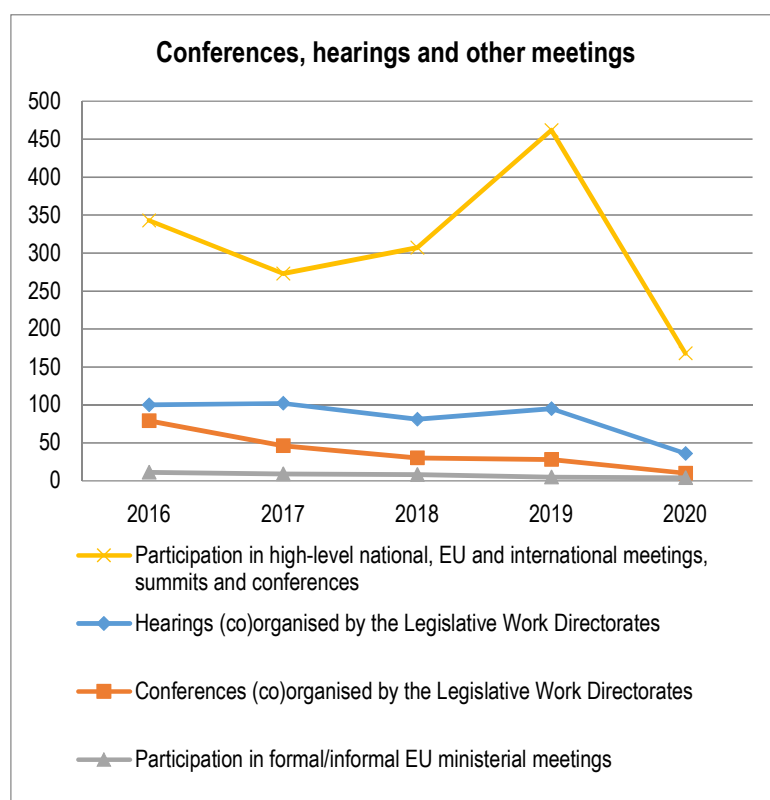


* of which 13 position papers were adopted following referrals

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
2020	36	10	4	168
2019	95	28	5	462
2018	81	30	8	307
2017	102	46	9	273
2016	100	79	11	343

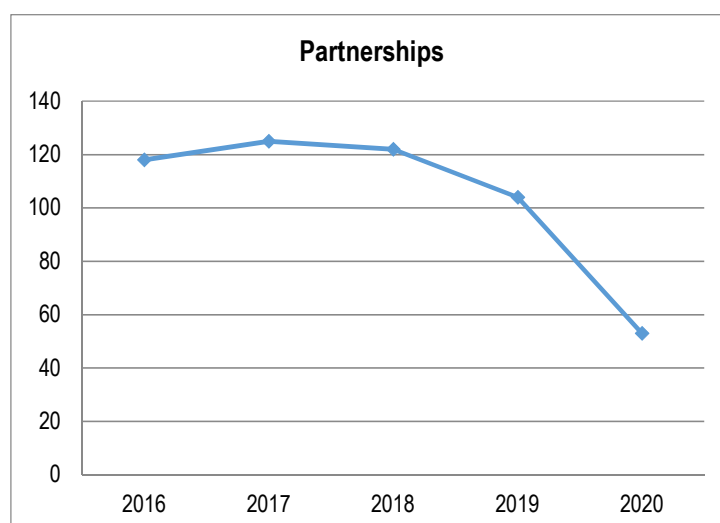


4.4 DIRECTORATE FOR STATUTORY BODIES AND MEMBERS' WORKING CONDITIONS

Partnerships

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

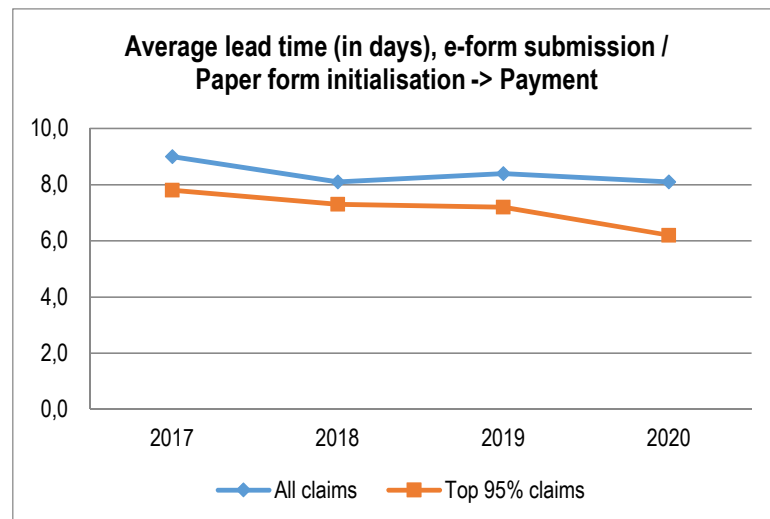
	Partnerships
2020	53
2019	104
2018	122
2017	125
2016	118



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
2020	8,1	6,2
2019	8,4	7,2
2018	8,1	7,3
2017	9,0	7,8

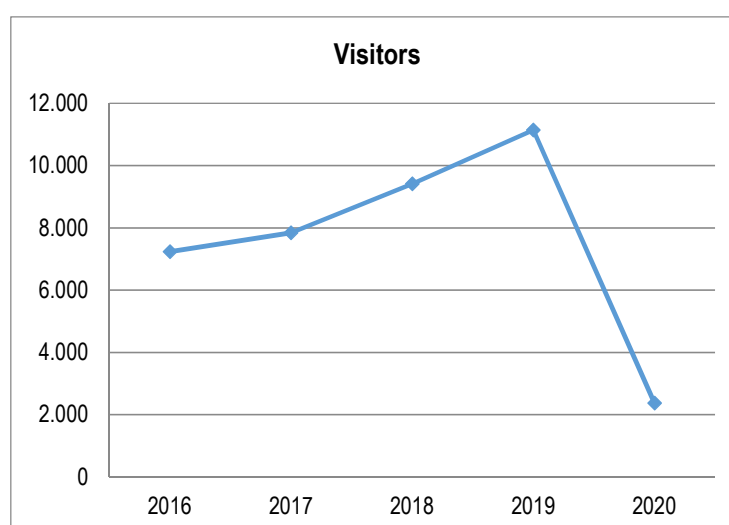
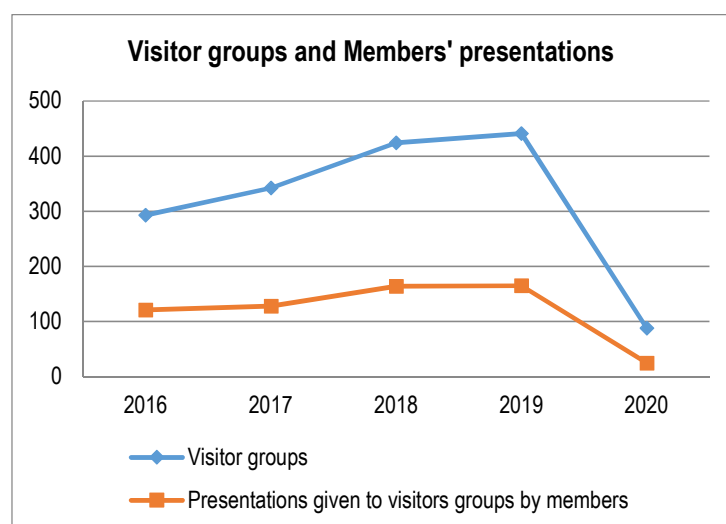


4.5 DIRECTORATE OF COMMUNICATION AND INTERINSTITUTIONAL RELATIONS

Visitor groups

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

	Visitor groups	Presentations given to visitors groups by members	Visitors
2020	88	25	2.371
2019	441	165	11.144
2018	424	164	9.419
2017	342	128	7.847
2016	293	121	7.237

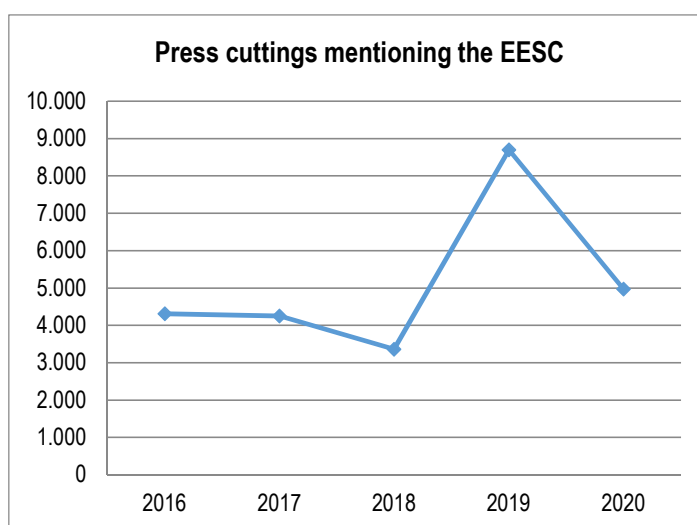
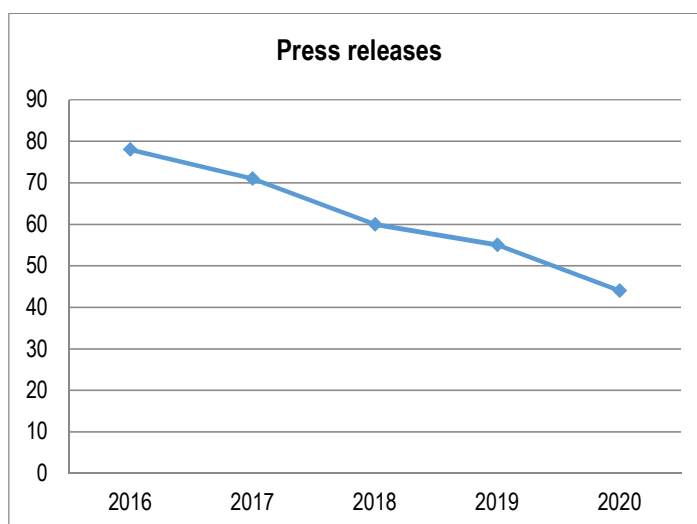


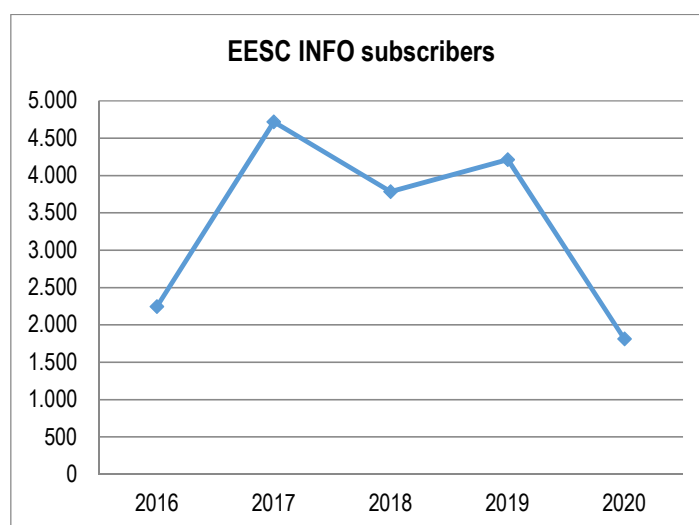
Press activities

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
2020	44	4.975	1.811*
2019	55	8.701	4.214
2018	60	3.364	3.782
2017	71	4.247	4.717
2016	78	4.307	2.244

* The application new general data protection regulation (GDPR) in 2020, had an important impact on the number of EESC Info subscribers as now, they have to give their explicit consent. This led to a significant reduction of subscribers.

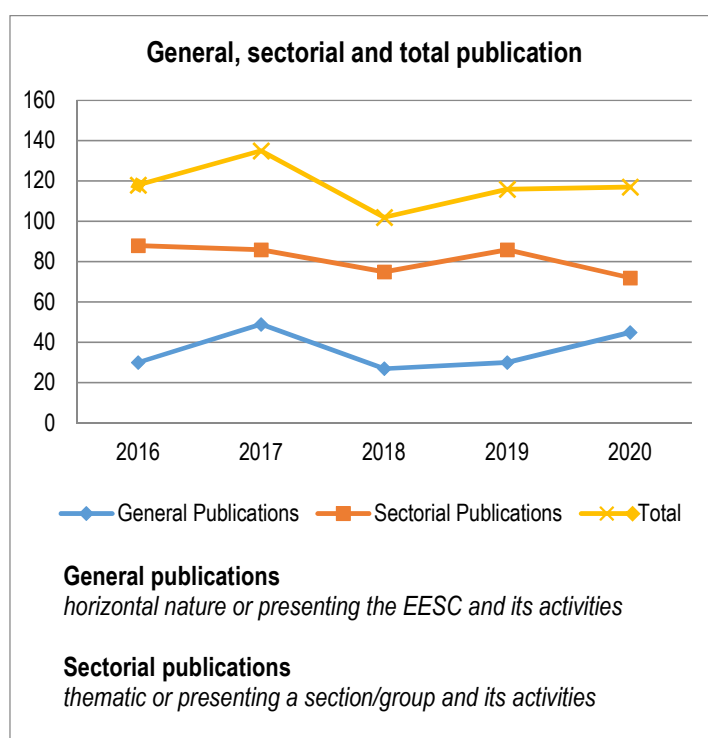




Publications

This indicator measures the number of general or sectorial publications by the EESC.

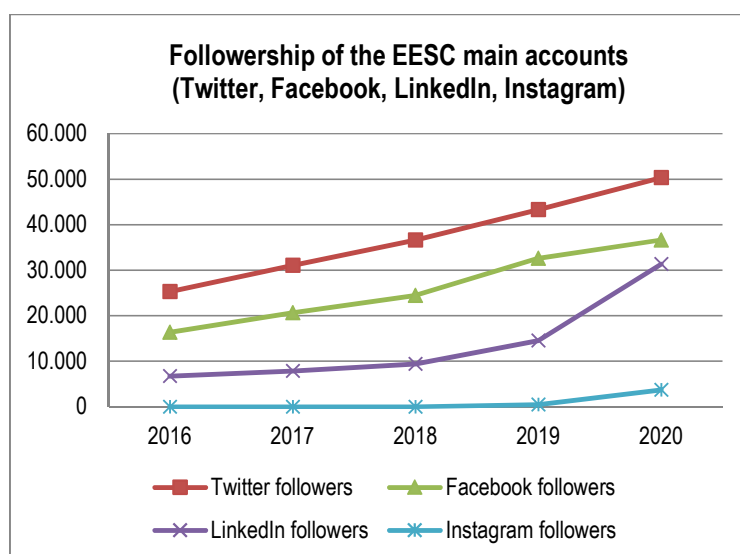
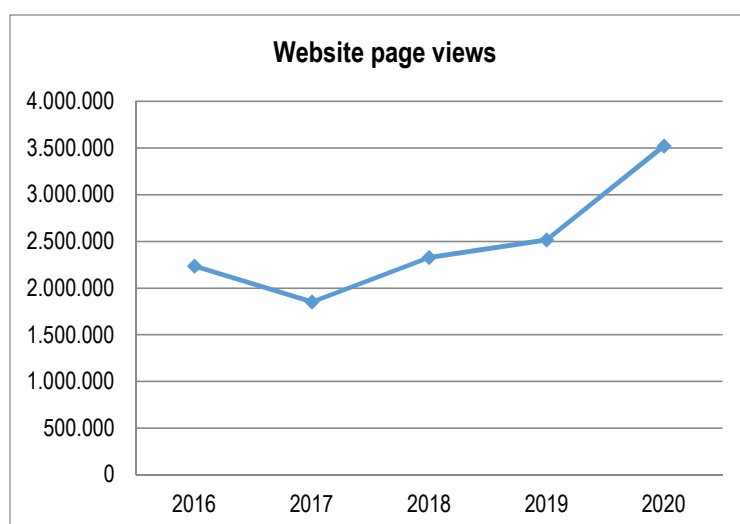
	General Publications	Sectorial Publications	Total
2020	45	72	117
2019	30	86	116
2018	27	75	102
2017	49	86	135
2016	30	88	118



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, LinkedIn and Instagram accounts.

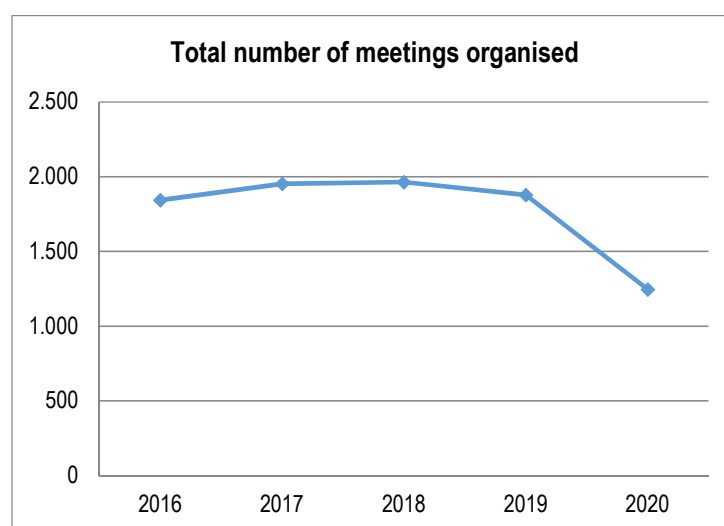
	Website page views	Twitter followers	Facebook followers	LinkedIn followers	Instagram followers
2020	3.521.741	50.351	36.644	31.345	3.712
2019	2.514.496	43.307	32.622	14.562	430
2018	2.329.129	36.634	24.486	9.407	-
2017	1.851.141	31.091	20.674	7.829	-
2016	2.236.026	25.303	16.352	6.728	-



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	%			
2020	839	67,4%	381	30,6%	25	2,0%	1.245	20,4	61,0
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

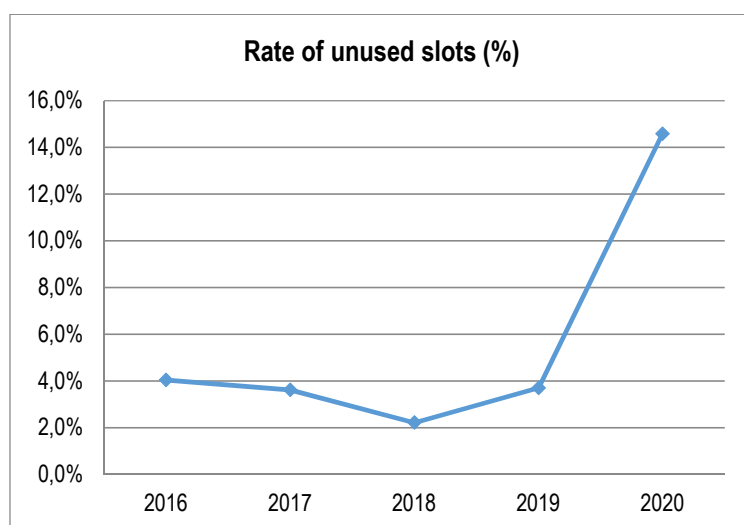
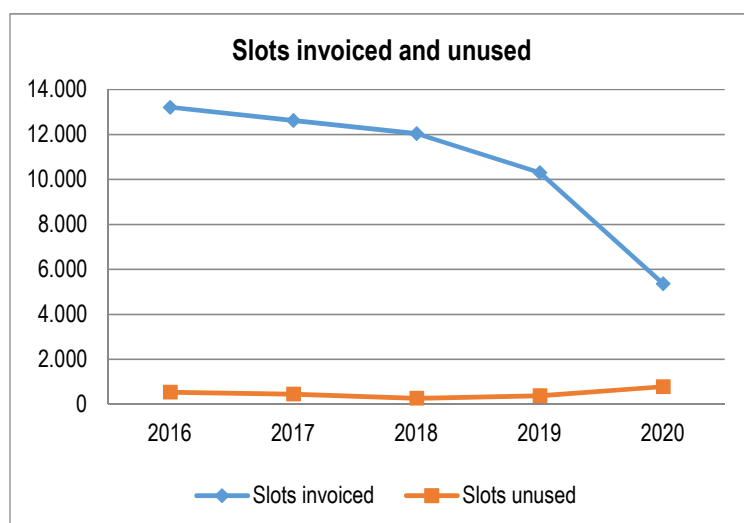


* All types of occupation of rooms (meetings, visits, conferences, etc.).

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 (%)
2020	5.369	2.732.821	783	398.547	14,6%
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%



4.6 DIRECTORATE FOR HUMAN RESOURCES AND FINANCE

In 2020, 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 2020. 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

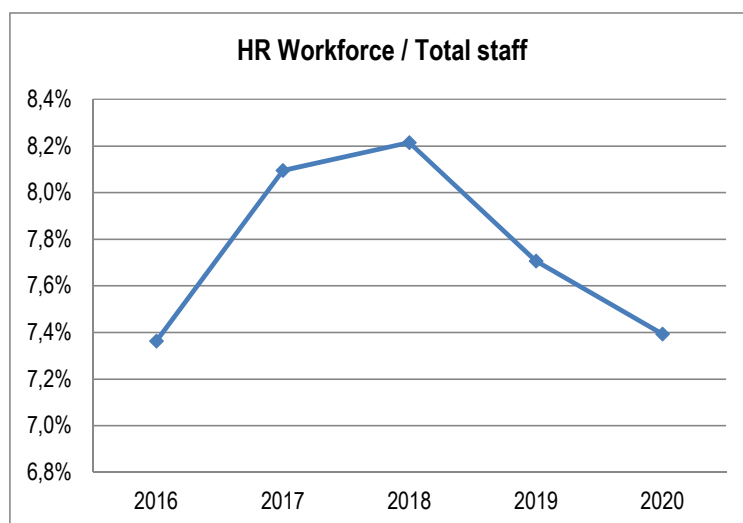
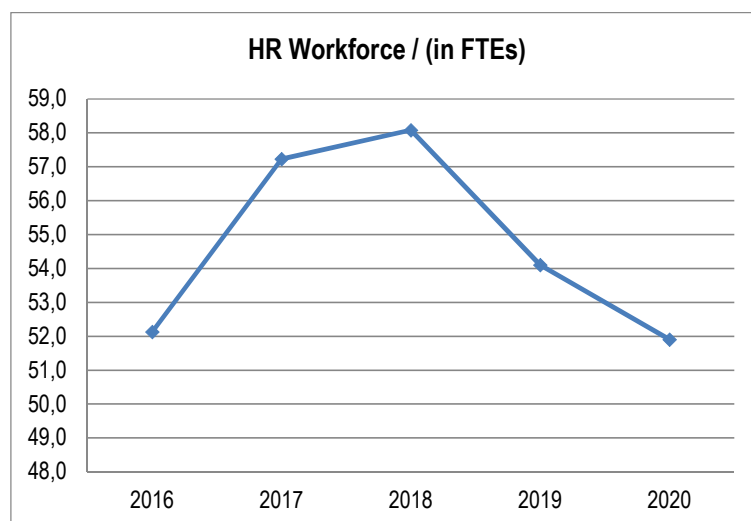
For the indicators in this area, the following abbreviations are used:

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, implemented in the AAR 2018, the numbers for previous years were recalculated according to this new methodology.

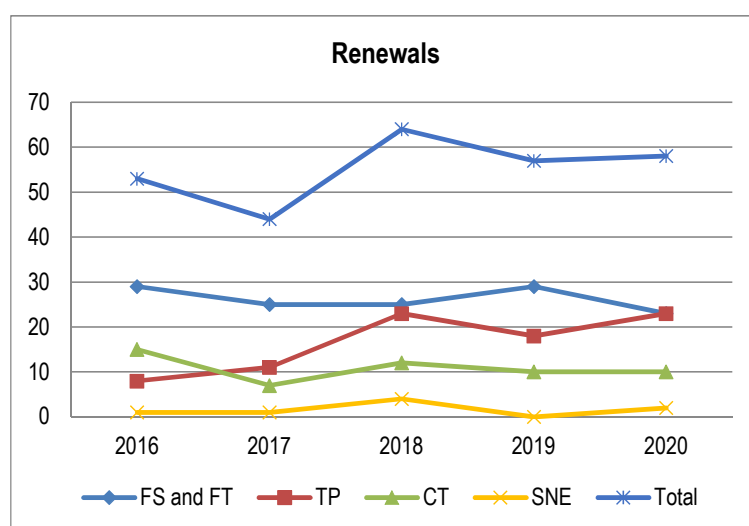
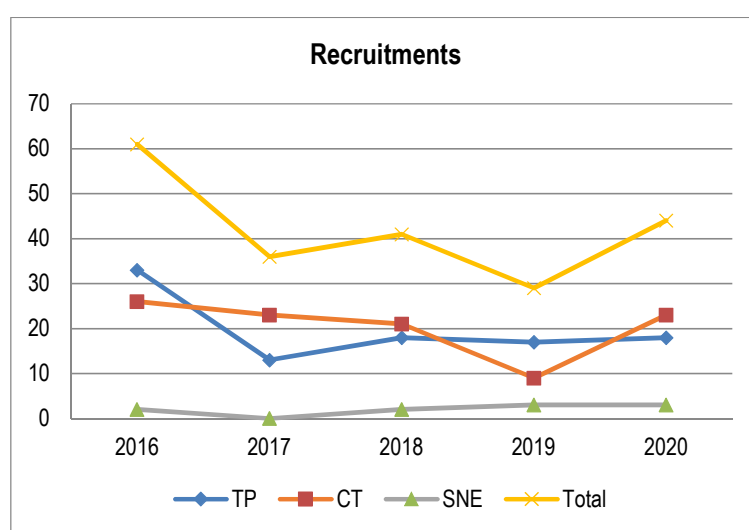
	HR Workforce (in FTEs)	Total staff	HR Workforce (in FTE) / Total staff
2020	51,9	702	7,4%
2019	54,1	702	7,7%
2018	58,1	707	8,2%
2017	57,2	707	8,1%
2016	52,1	708	7,4%



Number of recruitments/renewals

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

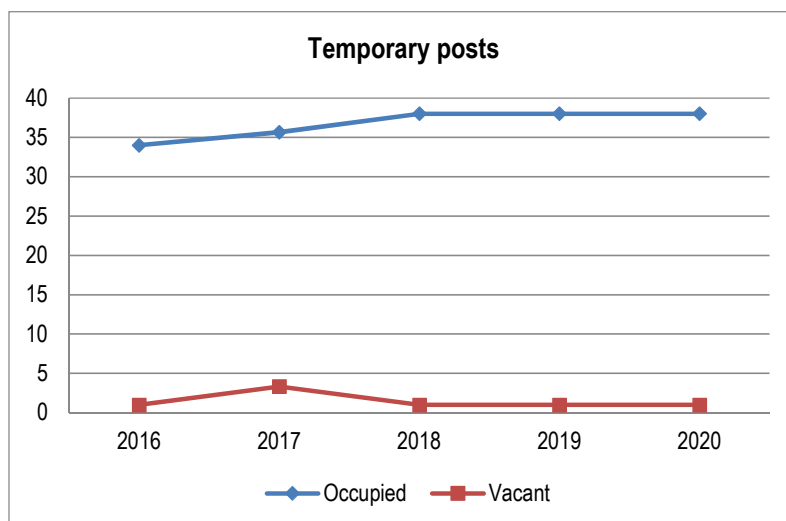
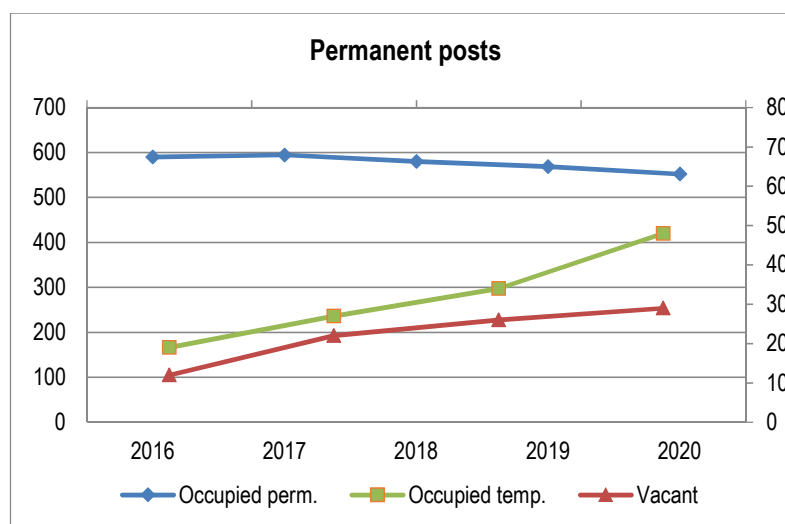
	Recruitments					Renewals			
	FS and FT	TP	CT	SNE	Total	TP	CT	SNE	Total
2020	23	23	10	2	58	18	23	3	44
2019	29	18	10	0	57	17	9	3	29
2018	25	23	12	4	64	18	21	2	41
2017	25	11	7	1	44	13	23	0	36
2016	29	8	15	1	53	33	26	2	61

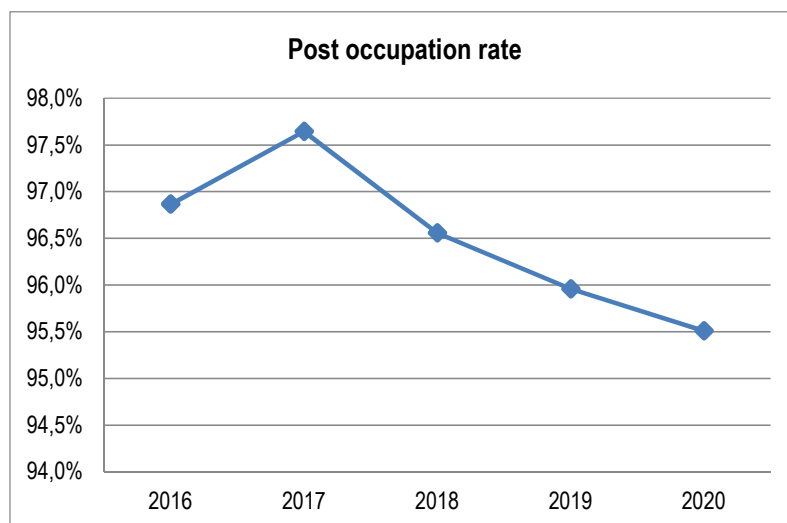


Post occupation rate

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
2020	668	95,5%	629	313	279	37	552	48	29	39	38	1
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

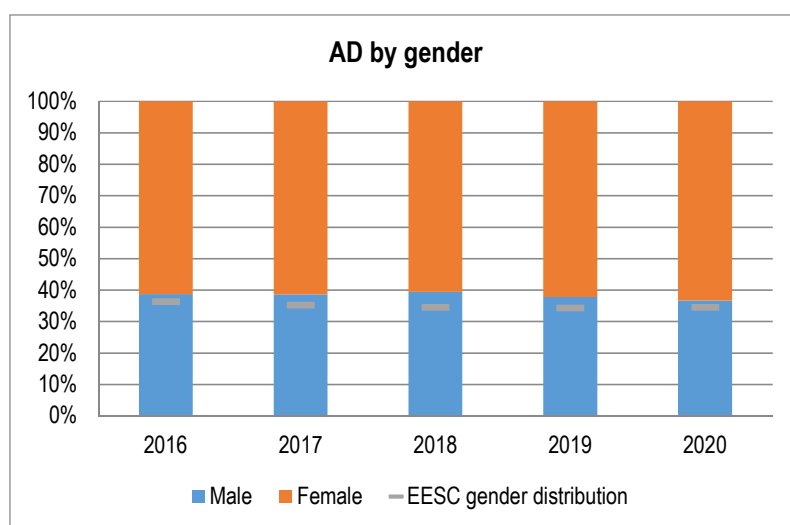
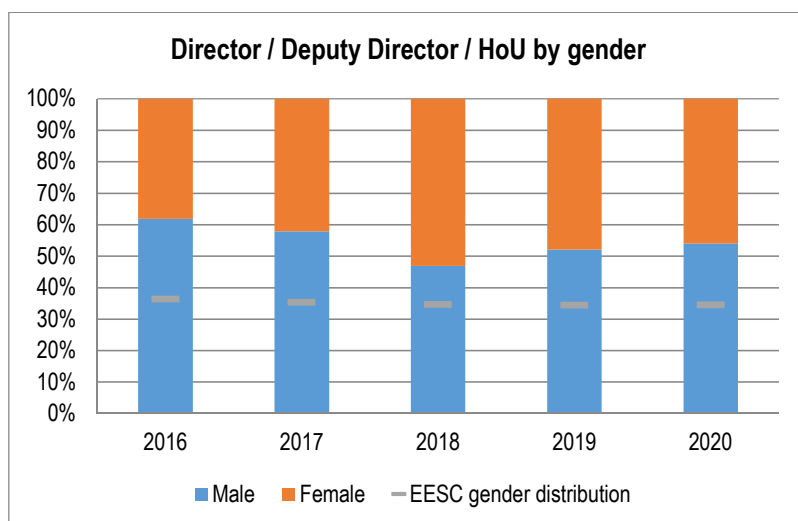


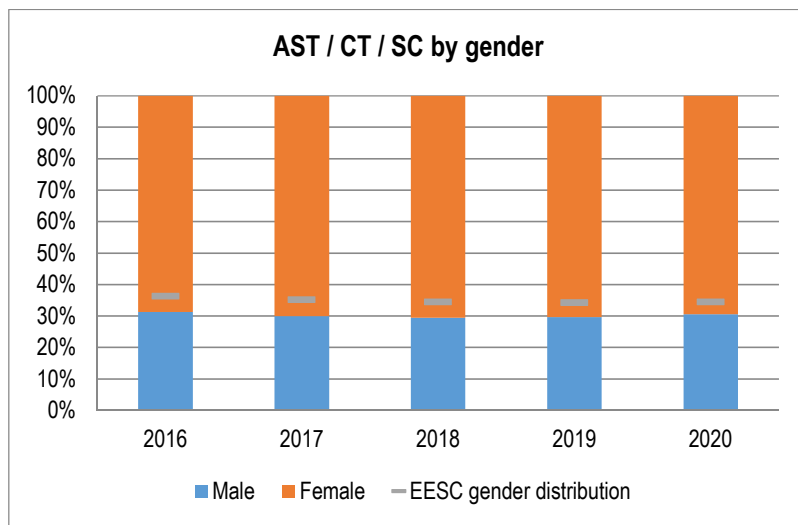


Distribution of staff by gender

This indicator measures, at the end of the year, the gender distribution per category of staff. Numbers for management include also acting managers.

	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
2020	46	6,6%	54,0%	46,0%	289	41,2%	36,7%	63,3%	367	52,3%	30,5%	69,5%
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%

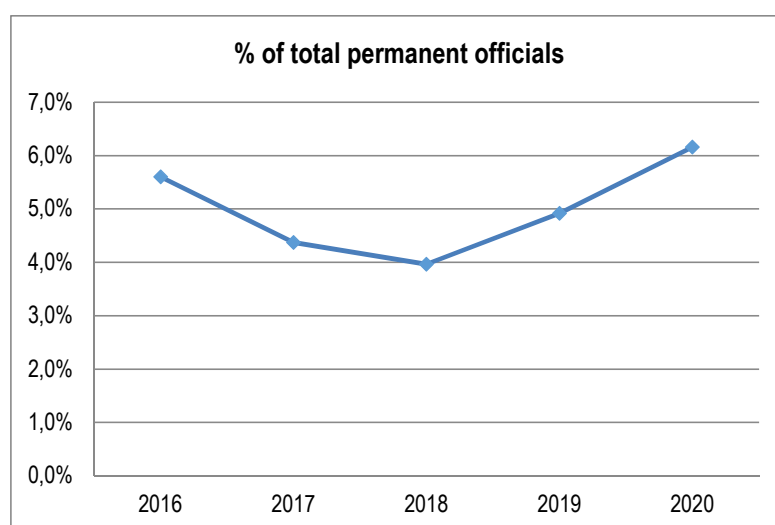
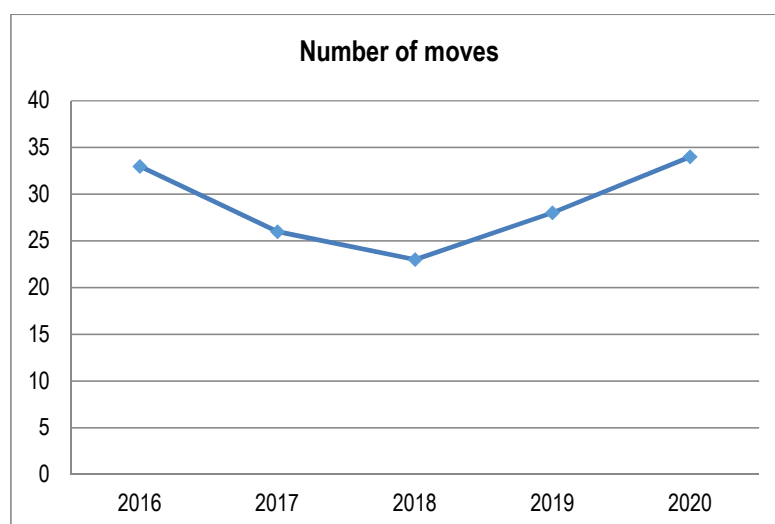




Internal mobility

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.

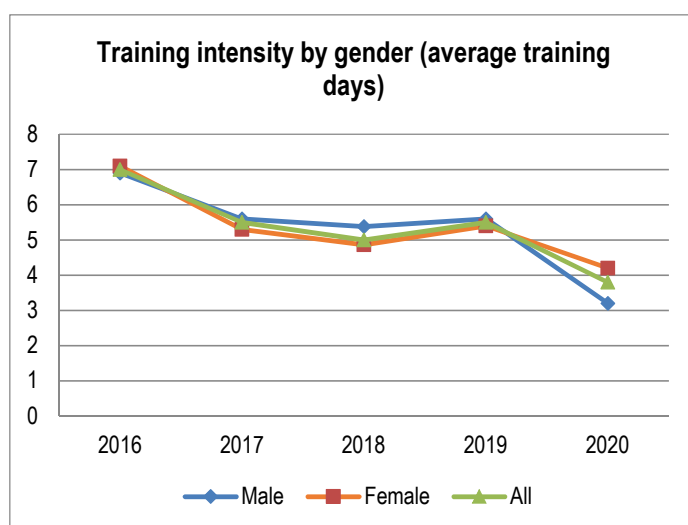
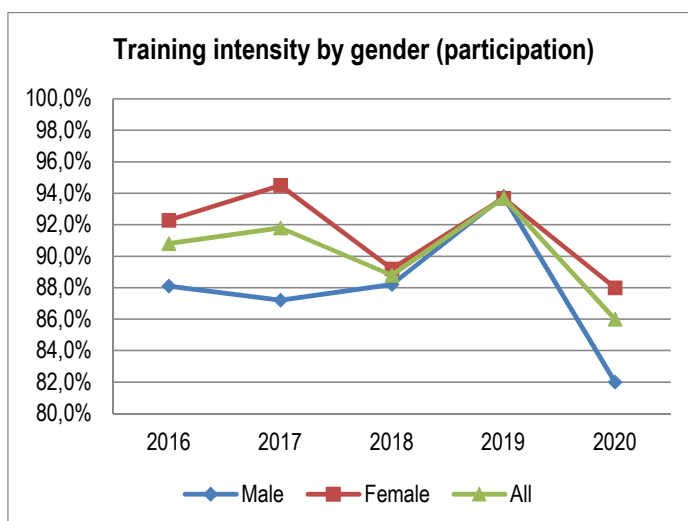
	Staff changing service	
	Number of moves	% of total permanent officials
2020	34	6,2%
2019	28	4,9%
2018	23	4,0%
2017	26	4,4%
2016	33	5,6%

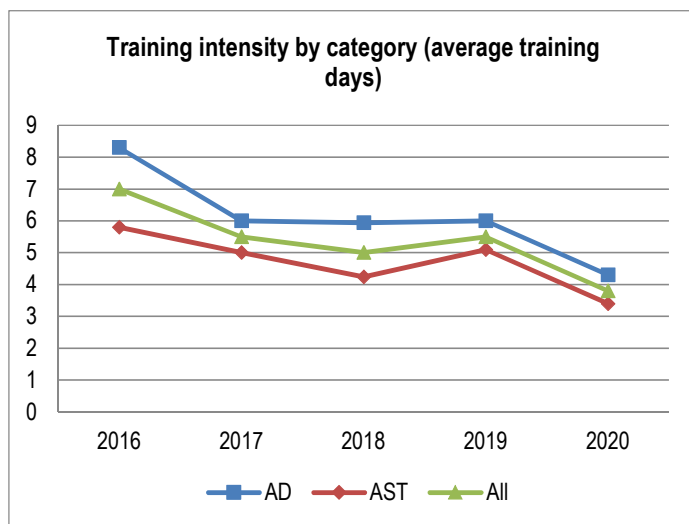
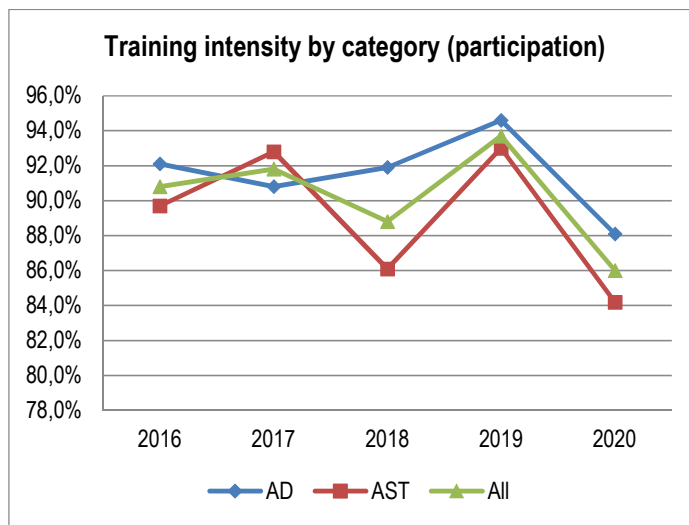


Training intensity

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
2020	82,0%	3,2	88,0%	4,2	88,1%	4,3	84,2%	3,4	86,0%	3,8
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

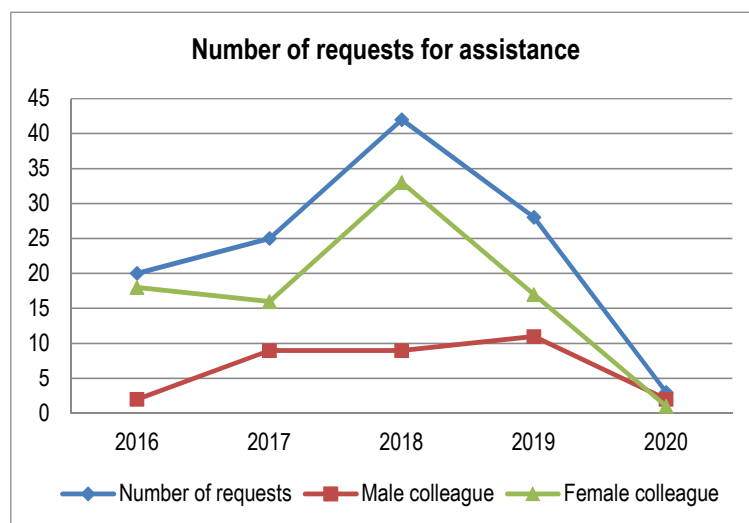




Difficulties in workplace relations

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.

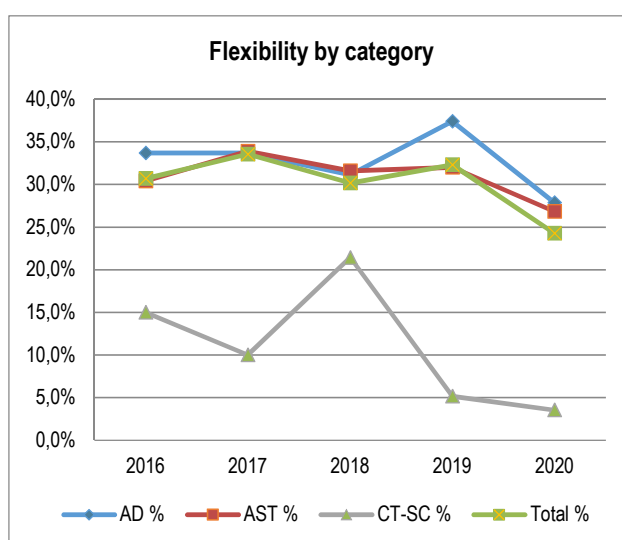
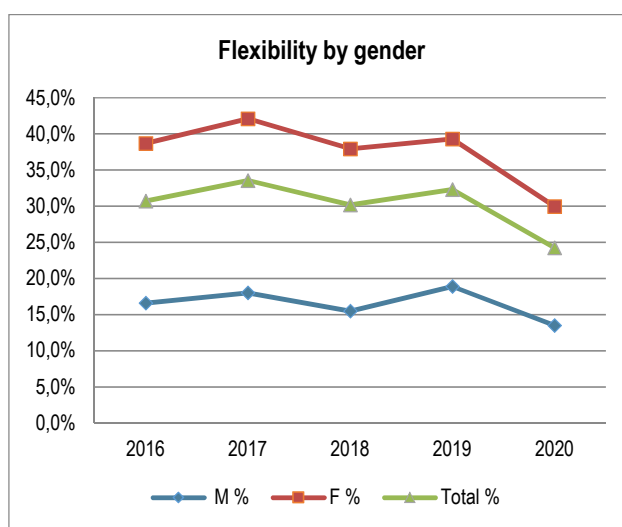
	Number of requests	By gender	
		Male colleague	Female colleague
2020	3	2	1
2019	28	11	17
2018	42	9	33
2017	25	9	16
2016	20	2	18



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).

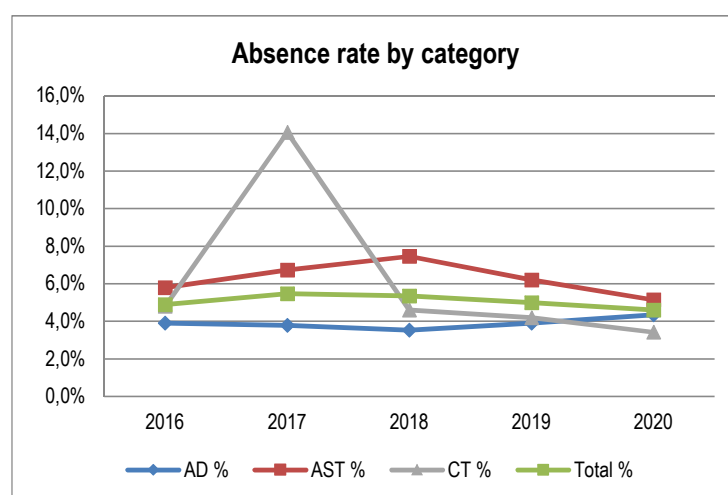
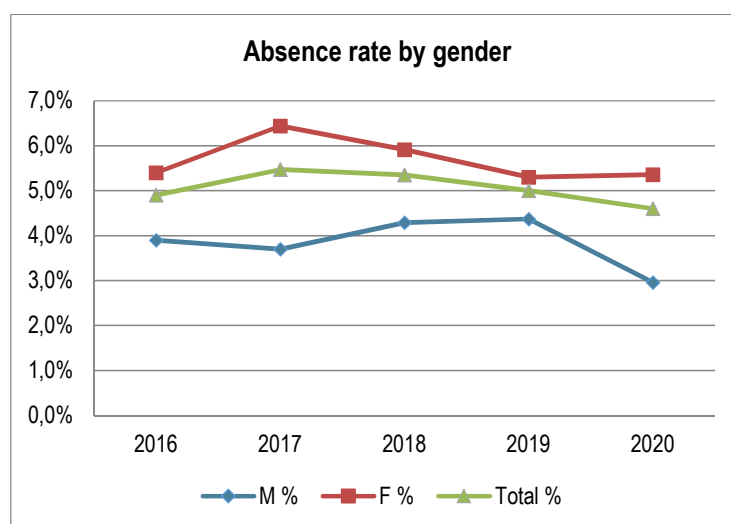
	By gender				By category						All	
	M		F		AD		AST		CT-SC			
	Number	M %	Number	F %	Number	AD %	Number	AST %	Number	CT-SC %	Number	Total %
2020	33	13,5%	137	30,0%	90	27,9%	77	26,8%	3	3,5%	170	24,3%
2019	46	18,9%	180	39,3%	123	37,4%	101	32,0%	3	5,2%	227	32,3%
2018	38	15,5%	175	38,0%	99	31,1%	96	31,6%	18	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).

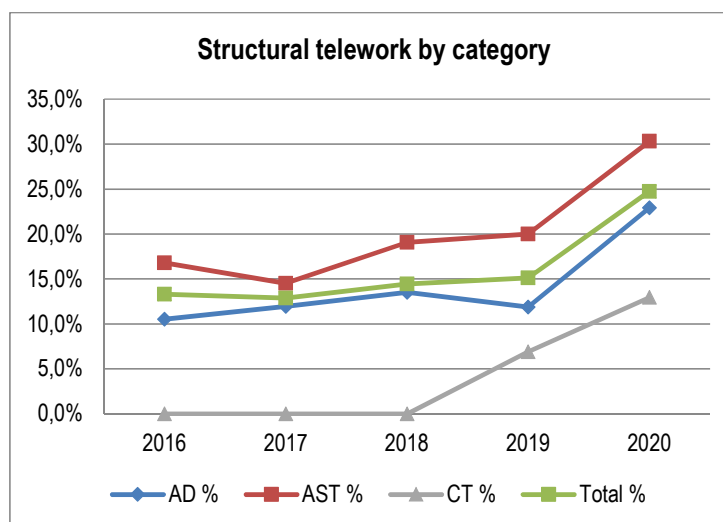
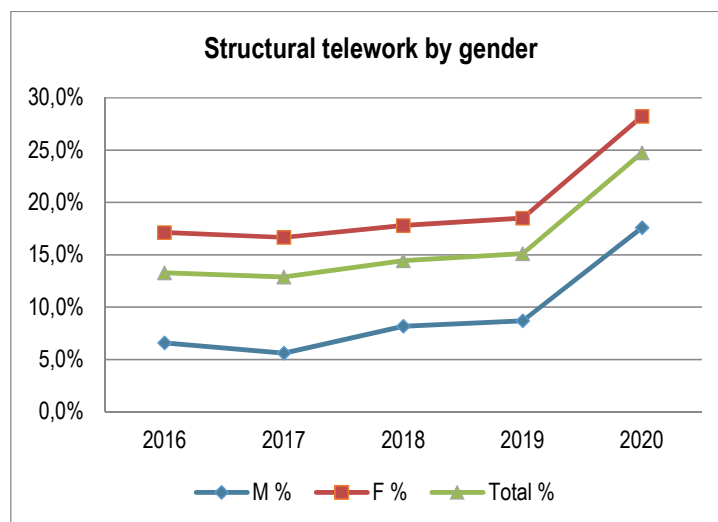
	Male (%)				Female (%)				All (%)			
	AD	AST	CT	M %	AD	AST	CT	F %	AD %	AST %	CT %	Total %
2020	3,0%	2,6%	4,9%	3,0%	5,2%	6,2%	3,1%	5,4%	4,4%	5,1%	3,4%	4,6%
2019	3,5%	4,5%	4,7%	4,4%	4,2%	7,0%	4,0%	5,3%	3,9%	6,2%	4,2%	5,0%
2018	2,9%	6,6%	11,8%	4,3%	4,0%	7,8%	4,9%	5,9%	3,5%	7,5%	4,6%	5,4%
2017	2,3%	4,9%	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 maximum 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 %
2020	43	17,6%	129	28,2%	74	22,9%	87	30,3%	11	12,9%	172	24,5%
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%

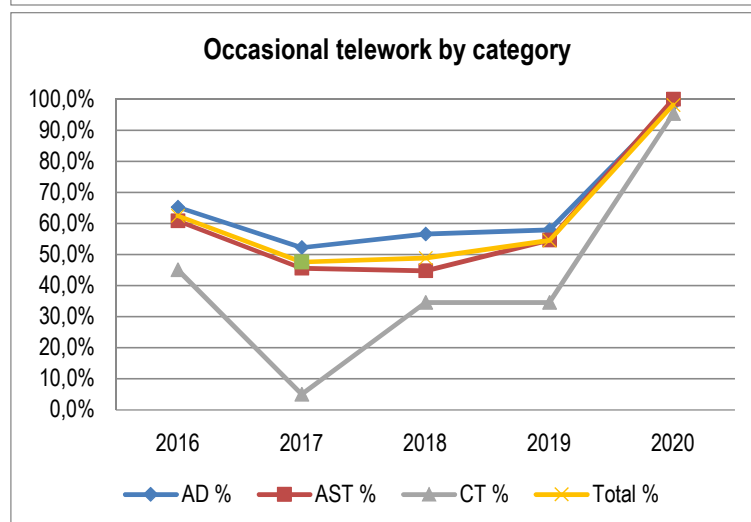
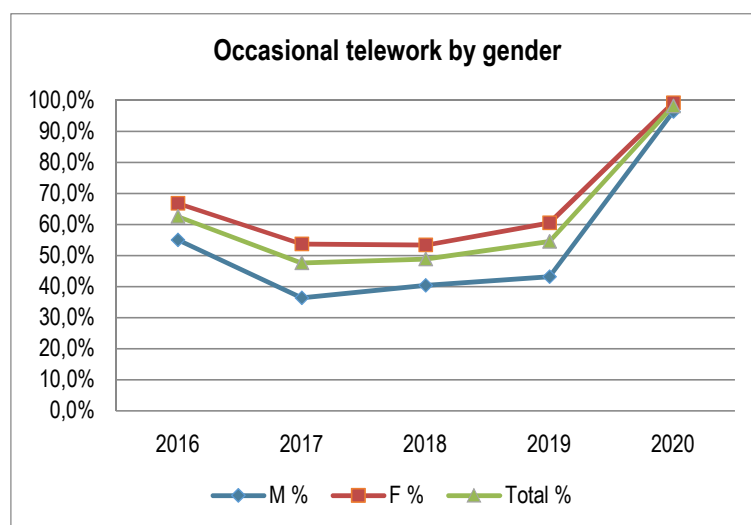


Occasional telework

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 %
2020*	235	96,3%	453	99,1%	318	98,5%	289	100,0%	81	95,3%	688	98,1%
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%

* the increase in 2020 for occasional telework reached nearly 100% being linked to the COVID-19 health crisis, when, during some periods of the year occasional telework became obligatory for all staff.

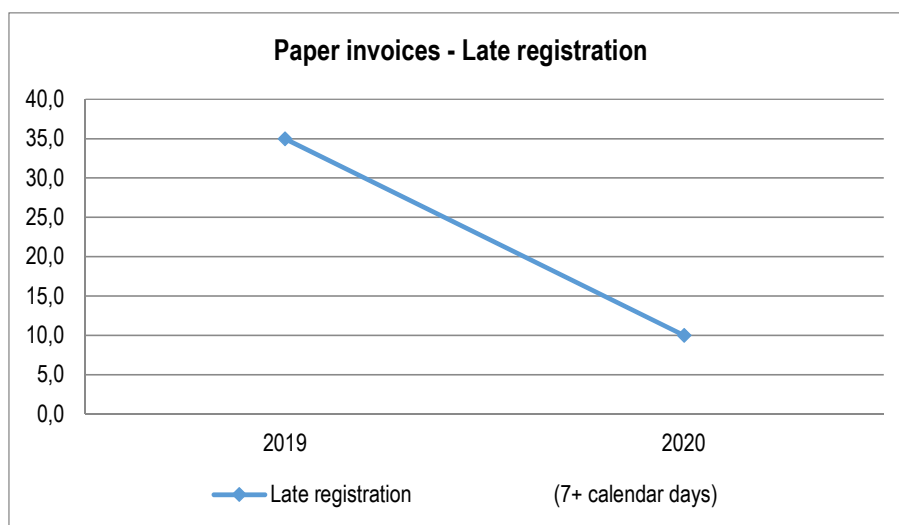
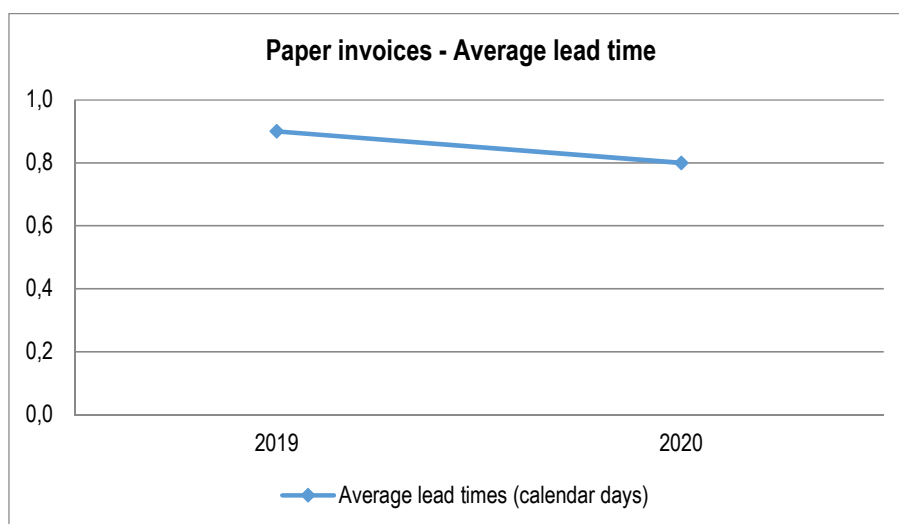


Registration of paper invoices

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.

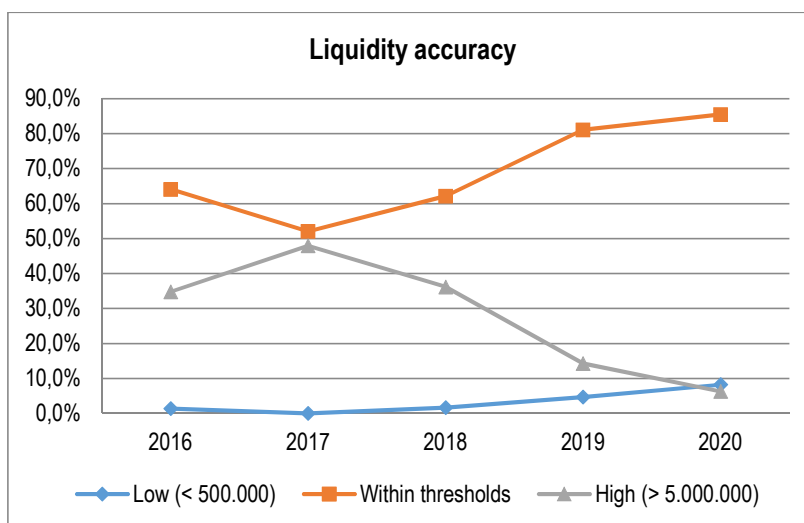
	Average lead times (calendar days)	Late registration (7+ calendar days)	
	Reception to registration Paper invoice	Number late registration	% of total
2020	0,8	10,0	0,5%
2019	0,9	35,0	1,2%



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	%
2020	30	8,2%	313	85,5%	23	6,3%
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%



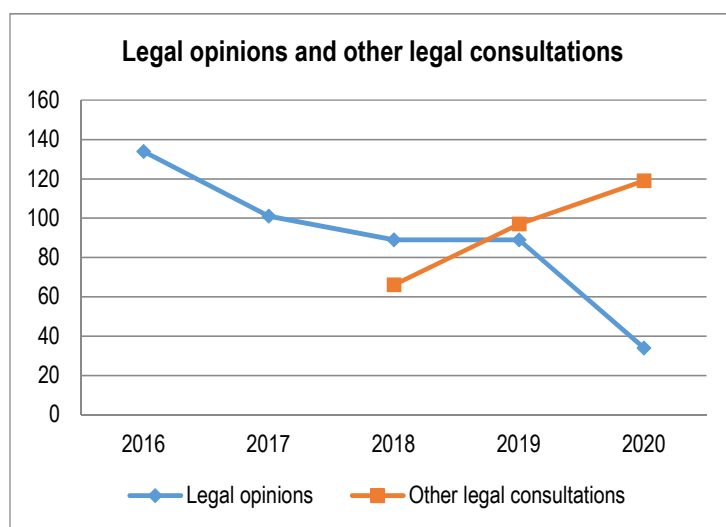
4.7 LEGAL SERVICE

Legal opinions

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

	Legal opinions	Other legal consultations
2020	34	119
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.

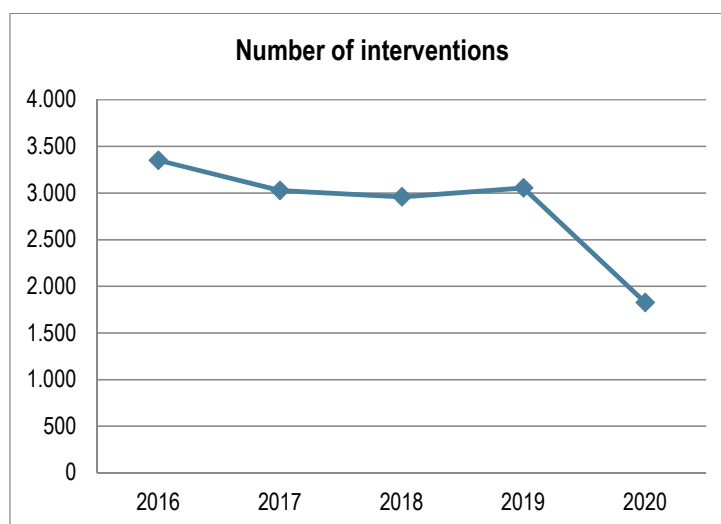


4.8 DIRECTORATE FOR LOGISTICS

Number of building maintenance interventions

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

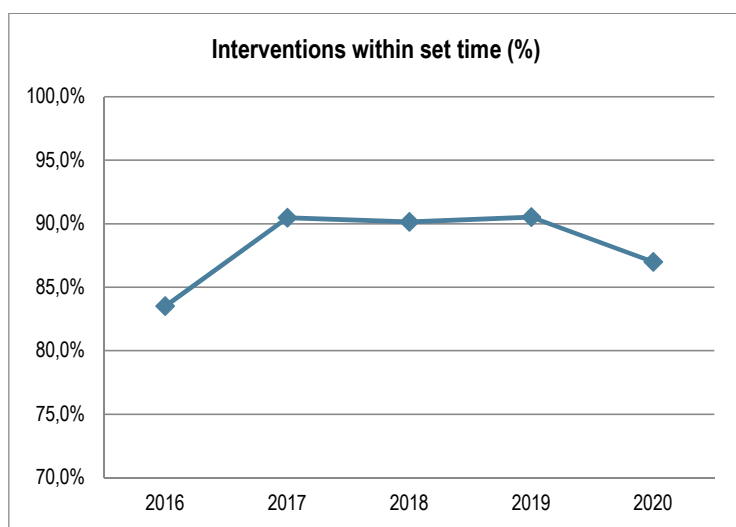
	Number of interventions
2020	1.826
2019	3.055
2018	2.958
2017	3.026
2016	3.351



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).

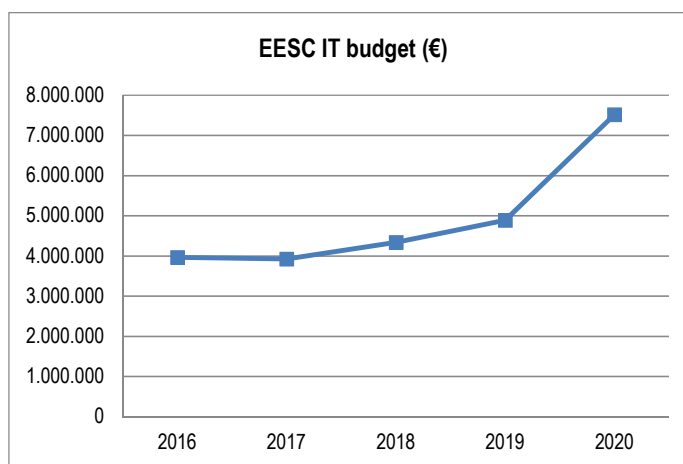
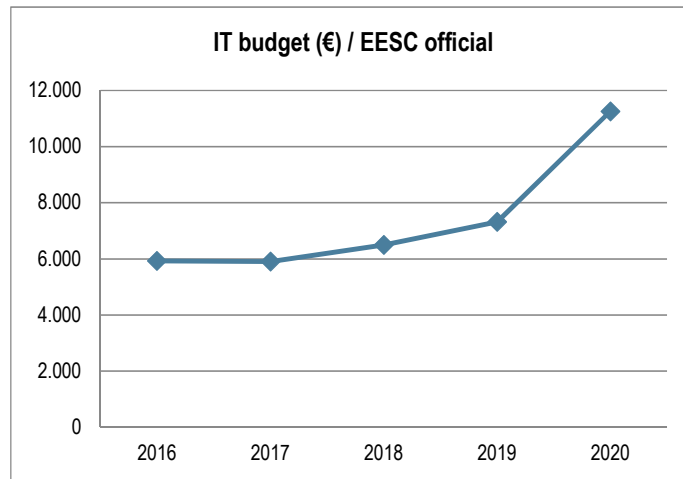
	Interventions within set time (%)
2020	87,0%
2019	90,5%
2018	90,1%
2017	90,5%
2016	83,5%



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.

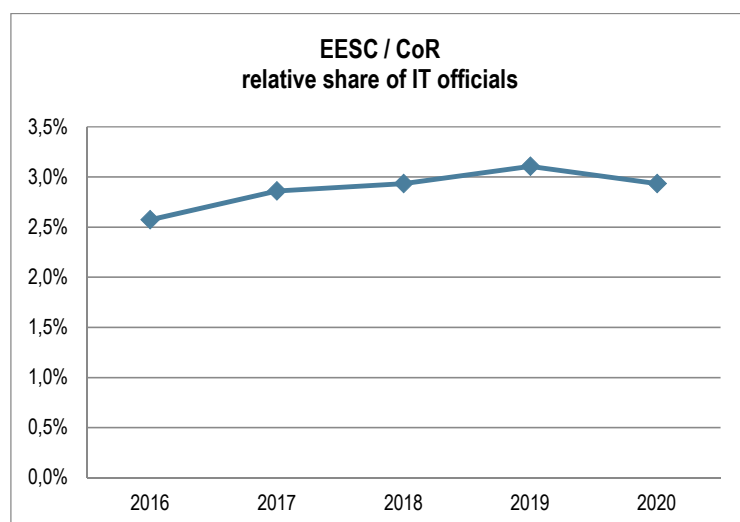
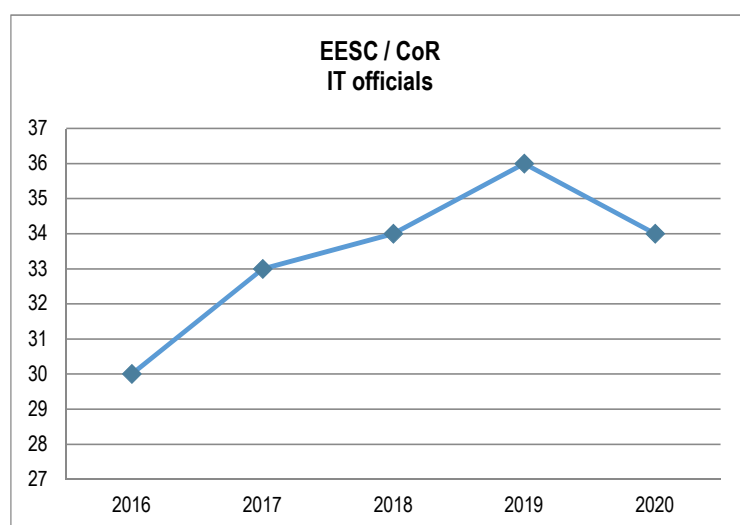
	EESC IT budget (€)	EESC officials	EESC IT budget (€) / EESC official	EESC budget (€)	% IT budget / Total budget
2020	7.519.112	668	11.256	142.539.393	5,3%
2019	4.885.433	668	7.314	138.502.768	3,5%
2018	4.336.300	668	6.491	135.630.905	3,2%
2017	3.925.283	665	5.903	133.807.338	2,9%
2016	3.968.833	670	5.924	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.

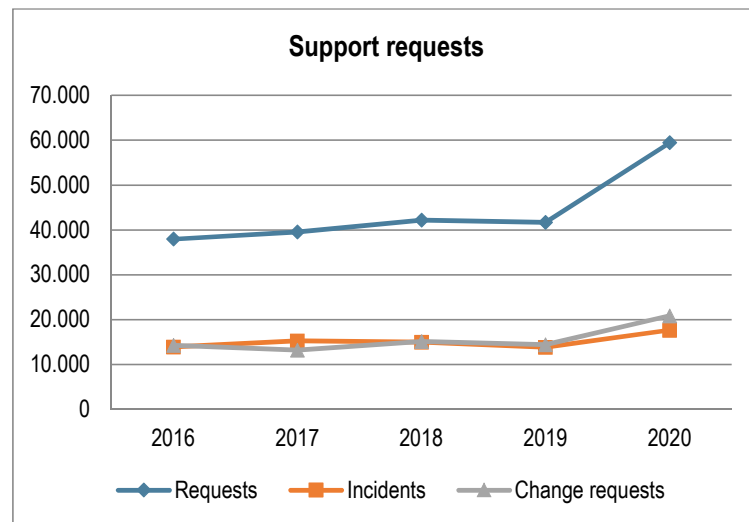
	EESC / CoR IT officials	EESC / CoR officials	EESC / CoR IT officials / officials
2020	34	1.159	2,9%
2019	36	1.159	3,1%
2018	34	1.159	2,9%
2017	33	1.154	2,9%
2016	30	1.166	2,6%



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).

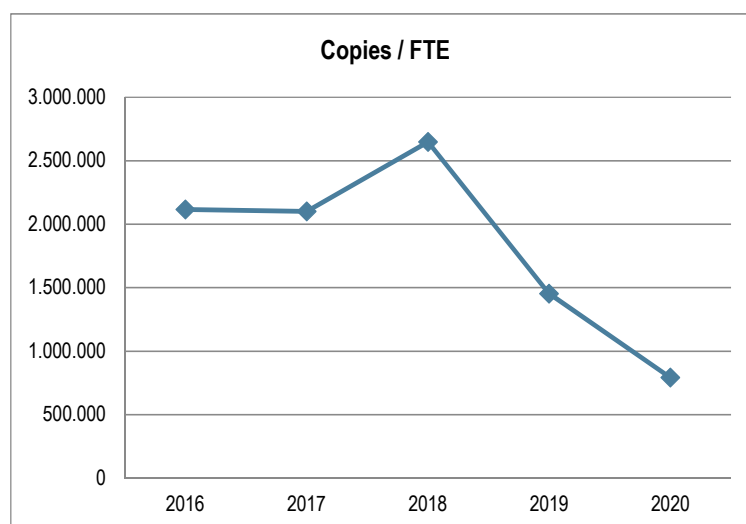
	Requests	Incidents	Change requests	Helpdesk staff (FTE)	Requests / Helpdesk staff
2020	59.434	17.696	20.907	19	3.079
2019	41.689	13.897	14.462	18	2.316
2018	42.159	15.011	15.133	18	2.342
2017	39.565	15.314	13.226	18	2.198
2016	37.951	13.928	14.324	18	2.108



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.

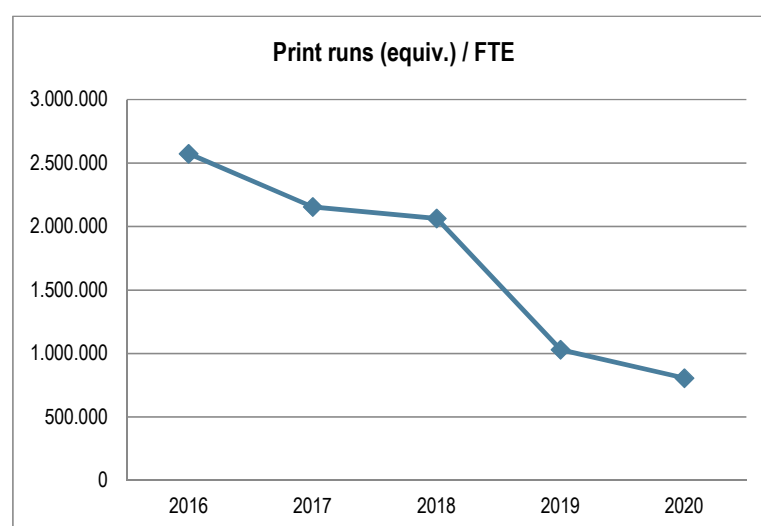
	EESC		CoR		Total	FTE	Copies / FTE
	Copies	%	Copies	%			
2020	1.519.604	83,4%	301.918	16,6%	1.821.522	2,3	791.966
2019	5.735.364	69,6%	2.503.687	30,4%	8.239.051	5,7	1.453.950
2018	7.851.014	57,7%	5.765.597	42,3%	13.616.611	5,2	2.647.523
2017	6.372.525	51,3%	6.060.413	48,7%	12.432.938	5,9	2.101.342
2016	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.

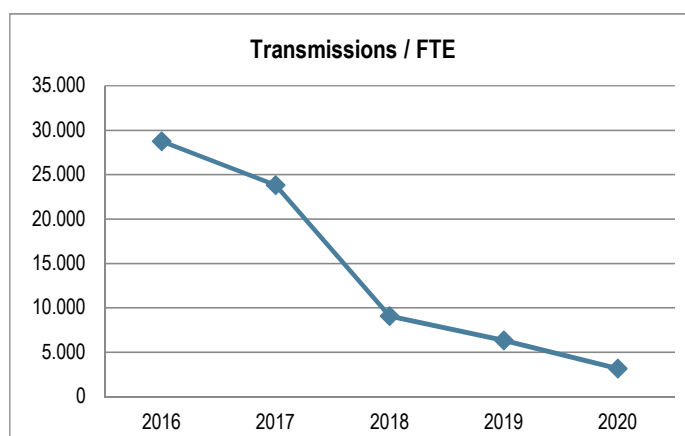
	EESC		CoR		Total	FTE	Print runs (equiv.) / FTE
	Print runs (equiv.)	%	Print runs (equiv.)	%			
2020	724.510	69,1%	323.550	30,9%	1.048.060	1,3	806.200
2019	1.910.115	74,3%	662.050	25,7%	2.572.165	2,5	1.028.866
2018	2.788.510	60,0%	1.856.470	40,0%	4.644.980	2,3	2.062.822
2017	4.191.140	77,8%	1.192.800	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.

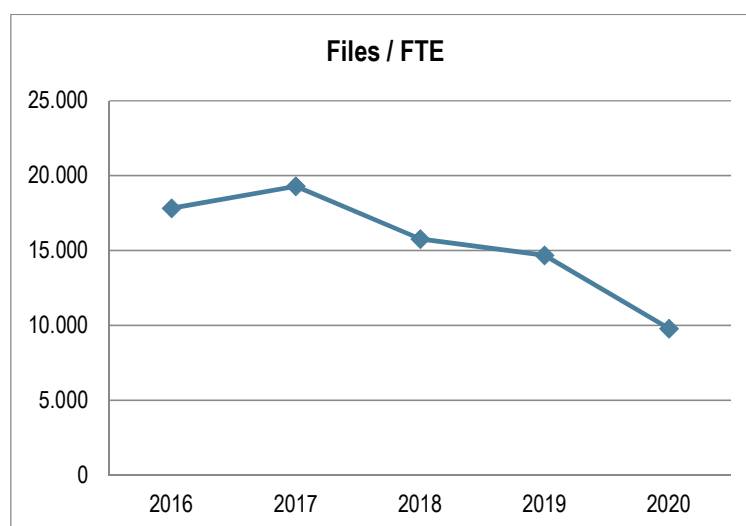
	EESC		CoR		Total	FTE	Transmissions / FTE
	Transmissions	%	Transmissions	%			
2020	1.994	48,5%	2.118	51,5%	4.112	1,3	3.163
2019	4.829	50,7%	4.698	49,3%	9.527	1,5	6.351
2018	7.553	55,5%	6.066	44,5%	13.619	1,5	9.079
2017	27.022	85,1%	4.740	14,9%	31.762	1,3	23.822
2016	33.451	77,6%	9.673	22,4%	43.124	1,5	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	%			
2020	17.293	92,9%	1.327	7,1%	18.620	1,9	9.800
2019	42.035	0,8177	9.370	0,1823	51.405	3,5	14.687
2018	50.335	0,7981	12.731	0,2019	63.066	4,0	15.767
2017	47.475	0,7476	16.032	0,2524	63.507	3,3	19.293
2016	51.479	75,3	16.889	24,7	68.368	3,8	17.835

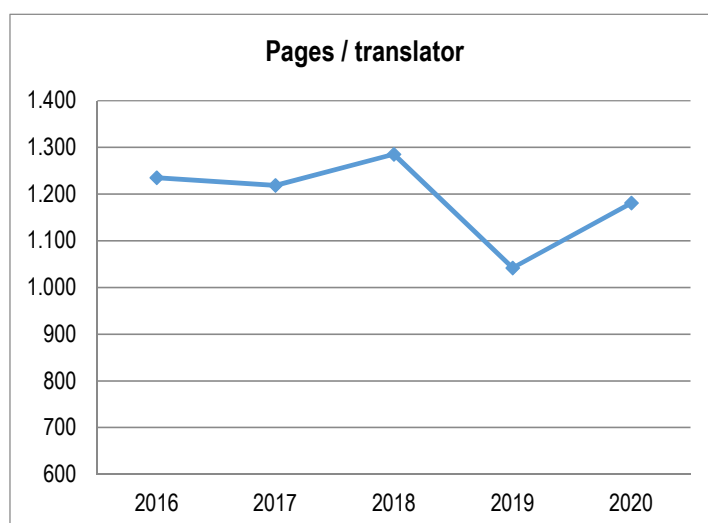
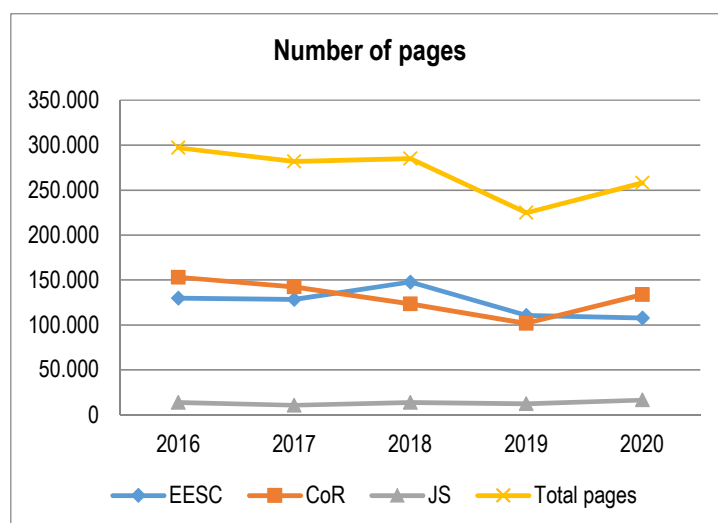


4.9 DIRECTORATE FOR TRANSLATION

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.

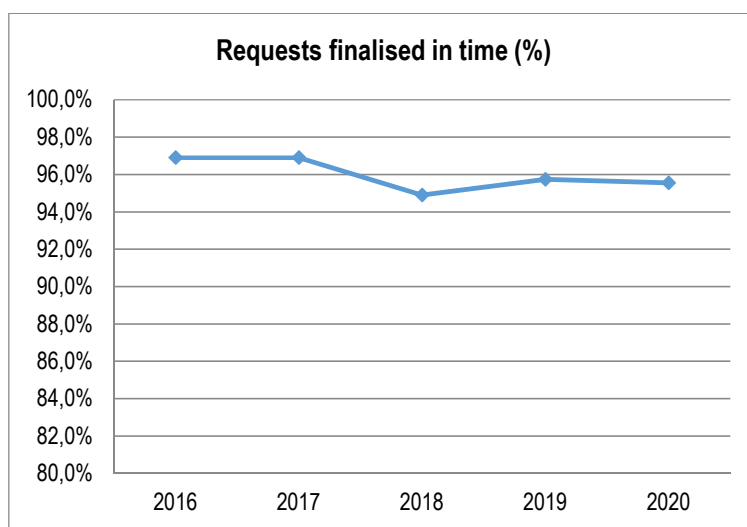
	EESC		CoR		JS		Total pages	FTE	Pages / translator
	Pages	%	Pages	%	Pages	%			
2020	107.712	41,7%	133.954	51,9%	16.516	6,4%	258.181	218,6	1.181
2019	110.658	49,2%	101.767	45,3%	12.442	5,5%	224.868	215,8	1.042
2018	147.810	51,9%	123.481	43,3%	13.765	4,8%	285.056	221,8	1.285
2017	128.569	45,6%	142.445	50,6%	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.

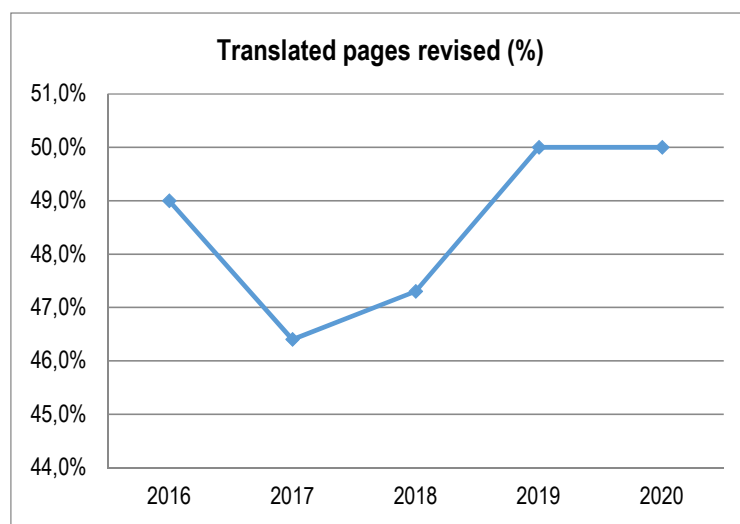
	Requests finalised in time (%)
2020	95,6%
2019	95,8%
2018	94,9%
2017	96,9%
2016	96,9%



Translation revision rate

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

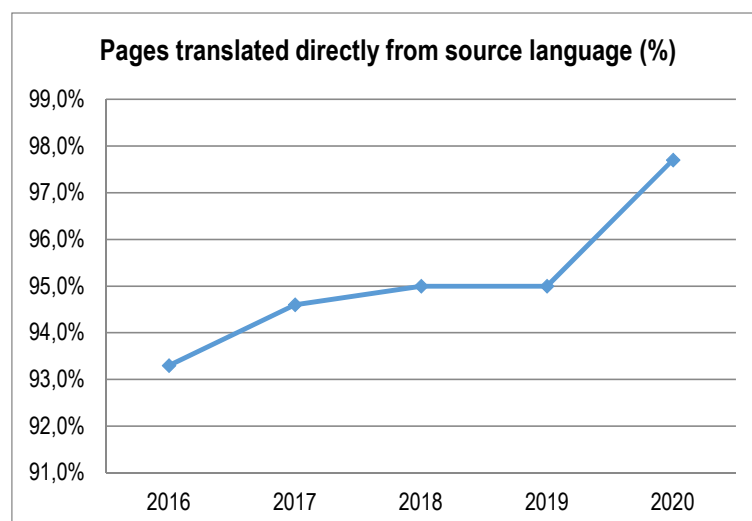
	Translated pages revised (%)
2020	50,0%
2019	50,0%
2018	47,3%
2017	46,4%
2016	49,0%



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.

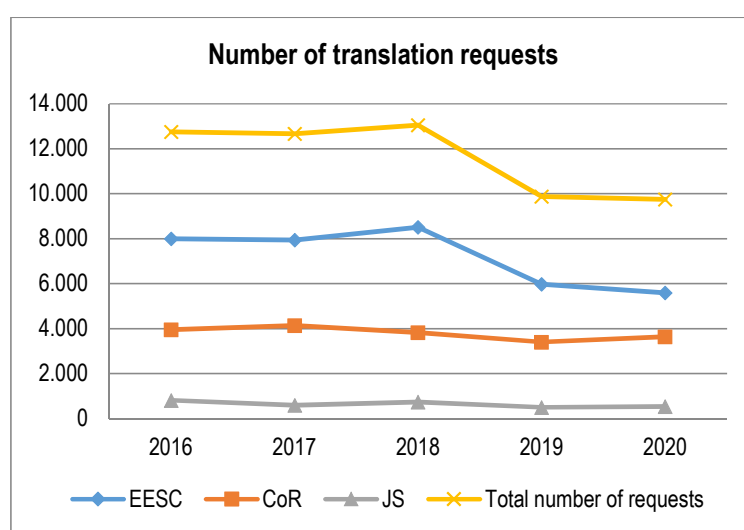
	Pages translated directly from source language (%)
2020	97,7%
2019	95,0%
2018	95,0%
2017	94,6%
2016	93,3%



Number of translation requests

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

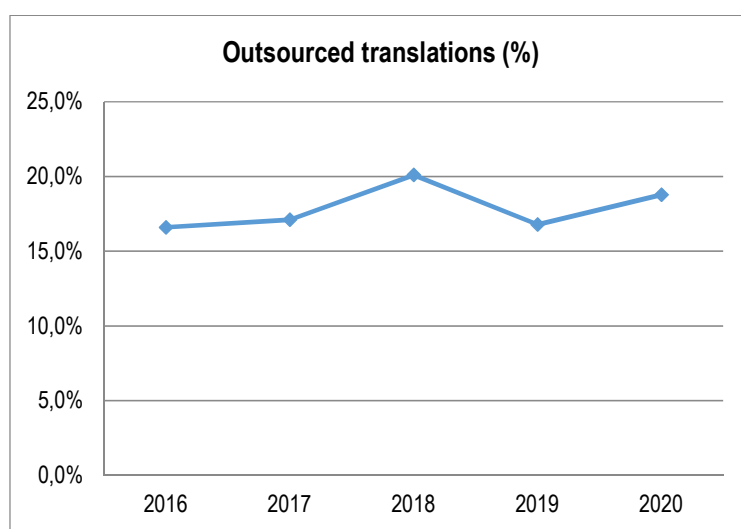
	EESC		CoR		JS		Total number of requests
	Requests	%	Requests	%	Requests	%	
2020	5.584	57,3%	3.641	37,3%	525	5,4%	9.750
2019	5.975	60,5%	3.401	34,5%	494	5,0%	9.870
2018	8.505	65,2%	3.819	29,3%	730	5,6%	13.054
2017	7.932	62,6%	4.138	32,7%	593	4,7%	12.663
2016	7.989	62,7%	3.951	31,0%	809	6,3%	12.749



External translation rate

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

	Outsourced translations (%)
2020	18,8%
2019	16,8%
2018	20,1%
2017	17,1%
2016	16,6%



5. RESULTS OF EX POST CONTROLS 2020

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

The notion of controls refers to activities which are directly or indirectly related with the verification of the compliance of transactions with the financial regulation and the EESC internal financial rules.

2020 was marked, on one hand, by the COVID-19 health crisis which determined extensive teleworking, modification of working methods, processes and procedures (switching from physical files to mainly electronic files) and adaptation of IT tools, and on the other hand by absences and turnover of staff dedicated to ex-ante and ex-post verification.

5,2 Full Time Equivalents were available to deal with ex-ante controls on a EUR 145 Million budget (i.e. the cost of ex-ante controls represented 0,55 % of the total 2020 budget).

As of March 2020, ex-ante controls were carried out mainly on electronic files.

For efficiency reasons, some low-value transactions were subject to ex-ante verification by authorising officers ("light verification"), and ex-post controls will be then carried out on a subset of operations in 2021.

5.2 RESULTS OF EX POST VERIFICATION

Due to reduced staff, lack of appropriate IT resources and the COVID-19 lockdown, (unavailability of physical files), verification was not able to carry out the ex post checks on 2020 transactions.

Having in view the COVID-19 pandemic and staff related issues, on the basis of an on-going risk assessment, ex-post checks of randomly selected 2020 files will be carried out before the end of 2021.

6. REPORT ON BUILDING CONTRACTS 2020 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 2020

No building contracts were awarded in 2020. No new building projects were presented to the European Parliament and the Council in 2020.

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. 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.

On 28 August 2019, a new Administrative Agreement was signed by the Director of the OIB and the secretaries-general of both Committees on the exchange of the Committees' B68 (rue Belliard 68) and TRE74 (rue de Trèves 74) buildings for the Commission's VMA building. The exchange will become effective on 16 September 2022, the date on which the value of both sets of buildings will be identical⁵.

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 Committees⁶, 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, taking over its rental contract will also have the advantage for the Committees of having a fully interconnected single group of buildings.

⁵ 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.

⁶ 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.

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 initial aim of being concluded before summer 2020. Nevertheless, the COVID-19 crisis caused a major delay in the works of another building that the EEAS intended to occupy at the beginning of 2021 and as a consequence the services currently housed in the B100 building can only move out later in 2021. In its letter dated 12 November 2020, the EEAS informed the Committees that the takeover of the rental contract of the B100 building could only take effect on 1 September 2021.

The draft Administrative Agreement with the EEAS for the takeover of the lease of the Belliard 100 building was approved by the Bureau of the European Economic and Social Committee on 15 September 2020 and by the Bureau of the Committee of the Regions on 9 October 2020.

On 18 March 2021, the Committees referred the matter to the budgetary authority in order to seek its opinion on the financial aspects of this takeover in application of Article 266 of the Financial Regulation (references CESE (2021) D/505 Official registration n° (2021) D/199 and CoR (2021) D/430 Official registration n° (2021) D/352).

Following the exchange of buildings with the Commission, savings compared to 2019 will begin to appear from the beginning of 2023, due to the lower cost of renting the entire VMA compared to the three buildings currently being paid for (B68, T74 and partially the VMA): 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 Committees⁷ compared to 2020.

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 as these two buildings are also quite old.

⁷ The rent is around EUR 1 500 000 for a full year.

The estimated budget for the refurbishment works of the VMA is EUR 6 to 9 million⁸. The main part of this budget for the renovation works of the VMA (around EUR 6 million) is already available in the initial 2021 budget approved by the budgetary authority as a "one off" request for this year. This will allow these works to start in September 2021 and be finished by September 2022. This will enable the VMA to be refurbished and operational again before its exchange with B68/TRE74 in September 2022.

In application of Article 266(2) of the Financial Regulation, the European Economic and Social Committee and the European Committee of the Regions hereby confirm and extend their early warning to the budgetary authority, which has already been notified through a letter dated 24 May 2019 sent to Mr Arthuis⁹ and through the Buildings Report sent on 29 May 2020, of the need to undertake renovation works on the VMA building between September 2021 and September 2022 for an amount estimated at EUR 6 million. If further unique opportunities for modernising workspaces are also undertaken, the amount could go up to EUR 9 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 was launched in spring 2021.

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

⁸ 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 for which funds were also provided in the 2021 initial budget.

⁹ CESE (2019) D/1831 Official registration No (2019) D/313 - see page 5 of the report submitted in application of Article 266(1) FR attached to that letter: "In conclusion, the budgetary authority is informed about: (...) - an early warning (art. 266 FR) concerning the launch of a call for tender for the renovation works at the VMA building, to be undertaken between 2020 and 2022, for an estimated amount of EUR 6 Mio.;"

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 building¹⁰;
- the intention of the European Economic and Social Committee and the European Committee of the Regions to sign, before summer 2021, an Administrative Agreement with the European External Action Service for the takeover of the rental contract of the B100 building as from 1 September 2021, in line with the referral to the budgetary authority on 18 March 2021;
- the confirmation of the launch of a call for tenders in spring 2021 for the renovation works for the VMA building, to be undertaken between September 2021 and September 2022, for an estimated amount of EUR 6 to 9 million, following and extending the early warning pursuant to Article 266(2) FR, of which Mr Arthuis was notified in the letter dated 24 May 2019;
- the state of play related to the exercising of the options to purchase the buildings occupied by the Committees, for which there were no changes in 2020.

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 in 2020. On 18 March 2021, the European Economic and Social Committee and the Committee of the Regions addressed a request to the budgetary authority in application of Article 266(3) of the Financial Regulation

¹⁰ Both sets of buildings will have the same value on 16 September 2022, the date when the exchange will take effect.

in order to seek its approval on the financial aspects of the takeover from the EEAS of the Belliard 100 building rental contract, (references CESE (2021) D/505 Official registration n° (2021) D/199 and CoR (2021) D/430 Official registration n° (2021) D/352). See Part 2 of this report for more information.

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

Item	Building	Area above ground (m²)	Type of contract	Lease payment 2022 (EUR)	
2001 (Annual lease payments)	Office space	JDE	22 026	Option exercised in	6 998 917
		BVS	18 280	Option exercised in	5 886 986
		REM	2 324	December 2019	199 141
		B-68 ¹¹	7 283 => 5 159	Emphyteusis with option to buy	1 674 028
		TRE ¹¹	5 387 => 3 816		1 086 328
		VM-2 ¹¹	11 785 => 3 437		1 221 058
	Non-office space	JDE	14 353	Option exercised in November 2018	4 560 767
		BVS	2 285	Option exercised in December 2019	735 873
		REM	0		0
		B-68 ¹¹	22 => 16	Emphyteusis with option to buy	5 057
		TRE ¹¹	692 => 490		139 547
		VM-2 ¹¹	4 520 => 1 318		468 339
	Total item		73 504		22 976 042
	Office space	VM-2 ¹¹	8 244 => 5 839	Rent	1 827 678
		B100	3 698		1 121 770
	Non-office space	VM-2 ¹¹	3 162 => 2 240		701 009
		B100	1 827		554 212
	Total item		13 604		
	GRAND TOTALS		87 108		27 180 711

Share of office space in total space (%)	74.1%
Share of non-office space in total space (%)	25.9%
Workplaces to be accommodated	1 549
Office space / workplaces (m²)	41.7

¹¹ The surfaces and the amounts are adapted pro rata temporis (for 8.5 or 3.5 months respectively) in order to obtain correct results. The VM-2 appears twice. Part of the building (57.85%) is rented from the Commission until 15/9/2022. After this date, the entire building (100%) will be leased (long-term leasehold contracts) by the Committees. This explains the difference in the surfaces of the building.

7. INSTRUCTIONS GIVEN REGARDING DECISIONS WHICH ARE IRREGULAR OR CONTRARY TO THE PRINCIPLES OF SOUND FINANCIAL MANAGEMENT DURING 2020

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 2020

The delegating authority has not issued any such instructions in 2020.

8. WAIVING OF RECOVERY OF AMOUNTS RECEIVABLE INVOLVING EUR 60 000 OR MORE IN 2020

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 2020

The European Economic and Social Committee made no waivers of recovery of amounts receivable involving EUR 60 000 or more in 2020. The total amount of recovery actually waived in 2020 was EUR 1 255,84.

9. REPORT ON CONTRACTS AND NEGOTIATED PROCEDURES 2020

Article 74 of the Financial Regulation 2018/1046

Powers and duties of the authorising officer

10. *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.*

ANNEX I of the Financial Regulation 2018/1046

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**
- 3.3. *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.*

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 2020, the EESC organised two negotiated procedures 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 FR 2018
HUDSON	Assessment centre (VDE 59/20) CESE/PER/REC/01/2020	3 675.00	Services	Point 11.1 (c) reasons of extreme urgency
PHARMACIE DU BON AIR	Tissue protection masks COVID 19	26 100,00	Supplies	Point 11.1 (c) reasons of extreme urgency

9.2 EX-POST PUBLICITY OF SIGNED CONTRACTS IN 2020, 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, lists of contracts awarded/signed the previous financial year:

- A list of middle and low value contracts awarded with a value higher than the EUR 15 000.00 and below the EUR 139 000.00 thresholds for services and supplies (thresholds referred to in **Article 175(1) FR**).
- A list of specific contracts, aggregated per contractor, signed in respect of Framework Contracts.
- A list of contracts awarded in accordance with point (h) and points (j) to (m) of the second subparagraph of point 11.1 (negotiated procedure without prior publication of a contract notice).

EESC Website: <https://www.eesc.europa.eu/en/work-with-us/publicprocurement/awarded-contracts>

10. AVERAGE PAYMENT TIMES – PAYMENT DELAY SUSPENSION

Article 116 of the Financial Regulation 2018/1046**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 2020

Payment times¹²

	All payments 2020			Payments within time limit 2020			Late payments 2020		
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	6.273	100,00	28,39	4.819	76,82	13,08	1.454	23,18	79,16
60	19	100,00	42,89	15	78,95	28,67	4	21,05	96,25
30-60	6.292	100,00	28,44	4.834	76,83	13,13	1.458	23,17	79,20

Suspensions

Average payment suspension (days)	Number of suspended payments	% of total number	Total number of payments
69	247	3.93	6.292

Late Interest paid in 2020

Description	Amount (EUR)
Interest on late payment of charges New FR	0.00

¹² The average payment times did not improve in 2020 due to the effects of the Covid-19 pandemic; supporting documents were mainly on paper format and difficult to access during compulsory telework. Corrective actions were taken by the end of 2020 setting new organizational arrangements for full paperless workflows.

11. FOLLOW-UP TO OBSERVATIONS IN THE PARLIAMENT'S 2018 AND 2019 FINAL DISCHARGE RESOLUTIONS

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 20 OCTOBER 2020 WITH OBSERVATIONS FORMING AN INTEGRAL PART OF THE DECISION ON 2018 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 [...],

1. *Welcomes the improvements made to the carry-over situation related to the budget line 'Members of the institution and delegates' by setting a deadline of six weeks for submitting the reimbursement claims; appreciates that since 1 January 2019 a reduction of carry-overs has been achieved;*

No follow-up required.

2. *Notes that due to a higher number of opinions and reports issued, which requested more members' involvement in the preparation, higher costs for travelling and other reimbursements occurred;*

No follow-up required.

3. *Appreciates that the Committee plans to increase significantly its budget for IT in order to catch up, close the gap vis-a-vis the other Union bodies and further implement the Digital Strategy for the Committee adopted in June 2019; takes note of the efforts necessary to reinforce network capacities and end user equipment in order to allow 100 % of the staff*

to telework;

No follow-up required.

4. *Notes that the Committee's new structure, in place since 1 January 2020, attached the legal service directly to the secretary-general with the declared objectives of increasing the visibility and impact of the legal service and enabling it to provide legal support on a horizontal basis; takes note of the justification provided by the Committee but is concerned that the autonomy and full independence of the legal service might be affected; calls on the Committee to ensure that the legal service is officially and systematically involved in the most important matters of the Committee without leaving the decision on whether to consult it up to the different services; welcomes that the legal capacity was reinforced in the members' working conditions unit to allow for the treatment of specific issues in relation to the statute of members; notes the reflections on exempting specialised staff, including staff belonging to the legal service, from the Committee's mobility policy and calls on the Committee to report on the conclusions of this process to the discharge authority;*

In March 2021, the EESC adopted a new decision on the procedure for consulting the Legal Service, which was properly publicised and disseminated across all services. The aim of this new decision was to clearly set out the role and remit of the Legal Service, while specifying which bodies can request legal opinions and the formal requirements for submitting such requests. Thanks to the reform of the organisation chart, adopted in 2019, the Legal Service now has a more centralised role and can assist all services at a horizontal level.

Article 2 of EESC Decision No 130/15 A of 21 September 2015 establishing a mobility scheme within the EESC General Secretariat states that, "the mobility scheme shall not apply to the following specialised posts: translators (including heads of language units), IT specialists and engineers; or to any other highly specialised post which may be defined by the Appointing Authority after consulting the Joint Mobility Committee". The register of specialised posts was completed in July 2020. As no such list had existed before, each directorate was asked to propose posts to be recognised as "specialised" according to the above-mentioned definition. The Joint Mobility Committee (composed of representatives from the administration and the staff) analysed these proposals and sent an opinion to the Appointing Authority, which took a final decision as to whether a post should be qualified as specialised or general. Following this decision, the final list of all exempt specialised posts was communicated to all EESC staff on 8 July 2020. The list includes both the head and the members of the EESC Legal Service, who are therefore exempt from the mobility scheme.

5. *Confirms that the Committee received an asbestos-safe certificate for the VMA building without risk for normal use of the building; notes, however, that a limited amount of asbestos was present which was confirmed by further analysis; recognises that few materials containing asbestos fibres are located outside the office area of the VMA building and that it is planned to remove all those materials during the execution period of the renovation works;*

No follow-up required.

6. *Supports the request of the Committee to strengthen all efforts in respecting the content of the cooperation agreement between Parliament and the Committee; recalls, however, that under the 2014 agreement the Committee transferred a total of 36 translators to Parliament and only obtained the access to the European Parliamentary Research Service in exchange; notes that consequently the Committee had to hire contract staff and outsource its translation service; notes with concern that, to compensate the reduction of the translation staff, the Parliament has provided additional funds to the Committee for the outsourcing of the translation and that the Committee can reallocate these funds to other policy areas if they are not fully used for outsourced translation, which has happened in the previous years; is of the opinion that this stipulation is not in line with the principles of prudent and sound financial management and should be reviewed in the future;*

The reallocation of unused additional funds is a key element of the cooperation agreement concluded between the Committees and the European Parliament (EP) in 2014. The Committees need to have the security of relying on this agreement, which indeed involved a significant number of internal staff resources being transferred to the European Parliament. The aim of this transfer was to allow more flexibility, to the advantage of all three institutions involved. As this reallocation of funds implies a transfer outside articles, the Budgetary Authority has to be consulted separately for each reallocation, which constitutes an additional safeguard measure to ensure the proper use of funds.

State of play

7. *Recalls that in its report of January 2020, OLAF concludes that the then president of Group I of the Committee was responsible for acts of harassment towards two members of staff, of inappropriate behaviour (serious misconduct) towards a Committee member and a staff member, and of misconduct towards other staff members working in the Group I Secretariat;*

No follow-up required.

8. *Recalls that OLAF concludes that the then president of Group I committed breaches of the obligations deriving from the Committee's rules of procedure and its code of conduct; recalls that OLAF recommends that the Committee initiates the appropriate procedures with respect to the member concerned, as provided for in rule 8, part four, of the Committee's rules of procedure, and takes all necessary steps to prevent any further cases of harassment by the member concerned at the workplace;*

The recommendation sent by OLAF to the EESC on 16 January 2020 is considered to have been implemented and is indicated as closed in OLAF's content management system. OLAF's recommendation as regards the prevention of further harassment of the identified victims has also been implemented by the EESC.

Please also see the follow-up action outlined in the reply to observation 12.

9. *Deplores that several members of staff have suffered acts of psychological harassment by the then president of Group I for an unjustifiably long period of time; regrets that the anti-harassment measures in place in the Committee failed to tackle and to remedy this case sooner because of the senior position of the member concerned; regrets that the measures taken to protect the victims until the end of the investigation by OLAF were arguably improvised and insufficient, especially in light of the judgement in Case F- 50/1513, FS v European Economic and Social Committee (EESC), which should have served as a lesson for the Committee; notes with concern that shortcomings in the internal proceedings resulted in the inaction by the Committee's administration which translated into a breach of the duty of care and of the obligation to report to OLAF; calls on the Committee to take notice of this in the framework of the undertaken revision of the relevant decisions;*

The EESC confirms that the observations made by the European Parliament were integrated into the ongoing revision of the relevant decisions.

The EESC decision on the prevention of harassment dates from 2014 and the decision on whistleblowing dates from 2016. The internal mechanisms established by those decisions were effectively activated as soon as the first whistleblowing complaints were submitted in July 2018. The former secretary-general ad interim and the former director of human resources and finance were in continuous contact with the whistleblowers in order to respond to their individual needs (support measures, temporary mobility, etc.). Following the adoption of intermediary measures (a Quaestors fact-finding mission, sending a warning letter to the former president of Group I and collective coaching sessions for the Group I secretariat), internal administrative inquiries were launched in January 2019. These inquiries were later suspended in order to avoid impeding OLAF's parallel investigation, as established in the EESC-OLAF agreement.

Irrespective of the above action undertaken by the administration, in full compliance with the applicable legal framework, the revision and further strengthening of both the decision on the prevention of harassment and the decision on whistleblowing has been identified as a clear target in the Action Plan on the Ethical Framework adopted in January 2021. The revision is currently ongoing and is expected to be completed in 2021.

The EESC also stresses the fact that the Tribunal judgment in Case F-50/15 did not find any grounds for the alleged harassment and sexual discrimination against the plaintiff¹⁴.

10. *Notes that the Committee's president received the OLAF report and recommendations on 17 January 2020; notes that the case was referred to the Committee's advisory committee on the conduct of members on 23 January 2020; further notes that the advisory committee*

¹³ Judgment of the Civil Service Tribunal (Third Chamber) of 12 May 2016, FS v European Economic and Social Committee (EESC), F-50/15, ECLI:EU:F:2016:119.

¹⁴ Paragraphs 109 and 110 of the judgement further elaborate on the fact that the applicant had in no way provided proof that she was subject to psychological harassment. Paragraphs 132 to 134 of the judgement further elaborate on the fact that the applicant could not reasonably consider that she had been discriminated against on the basis of her sex or her state of pregnancy.

presented its conclusions on 28 April 2020, that the member concerned was invited to present his observations and that the Committee's president invited the Committee's enlarged presidency to comment;

No follow-up required.

- 11. *Notes that the Committee's bureau by majority took the decisions to ask the member concerned to resign from his duties as president of Group I and to withdraw his application for the position of president of the Committee; notes that the bureau discharged the member concerned from all activities involving the management or administration of staff; notes that the bureau tasked the secretary-general with taking the necessary steps to ensure that, should proceedings be initiated by the public prosecutor against the member concerned, the Committee shall join those proceedings as a civil party; notes that the bureau tasked the secretary-general with communicating this decision to OLAF and Parliament; notes that this decision may, as appropriate, also be communicated to other institutions or bodies of the Member States;***

The decision in question was sent for information to the Chair of the European Parliament CONT Committee and to the secretaries-general of the Commission and of the Council on 17 June 2020. The decision was also sent to the Director-General of OLAF, the president of the European Parliament and to the European Ombudsman on 22 June 2020. On 22 July 2020, the Committee communicated both the Bureau decision of 9 June 2020 and the Assembly decision of 15 July 2020 waiving the immunity of the member concerned to the Brussels Labour Auditor. By letter of 9 October 2020, the Labour Auditor confirmed the intention to launch criminal law proceedings against the member in question and requested that the Committee waive the duty of discretion that staff members are bound by, pursuant to the EU Staff Regulations, so that they may testify in Court. The Committee has waived this obligation for all staff members identified by the Labour Auditor. Any other staff members may submit a waiver request at any time, provided that they have been invited to testify. The Legal Service has also been instructed to take all appropriate measures to allow the Committee to join the proceedings as a civil party. To this date, no further information has been received by the EESC on the timeline of these proceedings.

- 12. *Notes with concern that the decision of the Committee's bureau regarding the then president of Group I could not be fully enforced via the Committee's internal proceedings; notes that the member concerned decided to withdraw his candidacy for the position of the president of the Committee almost four months after the bureau's decision and then only on his own initiative; notes with concern that despite OLAF's findings and the bureau's decision the member concerned is able to impose his will and remain the president of Group I until the end of his term; calls on the Committee to carry on the revision of the Committee's rules of procedure and code of conduct to avoid such situation in the future;***

The EESC stresses that the executive aspects of the Bureau decision of 9 June 2020 were effectively enforced (removal of management rights, the EESC joining the criminal law proceedings as a civil party). Extended contact was made and written communication took place with Group I in order to prevent any risk of the wrongdoings reoccurring. The

reappointment, by the Council, of the member concerned following the EESC renewal still allows full compliance with the Bureau decision, especially given that the member in question is no longer president of Group I and no longer holds any managerial functions.

The sanctions provided by the Code of Conduct could not be applied retroactively, as the facts of the case occurred before its entry into force. Additionally, the Bureau had no competence to force a member to resign (since the Council appoints EESC members pursuant to Article 301 of TFEU).

The process of revising the Code of Conduct began in June 2020. However, work had to be temporarily interrupted because of the Committee renewal. The work resumed in October 2020 with a view to adopting a revised code by January 2021.

More specifically, the Bureau reviewed and enlarged the Advisory Committee on the Conduct of Member's mandate. This revision process was carried out with the assistance of the Legal Service. The Bureau decided that the new proposals should include, inter alia, stronger sanctions, support mechanisms for victims, a stipulation that the Council, the Commission and OLAF be automatically informed of any proceedings pertaining to a breach of the Code of Conduct, and the possibility of having confidential and independent counsellors for members in the form of external experts.

At its plenary session of 28 January 2021, the EESC adopted a revised and more comprehensive Code of Conduct and it has modified the EESC Rules of Procedure accordingly. Drawing inspiration from the best practices of other institutions – in particular the EP and the CoR–, the new Code notably includes references to the prevention of harassment, the prohibition of the unauthorised disclosure of sensitive information and the declaration of financial interests, as well as more detailed provisions pertaining to conflicts of interest, integrity and financial transparency. Learning from recent experiences, the new Code for the members has reinforced the EESC's internal framework and introduced stringent procedures and sanctions that enable the Committee to tackle issues related to fraud and misconduct, such as harassment, more effectively. Disciplinary measures vary depending on the nature of the violation. The new Code highlights the core values and ethics of the institution more effectively through enforceable rules and establishes an "Ethical Committee", which is now entrusted with the responsibility of dealing with complaints from members and staff. It also has explicit investigative powers that enable it to carry out its mission and may seek advice from external experts.

- 13. Notes that OLAF submitted the case to the Belgian authorities and that the Belgian prosecutor is launching legal proceedings against the member concerned as psychological harassment can be prosecuted under Belgian law; notes that the plenary of the Committee decided to waive the immunity of the concerned member in its meeting of July 2020 in order to allow the Belgian prosecutor to continue the legal proceedings;***

In light of the legal proceedings and at the request of the competent Belgian authorities, the EESC administration also waived the victims' obligation of non-disclosure vis-à-vis any information of which they have knowledge by reason of their duties.

- 14. Points out that the Committee's wrongdoings in this case have resulted in a material loss of public funds with respect to legal services, sick leave, victim protection, reduced productivity, meetings of the bureau and other bodies, etc.; considers it thus a case of concern regarding accountability, budgetary control and good governance of human resources in the Union institutions, bodies, offices and agencies; in that sense recalls that the Court of Auditors states in its Special Report 13/2019, *The ethical frameworks of the audited EU institutions: scope for improvement*, that ethical conduct in public affairs contributes to sounder financial management and increased public trust, and that any unethical behaviour by staff and members of the Union institutions and bodies attracts high levels of public interest and reduces trust in Union institutions;**

Quantifying the exact financial impact of the harassment case in detail would be challenging as most of the costs are "indirect".

The EESC confirms that the overall review of its ethical framework initiated in 2020, in order to fully draw lessons from the case at corporate level, aims to strengthen and improve all procedures in place and thereby also reduce the risks of the financial consequences of harassment cases, in full compliance with the findings and recommendations of the Court of Auditors in the above-mentioned Special Report.

- 15. Is astonished that the Committee's website features a statement by the member concerned in his capacity as president of Group I that is in reality a personal self-defence testimony and with the aggravating factor that cases are either already pending or expected before the Union judicial authorities and the Belgian authorities; deeply regrets that the disagreement between the presidency of the Committee and the presidency of Group I has been made public in this fashion at a great cost for the reputation and credibility of the Union institutions, bodies, offices and agencies;**

The webpages dedicated to each of the three Groups are dealt with by the Groups themselves and are under their primary responsibility, given that they are free to express their respective views as political bodies forming part of the EESC. The EESC confirms that the statement in question has been removed from the internet website; however, it may still be visible by using the cache function of online search engines. Appropriate action has been taken and requests have been submitted in order to permanently delete the page in question.

- 16. Welcomes that the Committee initiated an in-depth assessment and reflection with respect to the overall existing framework supporting its zero-tolerance policy towards any behaviour which is likely to undermine human dignity; notes that this process aims to identify potential gaps and searches for further improvements in the interest of its staff and members;**

The EESC Ethics and Integrity Framework is a work in progress, under the remit of the Directorate for Human Resources and Finance. An internal audit on the ethical framework and its overall consistency is also underway in parallel, as a direct follow-up to the Court of Auditor's (ECA) Special Report of July 2019.

An internal working group was initially set up in November 2019 to revise the EESC decisions on harassment, whistleblowing and administrative enquiries. The working group's mandate also covered recommendations made by the European Ombudsman (Report on dignity at work in the EU institutions and agencies – SI/2/2018/AMF) and by the European Parliament in its first 2018 discharge resolution.

A new action plan entered into force in January 2021 and it sets out a number of measures to reinforce the administrative and legal ethical framework. These include the creation of an independent internal ombudsman role within the Committee, developing a more proactive communication policy and setting up a training programme on respect and dignity at work aimed at both members and staff (for instance, establishing a compulsory learning pathway in this area to be completed before entrusting staff management responsibilities, and regular awareness-raising activities).

The internal audit on ethics and integrity, which took place in parallel, had a slightly different scope. Its objective was to trace the path taken by the ECA in the Special Report of July 2019 and to extend that to the EESC, with the ultimate goal of providing reasonable assurance as to the alignment of the EESC's ethical framework in the areas under scrutiny (which also cover aspects which are not examined by the internal working group on ethics, such as the rules relating to gifts and entertainment, outside activities and assignments, conflict of interest and post-EU employment). The audit took the form of a mapping exercise, followed by an analysis aimed at establishing a comprehensive overview of the rules, standards and measures in relation to ethics and integrity.

This exercise was completed in March 2021 and the audit recommendations translated into a specific action plan for implementation by the Committee. The audit report concluded that many of the elements required in an EU body such as the EESC are in place, but a holistic approach might consolidate the link between the rules applicable to staff and the rules applicable to members. The swift adoption of the new Code of Conduct for members and the HR/staff action plan on ethics also shows that the EESC acts quickly and with determination.

17. Asks the Committee to keep the discharge authority informed about any currently ongoing OLAF investigations and the opening of new OLAF investigations concerning the Committee's members or staff with respect to harassment or any other concern;

There are currently three open OLAF investigations involving EESC members (none related to harassment). As indicated in the reply to question 78 of the 2019 discharge questionnaire, one case was opened in 2019 and the other was opened in 2020. A new case concerning a member was opened in 2021.

18. Notes that the provisions of the Staff Regulation are not applicable to the Committee's members, as they are not employees, but appointed as members of the Committee; observes that this circumstance has not prevent other Union institutions, bodies, offices and agencies from having specific, adequate and useful rules applicable to their members; in this sense recalls for example that Article 8, part 4, of the code of conduct of the Committee of the Regions prohibits the infringing member from being elected as office holder of the

Committee and, if the member already holds such posts, entails dismissal from them; welcomes that the Committee is ready to consider further improvements to its system after a reflection that has now lasted more than two years; considers this to be an unreasonably long period; regrets that after the aforementioned period the Committee can only suggest awareness raising and training measures for members despite the clear need for further measures as set out in the report of the European Ombudsman on dignity at work in the EU institutions and agencies (SI/2/2018/AMF) and Parliament's recommendations;

Please also see the reply to observation 12.

- 19. *Asks the Committee to inform the discharge authority on the procedures and processes the Committee has rolled out or intends to roll out on how cases of harassment or similar issues concerning staff will be avoided in the future so as to ensure that comparable regrettable developments which have caused negative publicity and damaged the reputation of the Committee will not be repeated;***

The discharge authority has received the final action plan on ethics and integrity, which was adopted by the secretary-general in January 2021.

Please also see the reply to observation 16.

- 20. *Welcomes the increase of the number of confidential counsellors in order to improve the informal procedure and the possibility for staff to share their concerns on any perceived situation of harassment;***

The role of confidential counsellors is to assist staff with situations of conflict at work, which do not necessarily entail harassment. If a case of harassment arises, they also play a role in the informal procedure.

- 21. *Warmly welcomes the Committee's reflections, which will result in a detailed action plan to strengthen the zero-tolerance policy towards harassment at the Committee to ensure that such behaviour can never be tolerated; welcomes and supports the current revision package concerning harassment, whistleblowing and disciplinary procedures that will further improve the mechanisms allowing staff to make formal harassment complaints and improve the robustness of the relevant legal structures; recalls, however, that this process has been reported by the Committee to Parliament for years and that only now concrete measures seem to be taken; welcomes the setting-up of a working group that includes representatives from the administration and the staff committee with the aim of collecting the widest possible input for improvements; is disappointed that the Committee has achieved minimal progress over the last years despite the precise recommendations of Parliament urging the Committee to introduce rules and procedures concerning members involved in harassment cases;***

The procedure for revising the EESC Rules of Procedure and the Code of Conduct is laid down in Rule 86 thereof, which provides for the establishment of a Rules of Procedure Panel in charge of drafting proposals. This process involves several steps and a large number of

stakeholders. Once the proposals have been finalised, these texts need to be discussed among the three groups, endorsed by the Bureau and, subsequently, definitively adopted by the Assembly.

Please also see the reply to observation 16.

- 22. Welcomes the continuation of various awareness-raising initiatives in order to inform staff accordingly on the follow-up to the 'Respect@work campaign'; welcomes the organisation of training activities meant to ensure that staff is aware of relevant ethical and organisational values and the associated rules and procedures.***

In 2020, the EESC delivered 11 training sessions on ethics and integrity, notwithstanding the heavy impact of the COVID-19 pandemic since March. Around 110 staff members participated in this training in 2020. A first training session for members on "Diversity and respect at work: promoting equality and non-discrimination" was also delivered on 22 June 2020. This training will continue in 2021.

In 2021, the EESC has already welcomed 89 participants (staff) to the nine "Ethics and Integrity" sessions organised so far (with four more sessions planned before the summer). The training sessions for members on "Diversity and respect at work: promoting equality and non-discrimination" are being continued in 2021. One session was delivered on 13 January 2021 and the next session is scheduled for 9 September 2021.

11.2 EUROPEAN PARLIAMENT RESOLUTION OF 29 APRIL 2021 WITH OBSERVATIONS FORMING AN INTEGRAL PART OF THE DECISION ON 2019 DISCHARGE IN RESPECT OF THE IMPLEMENTATION OF THE GENERAL BUDGET OF THE EUROPEAN UNION FOR THE FINANCIAL YEAR 2019, SECTION VI – EUROPEAN ECONOMIC AND SOCIAL COMMITTEE (2020/2145(DEC))

The European Parliament [...],

- 1. Welcomes the fact that, based on its audit work, the Court of Auditors (the ‘Court’) concluded that the payments as a whole for the year ended 31 December 2019, comprising the administrative and other 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. Recalls that the Committee’s budget is mostly administrative, with a large amount being used for expenditure concerning persons, buildings, furniture, equipment and miscellaneous running costs;*

No follow-up required.

- 3. Regrets, as a general observation, that chapter 9 ‘Administration’ of the annual report of the Court for 2019 (the ‘Court’s report’) has a rather limited scope and conclusions, notwithstanding the fact that the Multiannual Financial Framework Heading 5 ‘Administration’ is considered to be low risk; requests that the audit work for that chapter be more focused on issues of high relevance or even critical importance for the Committee;*

No follow-up required.

- 4. Notes with satisfaction that, in the Court’s report, the Court observed that no significant weaknesses had been identified in respect of the audited topics relating to human resources and procurement for the Committee;*

No follow-up required.

- 5. Notes that in 2019 the Committee’s budget amounted to EUR 138 502 768 (compared to EUR 135 630 905 in 2018 and EUR 133 807 338 in 2017) with an implementation rate of 98,1 % (compared to 98,7 % in 2018 and 96,5 % in 2017);*

No follow-up required.

- 6. Notes that the Committee has been moderate in its budget estimates and has largely followed the Commission guidelines that indicate a nominal freeze for all non-salary*

related expenses; notes that from 2016 to 2020 the nominal increase in the Committee's budget was 9,2 %, an increase in real terms of 1,9 %;

No follow-up required.

- 7. *Reiterates that the final appropriations for 'travel and subsistence allowances for members' amounted to EUR 20 383 977 (compared to EUR 20 247 625 in 2018 and EUR 19 819 612 in 2017) which is stable when compared to the preceding years and raises no particular concerns; requests nevertheless that the Committee increase the use of new technologies and working methods and applies video-conferencing to the greatest extent possible;***

In 2020, the EESC increased the number of conference rooms equipped with videoconferencing facilities that allow for interpretation from two to four.

Additionally, following the COVID-19 outbreak, the EESC quickly deployed a new system for multilingual videoconferencing in order to allow the Committee to continue its political activities during the pandemic via remote multilingual meetings.

The first conference room serving as technical hub for multilingual videoconferencing was already operational in April 2020. Further rooms were added throughout the year, bringing the total number to four by December 2020. By exponentially increasing its capacity, the EESC organised a total of 188 multilingual videoconferences in 2020. It also organised around 280 further centralised videoconferences without simultaneous interpretation, along with individual videoconferences held in fully remote format.

This trend is continuing and in the first quarter of 2021 alone, the EESC has already organised almost 200 multilingual videoconferences. Based on current estimates, the EESC is projected to organise over 1 000 multilingual videoconferences in 2021 and the other videoconference formats will continue to complement them.

However, a limited number of languages can be covered for videoconferences, partly due to technical constraints; videoconferencing therefore does not allow for the equal treatment of all languages and thus of members. Furthermore, when holding meetings in remote or hybrid format, technical problems, mainly at the participants' end, quite often complicate the smooth running of meetings, which are therefore sub-optimal.

- 8. *Is deeply concerned about the case handled by the European Anti-Fraud Office (OLAF) concerning inconsistent travel declarations by a member of the Committee which amounts to approximately EUR 91 000; notes that the amounts unduly paid out have been recovered; regrets that the former code of conduct did not provide for strong sentencing or the suspension of fraudulent members; urges the Committee to apply all means available under the revised code of conduct to take far-reaching measures against this kind of fraud; notes that improvements were proposed to the current framework for reimbursing members' travel and subsistence costs such as a general deadline of six weeks for submitting reimbursement claims in order to reduce the reimbursement time, thereby also reducing the need for carry-overs on these budget lines; calls, however, for a diligent and***

cautious approach rather than a swift handling of travel declarations cases; notes that it is unknown how many fraud cases remain under the radar; underlines that time pressure should not undermine a decent and thorough assessment of reimbursement requests; calls for an increase of the amount of samples of travel declarations examined as part of the Committee's internal audit procedure to achieve a higher discovery rate for travel declaration fraud;

In line with the EU's Financial Regulation, the EESC's internal control policies and procedures for processing reimbursement claims include a clear and specific focus on detecting and fighting fraud. In addition, the potential fraud risk is a key element of the EESC's risk scenarios. All relevant financial staff are fully aware of the EESC's internal control standards and have access to appropriate training courses, including mandatory training on ethical behaviour.

In addition to the various and multi-layered preventive controls, the reimbursement process follows, as a minimum, the four-eye procedure, whereby all claims are checked by a financial initiating agent and subsequently re-scrutinized by a functionally independent verification agent. All payments are then authorised by a duly authorised officer at managerial level.

The case referred to was detected by the EESC services and immediately reported to OLAF by the EESC. This is the standard operating procedure for suspected cases of fraud and other cases have also been proactively reported to OLAF. As happened in the situation referred to, the EESC has a procedure in place to recover any unduly paid amounts and this minimises the likelihood of any actual damage to the EU Budget.

- 9. Recalls the comment in the 2018 discharge resolution relating to avoiding budget overestimates; notes, however, that the carry-forward mainly relates to the budget lines 'buildings' and 'data processing' and that this is due to the historical backlog for these budget lines; notes that the amount carried forward for the budget lines 'members of the institution and delegates/travel and subsistence allowances for members' was necessary in order to handle the delayed reimbursement claims of members;*

No follow-up required.

- 10. Welcomes the fact that the implementation rate of appropriations carried forward from 2018 to 2019 was 82,1 % as compared to 77,5 % for appropriations carried forward from 2017 to 2018;*

No follow-up required.

- 11. Underlines the fact that the Committee is encouraging shared transport solutions and facilitating the use of low cost flights; welcomes the fact that the Committee requires its travel agency, the same as the one providing services to Parliament, not only to negotiate special rates with airlines, but also to systematically propose to Committee beneficiaries suitable cost-efficient alternatives for their travels;*

No follow-up required.

- 12. Notes that the Committee launched a call for tender in October 2018 in order to analyse and propose improvements to the current system concerning cost reimbursements for Committee members, delegates and experts; asks the Committee to provide information on the results of that analysis, in particular on possible improvements to the current travelling and reimbursements system including various possible scenarios; notes the delays in the implementation due to the COVID-19 crisis;***

In October 2018, the EESC launched a call for tender for a study of its projection system, with a view to better forecasting its members, delegates and experts' reimbursement costs. The contractor submitted the analysis in September 2019, which reviewed the organisational processes and software used and included a general check of the methodology applied.

The final report contains recommendations on how to improve the existing forecasting system, including by improving the quality of the database and revising the parameters used for projection. Proposals for increasing the data quality include, among others, training for users, centralisation of encoding and IT improvements.

Software development started in the second semester of 2020 to address some inconsistencies in the planning and encoding of activities, and thus to guarantee higher overall consistency in the analysis of costs. The ongoing effects of the COVID-19 crisis have not only delayed the implementation of the project but have also completely modified the framework in which the traditional parameters were applied.

Since October 2020, the project has thus evolved into an integrated business analysis, to further reduce budget variance (forecasted vs paid), increase target accuracy and embed a culture of continuous improvement in times of changes.

- 13. Regrets that the Committee's bureau in 2020 adopted a decision allowing for the reimbursement of expenses for remote participation in cases where a member was prevented from travelling to Brussels as a result of COVID-19 related issues; calls on the Committee to withdraw this decision, which is not proportionate to the real cost of participation, represents a considerable loss for the Union budget and damages the reputation of the Committee; requests the Committee to present a report on the financial impact of this decision, including specific and detailed information on the decision and the reasons for such reimbursement; asks the Committee to look into new remuneration practices to ensure a fair and proportionate remuneration for members which is not based mostly on travel expenses and does not rely solely on the physical presence of members in Brussels;***

When the COVID-19 pandemic started, the EESC had no provisions in place to ensure the continuity of EESC business by reimbursing members for the time spent on the EESC activities. The EESC Bureau therefore adopted a series of temporary patch decisions (the first of which took effect from 10 June 2020) allowing for the reimbursement of the daily subsistence allowance for remote participation in statutory EESC meetings, as well as some other duly authorised core activities. This temporary decision has been extended several times, while closely monitoring the evolution of the situation, and is currently in force until

13 June 2021.

At the same time, the EESC is proactively working on finding a structural and sustainable solution in line with the EP recommendations made in the 2019 discharge procedure.

The EESC has therefore submitted a request to the Council to adapt the 2013 Council Decision to ensure a proportionate and fair daily allowance for remote attendance at meetings. The request is currently under consideration by the Council.

Pursuant to the Council Decision, the Committee, by 30 April of each year, submits to the European Parliament (EP) and to the Council a detailed report on the reimbursement of travel expenses and allowances paid to beneficiaries in the preceding year. Accordingly, the 2020 report was sent to the EP on 20 April 2021, and details 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.

14. Underlines the importance of the role of the Committee but expresses concerns with respect to the impact of its work;

In a recent reply to a parliamentary question (E-006608/2020), the Commission confirmed that it highly values its cooperation with the European Economic and Social Committee (EESC). It considers the EESC's contribution – both in the form of the opinions it adopts and other outreach, communication and consultation activities it conducts – very useful and looks forward to the Committee's strong involvement in the Conference on the Future of Europe.

Consensus building among the three different groups in the EESC is one of the Committee's strengths. It is a quality that has often proved to be insightful, also for the working parties of the Council, feeding into their discussions on specific topics such as human rights and the rule of law.

Every EESC opinion is shared with all MEPs in the relevant Committee(s), including the rapporteur on the file. Opinions are also shared with the other institutions, the permanent representations and relevant civil society parties. The EESC organises hearings and conferences for most of the opinions during the preparation phase and the EP rapporteurs are often invited to attend as speakers. The situation could be improved further by ensuring that the EESC rapporteurs are (systematically) given a speaking slot at relevant EP Committee meetings and hearings. A more quantitative impact analysis of EESC opinions could be carried out in agreement with the institutional counterparts. However, this is difficult to achieve and it is also not the purpose of well-drafted legislation.

In addition, the EESC works on other types of reports (such as information reports) and outreach activities to create a strong link with organised civil society, and these also have an impact. For example, in 2019, the EESC contributed to several Commission evaluations by adopting information reports, and it participated in several EU platforms, such as the REFIT Platform. Therefore, when analysing the EESC's impact, it is also crucial to take into account its role as the bridge between European civil society organisations and the EU institutions and

decision-making bodies. The events organised by the EESC and the work done by EESC members to disseminate information on the EU decision-making process adds to its impact.

- 15. Notes the importance of political dialogue between the Committee and Parliament to make sure that a valid contribution from the Committee can be made to the work of Parliament and, in that light, reiterates its request to pursue efforts to strengthen political cooperation between the Committee and Parliament;**

The EESC shares the importance of maintaining a close political dialogue with the European Parliament. To this end, and acting upon the suggestion in the cooperation agreement between the two institutions, the EESC continues to implement a long-standing approach towards strategic contact with the EP's leadership. The new EESC President, Ms Schweng, has continued this approach and has already met with President Sassoli, Vice-President Dobrev several Committee chairs and other MEPs. Furthermore, in recognition of the need to go beyond leadership- level contacts, the EESC has decided to increase relations with key parliamentary actors, by inviting more MEPs to its plenaries and, especially, by encouraging Committee rapporteurs of strategic opinions to foster close relations with EP committees and rapporteurs.

Digitalisation, cybersecurity, security

- 16. Welcomes the fact that the Committee followed Parliament's recommendation made in recent resolutions to ask for an increased budget share for IT costs (up to 4,5 % of the total budget compared to 3 % in 2018); notes that in the long run the figure of 4,5 % should ideally increase to 6 %, which would allow for a smooth implementation of the digital strategy within the foreseen timeframe and also allow the Committee to catch up and close the gap vis-à-vis the other Union bodies; welcomes the fact that the total appropriations committed for IT projects, services and equipment represent an increase of 13,2 % compared to 2018 and that this positive trend has continued in 2020;**

The Committee is continuing to gradually increase the appropriations available for IT, in particular those needed for the implementation of the digital strategy. By doing so, it aims to achieve at least 4.5% of the budget in the coming years and if possible to aim for 6% (which is the case at other institutions). Unspent appropriations in other domains are considered for transfers to IT projects in order to accelerate their implementation, whenever possible and pending the approval of the Budgetary Authority in accordance with the Financial Regulation.

- 17. Is aware that in June 2019, the Committee's bureau adopted the digital strategy presenting a vision for the Committee's IT environment and identifying the major IT challenges; welcomes the results such as the members' portal module to support paperless meetings, the development of the new back-office application for processing amendments and paperless workflows and procedures, especially for financial management; welcomes the work in relation to the digital workplace project which covers the redesign of the end-user environment and its underlying digital infrastructure; notes that the tools for office**

automation, mail and unified communication were upgraded in 2019;

No follow-up required.

- 18. Welcomes that the Committee uses free and open source software whenever possible; notes that for 2019 39 open source software applications were included in the inventory of software packages;**

No follow-up required.

- 19. Welcomes the fact that during 2019, the IT security officer remained active in raising cybersecurity user awareness for staff, including a briefing for the IT steering committee and sectoral briefings at the level of individual departments; notes that in 2019, two additional projects were launched concerning cybersecurity; encourages the Committee to continue its close cooperation with other committees, especially the Committee of Regions (CoR), to further develop synergies;**

An appropriate level of IT security is one of the main objectives of the EESC digital strategy. The Committees' joint IT Unit will pursue cooperation with other European institutions and their Computer Emergency Response Team (CERT-EU) on this issue in order to achieve synergies.

The European Economic and Social Committee and the European Committee of the Regions have long-established and well-developed cooperation in place, which involves sharing human resources and fostering operational synergies by way of the Joint Services. The 2016-2019 administrative cooperation agreement has been extended until 30 June 2021, and both Committees share a mutual will to maintain a stable relationship. Currently, the Committees are negotiating the future agreement, while also taking stock of the lessons learnt from the COVID-19 pandemic crisis.

- 20. Welcomes the interinstitutional cyber cooperation in which the Committee received assistance from the Computer Emergency Response Team for the EU institutions, bodies and agencies such as on-the-job training for cloud security and cyber threat intelligence information for targeted attacks against Union bodies; notes that many of the digitalisation projects concern the digitalisation of human resources and financial processes, where the Committee uses the SYSPER and ABAC systems provided by the Commission; asks the Committee to consider the possibility of negotiating better conditions with the Commission to enhance the process of application sharing and make it financially attractive;**

The EESC is heavily dependent on the availability of software implementing the terms of the Financial Regulation and the Staff Regulations. The EESC does not have the technical nor the financial means to develop and maintain such software. The European Commission (EC) makes software solutions like Sysper and ABAC available to other institutions, following the signature of a service level agreement and in return for payment.

The costs are set by the Commission on the basis of a charge-back model and the amounts are not subject to negotiation; therefore, only the software modules that bring real added value

to the institution are employed by the Committee.

The principles underpinning the charge-back model are likely to continue to evolve in the years to come and the EESC will pay close attention to the financial cost/benefit of application sharing.

- 21. *Encourages the Committee to follow the recommendations of the European Data Protection Supervisor to renegotiate the interinstitutional licensing agreement and implementation contract, signed between the Union institutions and Microsoft in 2018, with the objective of achieving digital sovereignty, avoiding vendor lock-in and lack of control, and ensuring the protection of personal data;***

The Committees (EESC/CoR), which have a shared IT service, replied to the request from the European Data Protection Supervisor (EDPS) on the use of Microsoft products in May 2019. Both Committees signed the "enrolment" linked to the interinstitutional framework contract (DIGIT 7670). The Committees currently use a number of Microsoft standard products and are working towards the adoption of a hybrid cloud model.

The Committees only use the interinstitutional agreements (ILA) and have no separate individual license agreements in place with Microsoft.

- 22. *Highlights all the initiatives related to security such as a special training programme to face criminal and terrorist threats, the cooperation with Parliament regarding specific security training courses, the investigations into security incidents and the relaunch of the security screening of external contractors' staff together with the other Union bodies; notes all the work related to (building) security with the main objective being to increase the level of security and the service provided for members, staff and visitors;***

No follow-up required.

- 23. *Welcomes the fact that a series of measures have been implemented by the Committee to ensure adequate building security standards such as the installation of new equipment for access control; notes that the related security standards have reached the same level as the standards of Parliament and the Commission;***

No follow-up required.

Buildings

- 24. *Notes that extra offices for 200 staff members have to be found once the B68 and TRE74 buildings have been exchanged for the VMA building; notes that the bureaus of the Committee and the CoR gave a mandate to their secretaries-general in February 2020 to undertake negotiations with the European External Action Service for the purpose of concluding an agreement allowing the Committee and the CoR to take over the rental contract of the Belliard 100 building as of early 2021; welcomes the fact that the staff committee and staff in general have been informed about these developments;***

No follow-up required.

- 25. Notes the fact that the VMA building is fully compliant with all regulatory requirements on asbestos applications and that an asbestos safe certificate was delivered in September 2019; expresses concerns over the health of workers and the presence of asbestos in the VMA building, although the asbestos-safe certificate says that it does not represent any risks for the users of the building; welcomes the fact that all relevant information about asbestos in the Committees' buildings, such as asbestos policy, asbestos safe certificates and asbestos inventories, has been published on the intranet; notes that work to renovate the VMA building is planned to start in 2021;**

Most of the few parts of the VMA building identified as being affected by asbestos have already been removed and the remaining ones are scheduled to be removed by summer this year. The situation is currently as follows:

- asbestos in the pump installations: removed in 2020;
- cement pipes protecting lighting connectors and heating installations: removed in March 2021;
- sealing material in gas counters: these are property of the Belgian company Sibelga and only that company is authorised to remove it – Sibelga announced that it will be removed during the 2021 summer period (when gas consumption is low).

- 26. Welcomes the fact that the joint VMA working group defined the guiding principles for the future allocation of space as well as objective parameters allowing for the equal treatment of all services and entities; notes that the staff representatives were involved and that the staff has been kept informed regularly through different channels and will be consulted and involved in the upcoming phase of the detailed design for floor arrangements and the assignment of individual workspaces for the services concerned;**

No follow-up required.

Environmental dimension

- 27. Asks the Committee to develop a global sustainability plan; congratulates the Committee on the ongoing efforts in the framework of the environmental management system as regards the lowering of the carbon footprint and reducing plastic, food and paper waste; agrees that lowering the carbon footprint is among the most important objectives for the coming years; calls on the Committee to pay due attention to the energy mix of its sources of electricity and encourages the procurement of electricity generated by wind, solar, bio and hydroplants; encourages the Committee to participate in projects in areas which are related with other Union bodies and to draw up a comprehensive plan for the Committee for the implementation of the principles and recommendations presented in the European Green Deal, with the general objective of becoming climate neutral by 2030;**

The electricity consumed by the EESC/CoR premises is provided via an interinstitutional

contract (the same one used by the Council and the Commission) and it exclusively provides green energy from sustainable sources. With regard to the principles and recommendations presented in the European Green Deal, the EESC Bureau decided at its meeting in March 2021 to create a working group that will present recommendations in the coming months, in order to achieve the objective of becoming climate neutral by 2030.

The EESC is participating in the EP's scheme to compensate for CO₂ emissions and has set up a specific budget line to provide the respective appropriations.

Interinstitutional cooperation

- 28. *Is aware of the new service level agreement launched in 2019 between Parliament and the Committee which allows the Committee to benefit from the services of Parliament's interpreters (for which payment will be made) each time the Committee uses Parliament's premises for its meetings and occasionally also for meetings in the Committee's premises; acknowledges that the agreement contributes to the optimisation of the use of Parliament's interpreters; acknowledges the existing cooperation agreements between Parliament, the Committee and the CoR; invites the Committee to identify further potential synergies and savings and other areas in which back-office functions could be shared; is aware of the requests expressed by both the Committee and CoR in the frame of the discharge procedure for the ongoing cooperation agreement to be respected so that the Committee and CoR are compensated for the posts transferred to Parliament;***

The 2014 cooperation agreement between the European Parliament, the European Economic and Social Committee and the European Committee of the Regions continues to provide a relatively solid foundation for successful cooperation between the three parties, and it is also not bound by time limits. The Committee confirms the need for the cooperation agreement with the European Parliament to be respected in its entirety. This includes the provision on compensating for the posts transferred to the European Parliament with a sufficient budget for the outsourcing of translation, in order avoid jeopardising the Committee's ability to fully play its institutional role.

- 29. *Recalls that the cooperation agreement between Parliament and the Committee of 5 February 2014 provides for compensation for the loss of translation capacity by providing additional amounts for both the Committee and the CoR; notes that an amount of EUR 2 million has been provided for the externalisation of translation with the possibility that a potential surplus can be used for further political work and an additional amount of EUR 1,1 million for increased political work; notes that the transfers took place in 2015 and 2016 with a reduction already being made during the conciliation process in 2017; notes that yearly savings resulting from the transfer of 36 posts can be estimated at EUR 3,42 million; asks Parliament, the Committee and the CoR to jointly report to Parliament's Committee on Budgetary Control on the ongoing revision of the agreement; acknowledges that the agreement allows for more flexibility to the advantage of Parliament, the Committee and the CoR; notes that reallocation of unspent funds to other policy areas is part of this flexibility;***

The cooperation agreement between the European Parliament, the European Economic and Social Committee and the European Committee of the Regions was signed in 2014 and its duration is not limited in time. It continues to provide a basis for successful cooperation between the three parties.

The reallocation of additional funds which are not used for the outsourcing of translation is a key element of the cooperation agreement. The Committees need to have the security of relying on this agreement, which indeed involved a significant number of internal staff resources being transferred to the Parliament. The reallocation of unspent funds to other policy areas is part of this flexibility, which is the basis of the agreement. As this reallocation of funds implies a transfer outside articles, the Budgetary Authority has to be consulted separately for each reallocation, which constitutes an additional safeguard measure to ensure the proper use of appropriations.

- 30. Agrees with the need to further enhance political cooperation with respect to annual and multi-annual programming, the joint declaration of Parliament, the Council and the Commission on legislative priorities and the monitoring of the annual work programme; encourages the Committee to work on concrete proposals for improved communication at the level of the Committee and the Parliament rapporteurs in order to develop a more systematic approach to political cooperation;***

The EESC believes that it can best carry out its role of representing organised civil society when it is able to ensure a high level of political cooperation and communication on issues of common interest. Every year, the EESC therefore prepares and shares its contribution to the annual European Commission work programme with the three institutions, in line with the Protocol on Cooperation between the EC and the EESC.

Furthermore, the EESC is aware that coordination cannot simply be reduced to yearly procedures and needs a degree of flexibility and adaptability, thus it maintains frequent high-level contacts to coordinate work with other institutions.

The EESC, in order to strengthen the impact of its contributions, is also encouraging rapporteurs (focusing on the most relevant opinions) to pursue closer relations with their counterparts in the Parliament.

Please also see the reply to observation 14.

- 31. Observes that the total cost of outsourced translation for the Committee and the CoR was EUR 6 043 592 in 2019 with the Committee's share amounting to EUR 3 550 762 and that the total cost of translation in-house would have been EUR 8 781 075 with the Committee's share amounting to EUR 5 159 101;***

No follow-up required.

- 32. Encourages the Committee to join the Union Transparency Registry on the basis of a service level agreement in order to increase the transparency of lobbying meetings; acknowledges the interinstitutional cooperation through service level agreements between***

the Committee and other Union institutions and bodies such as with the Commission to further optimise processes in HR, finance, IT and other administrative areas; is interested in being informed if cost benefit analysis takes place before entering into any agreement;

The EESC stresses that in comparison to other institutions, the scope of its activities is less interesting to lobbyists. Direct contact with lobbyists and private stakeholders is limited. However, the EESC will examine the potential benefits of joining the Union Transparency Registry to the extent that it is relevant to its activities.

Interinstitutional cooperation and the exchange of best practices play a fundamental role in optimising administrative processes at the EESC. For example, the EESC systematically participates in interinstitutional calls for tenders, where the European Parliament, the Council or the European Commission are the leading institutions.

As regards human resources and finance, the EESC has signed service level agreements (SLA) with DG DIGIT, DG HR, the PMO and DG BUDGET of the European Commission. The European Commission develops and maintains critical software applications like Sysper, ABAC, SAP, Qualified electronic signature, e-Submission, e-Invoicing and EU Learn; these applications translate the implementation of the Staff Regulations and the Financial Regulation applicable to all EU institutions into electronic workflows.

Therefore, SLAs with the European Commission are key agreements aimed at improving administrative processes and keeping costs under control. SLAs not only bring economies of scale to the EESC, but also offer a means of acquiring up-to-date tools, best practices and on-demand expertise on administrative matters.

- 33. Welcomes the good cooperation between the Committee and the CoR in the administrative area, leading to considerable synergies and economies of scale; notes that the current administrative agreement has been extended until the end of June 2021; notes that two points have not been implemented so far, namely a more balanced distribution of posts within the joint services which currently favour the CoR, and an equal distribution of spaces (the share of office space was 53 % for the Committee and 47 % for the CoR); welcomes the fact that the negotiations for the renewal of the administrative agreement have the objective of increasing efficiency further and generating potential savings;**

The administrative cooperation between the European Economic and Social Committee and the European Committee of the Regions is probably one of the strongest links between any of the EU institutions. It brings quantifiable operational synergies and savings of taxpayers' money. The COVID-19 pandemic has further increased ad hoc cooperation and the alignment of best practices, and the Committees have gone beyond the usual cooperation fields covered by the agreement.

Please also see the reply to observation 19.

- 34. Asks the Committee that it be kept informed of any improvements made on the efficiency of administrative processes, which seem to be necessary by virtue of an ever-increasing**

workload and a rapidly changing world; reiterates the necessity of on-going reforms to ensure that the Committee is well equipped to respond to future challenges;

Fully digitalised procedures have been in place for some time for submitting and processing members' reimbursement claims, for gathering and updating members' personal and administrative data and for nominating alternates and experts. Internal and political memos are processed digitally, which has helped considerably to speed up approval and validation times. A readily consultable and fully updated register of Bureau decisions has been in place for a number of years. An effective document retrieval system is now also fully operational.

In 2021, the EESC has started to use the EC's qualified digital signature system, called "EU-sign", with the aim of further digitalising processes with external bodies and companies. Furthermore, the EESC plans to roll out an advanced digital signature system, built in-house, for its internal processes.

As regards the financial circuits, the EESC is at the forefront among all EU institutions as regards electronic invoicing. In 2019, the EESC received 12 040 e-invoices out of 15 163 in total (79.4 % penetration rate). In relation to credit notes, 1 433 electronic credit notes were received, out of 1 639. (87.43% of the total).

The e-Submission module for receiving open procedures in electronic format through e-Prior was activated in January 2021.

Moreover, with regard to fully implementing the internal control standard (ICS) on the register of documented processes and procedures, the EESC has initiated the detailed process of mapping and harmonising its administrative procedures and processes, with the aim of achieving further simplification and digitalisation wherever possible.

Please also see the reply to observation 46.

Communication

35. Recognises that in 2019 the Committee made a particular effort to support Parliament in promoting the European elections by participating in the interinstitutional campaign, including a social media campaign of several months' duration (with nearly 17 000 engagements such as likes, comments and retweets and an overall reach of 18,4 million persons); agrees that the outreach of the Committee's political work goes beyond quantitative indicators and that the Committee achieves this not only via its treaty-based consultative function but also through local outreach activities that aim to raise civil society's awareness of the work of the Committee and its role in the Union decision-making process;

No follow-up required.

36. Remarks that at the end of 2019 the Committee's main Twitter account had 43 300 followers, while the main Facebook account had 32 600 followers; notes that the Committee's fastest growing social media presence is on LinkedIn, which saw an increase

during 2019 of 54 % in the number of followers to 14 500 at the end of 2019; notes that with this combination of channels, the Committee reaches a well-balanced group of followers;

No follow-up required.

- 37. 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; asks for follow-up action with respect to obtaining the relevant certification of equal access to its website for people with disabilities;**

Both the EESC intranet and website are digitally accessible to persons with visual impairments. Based on SharePoint and Drupal content management systems, respectively, they are both accessible. As regards the EESC website, in 2018, an action plan was launched to optimise its accessibility levels. This involved an audit carried out by an external company to assess its compliance with the Web Content Accessibility Guidelines (WCAG) 2.0 and WCAG 2.1 criteria. The EESC website obtained the corresponding certification in November 2019. Regular follow-up audits will take place and the process of improving the accessibility of EESC publications available on the Committee's website, for which a derogation was granted, has started. A similar action plan to optimise the accessibility of the intranet is planned.

- 38. Notes that a complex approach is needed in order to make the websites of Union institutions and bodies accessible to persons with various kinds of disabilities, including the availability of national sign languages; suggests that disability-related organisations be involved in this process;**

In 2021, the EESC website will migrate to a new version of its content management system. Once the migration is complete, specific action is planned to ensure compliance with the accessibility standards in place for websites of the European institutions and bodies. This action will be carried out with the support of specialised external actors. The EESC also benefits from the presence of several members representing disability-related organisations, whose input to the process will be particularly useful.

Internal management, internal control, finance

- 39. Welcomes the Committee's efforts in relation to crisis management and business continuity by setting up a website with all the information necessary for business continuity operations including up-to-date crisis management and business continuity management documents and an updated description of the various intervention teams, their composition and their role; underlines that the first full-scale exercise by the members' repatriation team was held in September 2019, based on four scenarios, and that the conclusions of the exercise are subject to systematic follow-up;**

No follow-up required.

40. *Notes with concern that the Committee's total annual budget has increased from EUR 108 000 000 in 2006 to more than EUR 138 000 000 in 2019 while the overall number of opinions and reports produced by the Committee has decreased significantly (from 215 in 2018 to 127 in 2019); understands that the reduction in opinions delivered may be connected to the electoral cycle, but is concerned about the raise of the cost per opinion (EUR 1,1 million in 2019 compared to EUR 630 000 in 2018), and expresses concerns about the outsourcing to external companies of reporting work; notes with concern that out of the 127 opinions and reports, only 55 were own-initiative opinions;*

In its Annual Activity Report, the EESC presents key indicators that measure the number of opinions and reports, which include: referrals, exploratory opinions, own-initiative opinions and other reports.

Although the total number of opinions and reports decreased compared to previous years, this can be explained by the fact that the number of opinions also depends on the requests from the other institutions, which was lower in 2019 due to the renewal of the Commission and the European Parliament (especially for referrals from these institutions).

	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

The EESC is part of the EU legislative process, as such quantitative indicators are far from giving an appropriate picture of the work carried out in supporting the EU legislative and policy making process.

The statement on the cost of an opinion is based on a simplistic calculation, which divides the total initial annual EESC budget by the number of opinions and reports in order to calculate the ratio. This calculation is a "full-cost" calculation based on the initial budget of the institution.

The calculation is based on the figures indicated below:

Year	2019	2018
Number of EESC opinions + reports	127	215
Total initial budget (in EUR)	138 502 768	135 630 905
Ratio (in million EUR)	1.1 million	0.63 million

It is not possible to state what costs are "relevant" for an opinion, as all of the Committee's work (and thus the expenditure generated by the Committee) aims to support the members' work.

The principle role of the EESC is to provide timely and high-quality opinions on legislative

files, as set out in the Treaty. In addition to that, own-initiative opinions (OIOs) are drafted and other initiatives taken in areas where the Committee perceives significant gaps in the EU institutions' work programme, which may differ from one year to another. The year of the European elections is usually marked by a significant decrease in legislative activity, which was also the case in 2019, resulting in fewer opinions. This legislative hiatus in turn enables the EESC to focus more on its own-initiative opinion work. In general, this work is initiated in two cycles every year. For 2019, the OIO cycle initiated in mid-2019 (de facto after the July-August break) showed results from January 2020, as the OIO work stretched out over a longer period.

The reasons for the decrease in the number of opinions and reports can be summarised as follows:

Firstly, as mentioned above, the year of the European elections is usually marked by a significant drop in legislative activity, which was also the case in 2019, resulting in fewer opinions being drafted.

Secondly, the most recent opinions that the EESC has produced reflect the European Commission's new practices, namely its tendency to present legislative proposals as packages, when possible. In practice, this means that packages can encompass up to three or even four legislative proposals and the complexity of this arrangement has repercussions on how work on a specific file is organised by the EESC. This practice reduces the number of opinions to be provided but makes the content more detailed and complex.

Thirdly, the EESC is being consulted more often by the European Commission to contribute to EC evaluations linked to planned revisions of legislation or policies. This has become a current practice in the last four years. At least once a year, the EC provides a list of evaluations where the EESC is asked to contribute. In order to respond to these requests and to enable the EESC to prepare the information reports on these evaluations, the Committee has designed a specific evaluation methodology based on the Better Regulation Agenda guidelines. More specifically, for each evaluation, the EESC organises fact-finding missions and carries out an online questionnaire in a sample of Member States (MS)¹⁵. Views and data are collected from public authorities and relevant stakeholders from civil society organisations. This groundwork is crucial for preparing a detailed information report, which includes all input gathered from the ground in an annex. This practice has proved to be very successful and the EC has often praised the Committee for its valuable insight, describing the EESC report as a very useful supplement to its own evaluation report and the specific EC Staff Working Document.

In addition to the broad range of work mentioned above, the EESC carries out other flagship

¹⁵ Since 2016, the EESC has contributed to 18 EC evaluations: nine information reports were produced following the first request from the European Commission (2016/2017); five in the 2019/2020 batch and five in the 2020/2021 ongoing batch of evaluations. The EESC has invested considerable effort in providing high-quality contributions to the European Commission's evaluations. For this purpose, since 2016 the EESC has organised 80 fact-finding missions, has met more than 200 stakeholders, and has received around 800 replies to its questionnaires. Around one third of all EESC members have been involved in the process of EESC policy assessments.

initiatives that have been highly impactful without necessarily resulting in an opinion. Several activities have developed from these initiatives such as:

- the [European Circular Economy Stakeholder Platform](#), co-managed by the EESC and European Commission; nominated for European Ombudsman "Award for Good Administration" 2021; it also organises a yearly high-level conference;
- five country visits by the [Ad hoc group on Fundamental Rights and the Rule of Law](#) in 2019, which provided input for its [final report](#); and
- eight country visits in 2019 by the [Ad hoc group on the European Semester](#), which also fed into its [information report](#) and partly contributed to an overall increase of the cost per opinion.

41. Notes that for 2019, the Committee's most consulted opinion (on Blockchain and distributed ledger technology) did not reach more than 2 500 page views, while the other top five opinions reached just between 1 000 and 2 000 views; encourages the Committee to increase its efforts to achieve a broader dissemination of its opinions;

The figure provided represents only a portion of the actual traffic relating to the most popular opinion of 2019 (Blockchain and distributed ledger technology as an ideal infrastructure for Social Economy (own-initiative opinion)). Indeed, it refers to views of the most accessed language version of the dedicated opinion page published on the website. The number of page views for all language versions of this opinion page amount to 5 602. Out of the 50 most popular opinion pages of 2019 only two were in a language other than English, namely French. This demonstrates that an overwhelming majority of EESC website users chose English as their preferred language to access the EESC's information.

It should be added that the EESC makes a specific opinion database available, which in 2019 accounted for 830 000 downloads overall. It may also be accessed via the EESC website. The above opinion was downloaded 8 840 times (all language versions combined).

Therefore, in 2019, information relating to the opinion in question was accessed in excess of 14 000 times.

42. Notes that the annual activity report for 2019 only gives a general overview of the Committee's activities and does not offer a deeper qualitative and quantitative evaluation of its work; calls on the Committee to introduce other key performance indicators in its annual activity report, such as the rate of implementation in Union legislation of the recommendations in its opinions, in order to enable an impact assessment of the Committee's work;

The issue of strengthening the EESC's image and impact is currently being discussed and evaluated by the political bodies of the EESC. The administration is also preparing its input for this exercise with suggestions on how to reinforce the impact of its work and how to better assess it. The results of these discussions at political level are expected in 2021, and following this exercise, more precise objectives and tools could be identified by the Committee.

43. Asks the Committee to rationalise its internal bodies and refocus the remits of its structures, as stated in the follow-up to the 2018 discharge, including providing clarifications of savings made in connection with this process; notes the steps taken by the bureau in setting up a six-member ad hoc group to provide a comprehensive review on how to streamline the Committee's working structures and bodies, including the question of the remits of the sections and the Consultative Commission on Industrial Change (CCMI); asks the bureau to extend the streamlining to all other existing bodies and to report back to Parliament on the findings;

In April 2020, the Bureau decided to retain the number of sections at six, while adjusting their competencies to include other policy areas such as digitalisation and the Green Deal, and to better reflect EU priorities.

It was also decided that:

- cross-cutting issues should be dealt with by allocating the main responsibilities to one section (the "lead section"), while ensuring cooperation and coordination with all the other sections concerned;
- section/CCMI competences should be reviewed every five years to keep them in tune with changing EU priorities; and
- sustainable development should be included within the remits of all sections and the CCMI.

In March 2021, the Bureau set up a Rules of Procedure Panel tasked with revising the EESC Rules of Procedure. This revision, among other issues, will help streamline and harmonise certain administrative procedures and should allow further efficiency gains to be achieved in the Committee's decision-making process, thus leading to cost savings which are difficult to quantify.

44. Recognises that the Committee has developed a large set of key performance indicators for all its administrative areas, of which some measure the level of performance (e.g. payment lead times), while others measure the level of activity (e.g. production volume); asks the Committee to provide in the next annual activity report, in addition to that very detailed information, a consolidated version of the major objectives and the results achieved;

After having revamped its methodology in relation to the preparation of the 2020 annual work programme (which now focuses on a series of more strategic objectives), the EESC is now also assessing the progress made towards meeting these objectives. These achievements have been summarised in the Annual Activity Report, under "Part I – presentation and main achievements", and mostly under point "2.2 Administration".

45. Notes that in 2019 an exercise to assess compliance with the internal control standards took place and that this showed improvements compared to 2018; notes, however, that not all standards were fully implemented and that follow-up actions were identified; notes that two follow-up actions were postponed to 2020, namely a formal assessment of sensitive functions and the implementation of a multiannual internal communication strategy;

reminds the Committee of the recommendation made in the Court's report to implement a policy for dealing with sensitive functions; acknowledges the Committee's replies explaining the steps proposed and the fact that preparatory activities started in the first semester of 2020; notes that the Committee communicated that the new policy should be operational by 2021; requests the Committee to provide Parliament with a detailed description of that new policy, including a definition of sensitive functions, and of the state of play of its implementation;

As regards the implementation of a multiannual internal communication strategy, the reflections are ongoing as to how to include the numerous existing activities, which are constantly developed under one umbrella strategy.

The EESC already has a wide variety of communication activities in place. These include the "**Linked@work**" staff newsletter and "**@worktv**", which presents news for staff on members, internal events or other important subjects, in the form of interviews or via a short video. These initiatives are accompanied by a "**Bureau Volant**" – a monthly online meeting where experts are invited to talk about a special subject and staff have the opportunity to ask questions. The EESC is now also using **Sli.Do** more and more for its internal communications and during staff meetings, as it promotes active participation.

Furthermore, the Committee has set up an "**HRF-Infopoint**" mailbox. To ensure their easy identification, this email address is used for all emails containing HRF information sent to staff. This email address is also the first point of contact for all staff when they have any questions related to HR. On the **intranet**, all the latest news and communications affecting a large number of staff are published via the news carousel on the homepage and updated on a daily basis. Finally, the EESC organises a yearly "**Staff ceremony**" event for all staff members who are celebrating 20-40 years of career.

In 2020, the EESC took all necessary steps with regard to assessing sensitive functions, by proceeding with an analysis of the residual risk linked to each post. A detailed policy was adopted in December 2020.

This policy includes the definition of sensitive posts and the methodology to be used for assessing the risks associated with all posts. The ongoing assessment exercise started in April 2021: all directors of the Committee received the working tool with the list of posts assigned to their directorate, along with the methodology to apply. The Directorate for Human Resources and Finance compiled an overall list of sensitive posts identified, to be endorsed by the Appointing Authority after the opinion of the Joint Mobility Committee. The assessment exercise will be repeated every two and a half years, or if needed, in the event of a major organisational change.

The methodology is based around the following main elements:

- The EESC policy of sensitive posts has been established in accordance with internal control standard No 7 which stipulates: "The EESC's operational structure supports effective decision-making by suitable delegation of powers. Risks associated with the

EESC's sensitive posts are managed through mitigating controls and ultimately staff mobility. Adequate IT governance structures are in place".

- A post is considered sensitive when, following an assessment of the functions and tasks related to the post concerned, the residual risk level is deemed to be above a tolerable level of risk. The assessment used to identify sensitive posts is based on a list of predefined indicators that relate to areas of risk. The risks may harm the interests of the EESC, its stakeholders or partners.
- According to Decision No 130/15A establishing a mobility scheme within the EESC General Secretariat, every official in a job which entails the performance of tasks of the sensitive nature and who has been included in the mobility scheme by the AIPN, after consultation of the Joint Mobility Committee, should move after five years.

46. Notes that the Committee implemented a third follow-up action to the aforementioned exercise consisting of the harmonisation of processes and procedures across directorates and units; calls on the Committee to set up a centralised registry of processes and procedures to ensure that written documentation is harmonised; reiterates that this approach will help to enhance the respect for existing processes and procedures, and supports that all the main activities of the Committee are subject to a process or procedure;

The harmonisation of processes and procedures started in 2020, with the setting up of a common template to be used by all EESC directorates. On top of that, the EESC created a common register, which allows the procedures to be saved and remain accessible to all staff of the EESC.

Due to the COVID-19 crisis, 2020 working methods have evolved and the written procedures in place are therefore currently under review. This makes the ongoing exercise more timely than initially assumed.

The Committee envisages that the register will be complete by the end of 2021, and that all processes will therefore be mapped and stored in a common repository for easy consultation.

47. Notes that in 2019 two audits were finalised by the internal audit service (IAS), one on compliance with institutional deadlines and the other on interpretation; notes that, regarding the first audit, the Committee is in the process of implementing the administrative measures set out in the action plan, such as highlighting institutional deadlines in documents used by the Committee in order to better organise its work and compiling statistics on the Committee's compliance with deadlines in a consistent manner; welcomes the continued efforts of the Committee to better contribute to the Union legislative process; notes the importance of the audit on interpretation given that it is an instrumental component of Union decision-making, and is impacted upon both by significant budget cuts and by higher costs of interpretation, as witnessed by the fact that, today, the Committee can afford only around 75 % of the interpretation it could afford in 2014; notes that the purpose of that operational audit was to examine procedures, in particular as to whether any cost savings can be made without compromising the quantity and the quality of interpretation provided; observes that an analysis of selected cases showed that the

procedures for provision of interpretation were well established, and that interpretation was provided as requested; notes that the overall satisfaction among end-users is high; notes that an agreed action plan is currently being implemented and includes ongoing identification of areas with potential for saving of costs;

No follow-up required.

- 48. *Observes that an audit of ethics and well-being at work was proposed in the 2019 work programme but was deferred until the 2020 work programme; notes that the audit started in 2019, but that the approach was altered following the Court's special report on ethics published on 19 July 2019; notes that it is the intention of the IAS to follow the approach chosen by the Court when assessing the ethical framework established within the Committee; advises the IAS to include in the audit the implementation of the currently reformed ethical framework;***

The objective of the audit on ethics and integrity was to build upon the European Court of Auditors (ECA) report, with a view to providing reasonable assurance as to the alignment of the EESC's ethical framework in the areas under scrutiny. Similar to the ECA report, the internal audit examined the overall awareness of the ethical framework among staff and members, but without further assessing the implementation of the respective ethical framework, as its review was still ongoing at the time of the audit.

Inspired by the ECA report, the internal audit focused specifically on the following areas: gifts and entertainment, outside activities and assignments, conflicts of interest, post-EU employment, anti-harassment and whistleblowing. In these areas, the audit focused on the regulatory framework for ethics and – in relation to staff – procedures applied by the Directorate for Human Resources and Finance. The analysis consisted of mapping the requirements in the EU regulatory framework and its transposition via internal EESC rules.

The auditing method used in this assessment was a desk analysis of relevant regulations, procedures, etc. combined with a continuous exchange of information and views, in particular with the Directorate for Human Resources and Finance.

The audit was completed in early 2021 and resulted in a number of recommendations, none of them critical, which have been translated into an action plan and an implementation timeline.

Please also see the reply to observation 77.

- 49. *Welcomes the fact that 11 500 (79 %) of the invoices received by the Committee in 2019 were in electronic format, which is compliant with the provisions of Directive 2014/55/EU¹⁶; congratulates the Committee on the fact that in 2019 it had the highest take-up of e-invoices, in both absolute and relative terms, of all Union bodies;***

¹⁶ Directive 2014/55/EU of the European Parliament and of the Council of 16 April 2014 on electronic invoicing in public procurement (OJ L 133, 6.5.2014, p. 1).

No follow-up required.

- 50. *Underlines that, during 2019, the public procurement department updated the written instructions and templates and continued to provide guidance and advice to all financial actors concerned; welcomes that 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; acknowledges that to improve the efficiency and effectiveness of controls, the Committee's verification department works closely with the public procurement department;***

No follow-up required.

Human resources

- 51. *Notes that the establishment plan indicates 668 posts in 2019, the same as in 2018; notes that there is no change in the work force and that the total number of staff employed (officials, temporary agents, contract agents, seconded national experts and medical adviser) was 702 on 31 December 2019 (compared to 705 in 2018);***

No follow-up required.

- 52. *Is aware that the Committee continues to implement its action plan 2017-2020 for equal opportunities and diversity; notes that the Committee's managerial staff achieved gender balance in 2018 and this remains relatively stable; regrets that the new political leadership of the Committee does not reflect this trend with only one out of seven section presidents and none of the three group presidents being women, especially in view of the fact that, for its 2020-2025 term of office, the Committee has the highest number of new and female members since 2010; welcomes the awareness raising events organised in relation to diversity, such as the 'united in diversity' conference on communication in a multicultural environment with the aim of fostering respectful relations at work while taking diversity into account; welcomes in particular the specific activities and measures linked to disability; encourages the Committee, however, to also put in place concrete measures such as gender equality training in order to avoid unconscious bias for members in selection panels;***

Women account for two thirds of the EESC presidency (the President, Christa Schweng and the Vice-President for Budget, Giulia Barbucci). Additionally, two of the three Quaestors are women.

An ad hoc group on equality has recently been set up for the EESC's new term of office.

This group has a mandate to draw up proposals for action to support equality and to make recommendations to the EESC Bureau. It will focus mainly on gender equality but will also look at other kinds of possible discrimination among members. The group also plans to liaise with similar bodies at the other institutions to share best practices.

In 2020 and 2021, the Committee organised training courses on "diversity and respect" for

EESC members and staff. The training touched upon gender equality/diversity indirectly, while covering points including discrimination, harassment and psychosocial risks in a multicultural work environment. Additionally, tools to increase mutual understanding and to prevent conflicts in the workplace were presented to training participants, to ensure they are better equipped when dealing with complex interpersonal relationships.

- 53. *Observes the slight improvement in geographical balance compared to 2018 with 19 % of the Committee's managers currently being from Member States who joined the Union after 2004 (compared to 16 % in 2017 and 18,5 % in 2018); notes with concern the overrepresentation of certain nationalities among the Committee's staff; urges the Committee to develop specific measures to address this imbalance; calls on the Committee to continue to take steps to achieve a geographical balance of its staff in order to ensure a proper representation of nationals from all Member States, as addressed in rule 4 of the rules of procedure for members of the bureau, including at management level;***

In 2019, the EESC continued to work together with EPSO, which puts significant efforts into increasing the diversity of its talent pool, thus helping the EU Civil Service to ensure that it fully represents the diversity of the EU citizens it serves. The EESC is actively involved in the ongoing reflections being conducted jointly by the institutions and EPSO with the aim of reviewing the current selection model and issuing recommendations for possible changes and improvements, including further increasing geographical balance and diversity. As part of its employer branding policy, the EESC also created a completely new website for attracting future applicants (<https://www.eesc.europa.eu/en/work-with-us/jobs>), with a view to establishing a more diverse and balanced talent pool for its workforce.

The EESC set up an integrated learning pathway for heads of sector, thereby fostering the creation of an internal talent development pool that could contribute to ensuring more diverse and geographically-balanced management in the future. It also has to be noted that most staff from Member States that joined the Union after 2004 were recruited at entry-level grades. This situation is being addressed with an active policy to cope with the geographical imbalance.

- 54. *Asks the Committee to report to the discharge authority on the concrete achievements of the action plan for equal opportunities and diversity, in particular on the results of the measures taken as regards strengthening diversity and making the Committee a more inclusive workplace for persons with disabilities;***

Equal opportunities, diversity and creating an inclusive working environment were affirmed as core EESC values and have been embedded in all HR processes, while further implementing the 2017-2020 Action Plan for Equal Opportunities and Diversity.

In 2019, the EESC, in cooperation with the CoR, hosted the Intercopec (the interinstitutional network in the field of equal opportunities) conference on the topic: "Disability: towards an inclusive workplace". Colleagues from various institutions shared best practices and took part in participatory workshops on topics such as the recruitment of persons with disabilities, the recognition of disability, inclusive language, the role of social workers and employees'

networks. The recommendations were forwarded to the heads of administration.

In December, on the International Day of Persons with Disabilities, a lunchtime conference was organised by the EESC Medical Service on the following topic: "Being parents of a child with a disability: announcement of the diagnosis and support".

In addition to awareness-raising events and the above-mentioned conferences, the EESC continued to adapt its premises to improve accessibility. After the renovation of the Jacques Delors Building (JDE) entrance hall in 2018, the Bertha von Suttner Building (BVS) main entrance was also upgraded according to the "design for all" principle. Contact has been made with the Brussels authorities with the aim of improving the accessibility of the European quarter.

The *EESC Guidelines on the use of inclusive language in written communication* include recommendations on addressing people with a disability.

As far as gender equality is concerned, the proportion of women within the EESC General Secretariat remained the same in 2019 as in previous years (2017 and 2018), meaning that two thirds of EESC staff were women. On the other hand, the proportion of women in management positions reached almost 50% (figure for both middle and senior management, including acting heads of unit).

- 55. *Appreciates that the establishment of a register on specialised posts, i.e. posts not covered by the mobility scheme, was completed, following an in-depth analysis in 2019, and that such a list did not exist previously; notes that the final list of all exempted specialised posts was notified to all staff and includes both the head of the legal service and all lawyers of the Committee;***

No follow-up required.

- 56. *Recognises the measures put in place related to well-being such as the relaunch of a mentoring scheme for newcomers, which is part of a preventative approach in the management of psychosocial risks; notes the exchanges of best practice with a view to continuously improving that scheme; notes the extensive updating of the rules on teleworking that offer more flexibility for workers; encourages the Committee to complete the implementation of flexible working arrangements with a protection of the staff members' right to disconnect;***

No follow-up required.

- 57. *Notes with satisfaction the actions related to long-term sick leave, in particular those aimed at facilitating return to work;***

No follow-up required.

- 58. *Expresses serious concerns about the public disquiet caused by certain recruitment procedures used by the Committee; calls on the Committee to set out clear internal***

guidelines regarding the publication of vacancies and a clear explanation of the interest of the service in case of temporary moves of members of staff; stresses the importance of strictly ensuring that each phase is conducted in a fully transparent manner, without exception, as established in the Committee's rules of procedure and in the Staff Regulations, throughout the entire recruitment procedure (publication, selection, appointment and establishment) in order to avoid any reputational risk not only for the Committee but for all the entities of the Union;

A comprehensive Practical Guide to Recruitment in line with the EU Staff Regulations has been published on the EESC intranet and sent to all EESC directorates. It describes the whole recruitment procedure, addressing each phase specifically, from preparation and verification prior to publication, to the actual selection, evaluation of candidates, appointment and establishment. Checks are in place to make sure that this guide is followed rigorously when recruiting.

- 59. *Notes that in 2019 the Committee hosted 54 long-term trainees who received a monthly maintenance grant from the Committee, 15 short-term trainees who received no grant from the Committee, and one trainee who received a grant awarded by an outside public body; recommends that the Committee pays an adequate grant to short-term trainees also, unless they receive payments from other sources.***

Short-term trainees are usually hired at their own request, as part of their ongoing university studies (sometimes a traineeship during the year is a compulsory part of the course). Whilst the EESC acknowledges the recommendation of providing financial compensation to short-term trainees, the impact on the budget, as well as the need to avoid double funding (for students who potentially receive subsidies to support their studies) must also be carefully assessed. Therefore, and with the aim of potentially aligning with other EU institutions and existing best practices, the EESC will carry out a comparative benchmarking study looking at how the different EU bodies deal with grants for short-term trainees.

Transparency

- 60. *Welcomes the fact that the Committee started to promote respect in the workplace with the aim of ensuring that all staff are familiar with the current ethical framework; notes that a wide-ranging awareness-raising campaign started in 2019 called respect@work, which takes on board a number of proposals from the Report of the European Ombudsman on dignity at work in the EU institutions and agencies (SI/2/2018/AMF); welcomes the fact that the network of confidential counsellors was reinforced; notes that, following a decision of the European Ombudsman, the Committee adopted its guidelines on managing conflicts of interests of staff in the performance of their duties and provided relevant information to all staff; notes that the guidelines are intended to serve as a practical handbook for staff in cases where they need to perform overlapping duties, such as management duties in parallel with staff representation activities; invites the Committee to make further progress with measures to respond to the Ombudsman's report;***

The Committee's ethical framework will be further strengthened by the measures identified

in the action plan on its revision. The action plan addresses the issues raised in the European Ombudsman's Report on dignity at work in the EU institutions and agencies. The measures contained in the action plan are threefold: (1) measures to strengthen the legal framework, (2) measures to strengthen the administrative and operational framework, (3) measures to raise awareness of ethical rules and principles among staff and members.

As regards, in particular, the rules on conflict of interest, the EESC Guidelines DRH 001/19 of 2 April 2019 on managing conflicts of interest of staff in the performance of their duties, clarify the concepts of conflict of interest and private interest, give an overview of the relevant legal provisions and provide for a clear procedure to be followed in cases of potential conflict of interest. These guidelines are in line with the Staff Regulations, the EESC Code of Good Administrative Behaviour and the freedom of association enshrined in the Charter of Fundamental Rights of the European Union.

61. Requests the Committee to report on any achievements related to the European Ombudsman's recommendation such as the guidelines on external activities; notes that in 2019 the Ombudsman published her report on the publication of information in relation to former senior staff so as to enforce the one year ban on lobbying and advocacy (SI/2/2017/NF) and that the Committee examined the possibility of revising its decision on external activities; invites the Committee to take this opportunity to reinforce its system to avoid any potential case of conflict of interest;

EESC Decision 038/14 A concerning outside activities and assignments already entails a number of limitations. In the case of former senior officials, the Appointing Authority shall, in principle, prohibit them during the twelve months after leaving the service from engaging in lobbying or advocacy, vis-à-vis staff of their former institution, on behalf of their own business, clients or employers, on matters for which they were responsible during the last three years in the service. The EESC has also carried out a detailed analysis to assess the degree to which the various recommendations made by the Ombudsman in her report (SI/2/2017/NF) have been implemented. Five of them have already been fully or partially implemented. The decision on the need to revise Decision 038/14 A or to adopt further guidelines on the specific issue of lobbying and advocacy is currently pending and the EESC aims to complete this file as soon as possible.

On 2 April 2019, the EESC also adopted internal guidelines on how to address potential cases of conflict of interest concerning staff in the performance of their duties.

With the adoption of the revised Code of Conduct for members on 28 January 2021, the EESC also strengthened its legal framework to avoid potential conflicts of interest as far as members are concerned.

In particular, after ceasing to hold office, former members shall continue to be bound by ethical standards of integrity and discretion. Former members shall not lobby members or staff on behalf of their own business, or that of their employer or client, on matters for which they hold important positions or write reports for a period of two years after ceasing to hold office. The revised Code also emphasises the need to avoid any situation liable to give rise to

a conflict of interest or which may objectively be perceived as a conflict of interest.

- 62. Expresses its concern with respect to the investigations carried out by the European Anti-Fraud Office (OLAF) in 2019; notes that two cases were closed concerning members and misappropriation of Union funds; notes with satisfaction that the amounts have been recovered by the Committee; notes that two cases were opened (one in relation to a member and one in relation to a staff member), of which the first case is ongoing and the second case was closed in 2020 with no infraction found; notes that in 2020 two cases were opened, of which one, a case from 2018, was closed within the same year with fraudulent action by a member confirmed and one is ongoing; notes that another case against a member has been opened and is ongoing; notes that to the best of the Committee's knowledge there are currently two open OLAF investigations, both concerning members and not related to harassment;**

There are currently three open OLAF investigations involving EESC members (none related to harassment). As indicated in the reply to question 78 of the 2019 discharge questionnaire, one case was opened in 2019 and the other was opened in 2020. A new case concerning a member was opened in 2021.

- 63. Notes that the Committee's current approach to confirming the presence of members at meetings is in line with the best practices of other Union entities such as Parliament and the CoR; notes that the system requires a single signature and a declaration of attendance at a meeting; notes that article 4(a) of the financial statute for members stipulates that "in order to benefit from reimbursement of expenses or payment of allowances, the beneficiary must a) sign the attendance list at meetings, whenever such a list is kept, b) complete the standard expenses declaration form for each day of the meeting, and c) submit the appropriate supporting documents";**

Further to the COVID-19 pandemic, and with a view to ensuring the continuity of the EESC's work, the EESC Bureau adopted a decision that includes the provisional adaptation of the signature system to the new remote working environment.

The decision establishes that when, as a result of COVID-19 health measures and/or related circumstances, one or more members attend a meeting remotely by electronic means, the secretariat in charge of organising the meeting must establish the attendance list for the members who attended the meeting remotely. This temporary system is currently in force until 13 June 2021.

- 64. Urges the Committee to keep the discharge authority informed about the procedures and processes the Committee has rolled out or intends to roll out in order to avoid cases of harassment or similar issues concerning staff in the future in order to ensure that regrettable developments which have caused suffering to victims in the past and which have damaged the reputation of the Committee and the Union at large will not be repeated;**

In January 2021, the Committee adopted a detailed action plan on the revision of its ethical framework. The measures contained in the action plan are threefold: (1) measures to

strengthen the legal framework, (2) measures to strengthen the administrative and operational framework, (3) measures to raise awareness of ethical rules and principles among staff and members.

A revision of the Committee's Decision No 200/14 A concerning the procedures for preventing and dealing with psychological and sexual harassment at work within the Secretariat of the EESC is part of the above mentioned action plan, and the adoption of the revised decision is planned for 2021. The revised decision will further strengthen the legal framework on preventing and addressing issues of harassment or conflict at work. It will also be aligned with other updates such as the creation of an internal ombudsman post. Training for members and managers and efforts to improve relevant information on intranet are also planned, with the aim of raising awareness among all relevant actors.

On 28 January 2021, the EESC also adopted a revised Code of Conduct for members, which provides a robust and appropriate new framework to prevent and tackle harassment or similar issues.

Please also see the replies to observations 60 and 65.

- 65. Reiterates its request for clear and strong protection and support measures for the victims of harassment; urges the Committee to introduce specific rules and procedures on harassment; is of the view that the fact that the Staff Regulation cannot be imposed on a member of the Committee cannot be regarded as an excuse for inaction.***

The new Code of Conduct aims to reinforce the EESC's internal framework and procedures in order to better tackle issues related, inter alia, to harassment. The Code of Conduct establishes a new Ethical Committee, which is now entrusted with the responsibility of dealing with complaints from members and staff. It also has explicit investigative powers that enable it to carry out its mission and may seek advice from external experts. The penalties provided for in the Code of Conduct are proportionate to the seriousness of the misconduct and to the member's hierarchical position. The ongoing revision of the ethics-related legal framework for EESC staff will also take into account the relevant provisions of the Code of Conduct.

Refusal of discharge in 2018, conflict of interest, harassment, whistleblowing

- 66. Recalls that several members of staff suffered acts of psychological harassment by the then president of Group I over a long period of time; regrets that the anti-harassment measures in place in the Committee failed to tackle and remedy this case sooner because of the senior position of the member concerned; regrets the fact that the measures taken to protect the victims up until the end of the investigation by OLAF seem to have been improvised and insufficient, especially in light of the judgement of the Civil Service Tribunal of 12 May 2016¹⁷ which should have served as a lesson for the Committee; notes with concern that***

¹⁷ Judgment of the Civil Service Tribunal (Third Chamber) of 12 May 2016, *FS v European Economic and Social Committee (EESC)*, F-50/15, ECLI:EU:F:2016:119.

shortcomings in the internal proceedings, including an unclear division of reporting responsibilities at the senior management level, resulted in the inaction by the Committee's administration which translated into a breach of the duty of care and of the obligation to report to OLAF; condemns the length of time that the Committee took to take the necessary measures to adapt the Committee's rules of procedure and code of conduct in order to avoid such situation in the future;

The EESC confirms that the observations made by the European Parliament in the context of the refused 2018 discharge were integrated into the ongoing revision of the relevant decisions.

The EESC decision on the prevention of harassment dates from 2014 and the decision on whistleblowing dates from 2016. The internal mechanisms established by those decisions were effectively activated as soon as the first whistleblowing complaints were submitted in July 2018. The former secretary-general ad interim and the former director of human resources and finance were in continuous contact with the whistleblowers in order to respond to their individual needs (support measures, mobility, etc.). Following the adoption of intermediary measures (a Quaestors fact-finding mission, sending a warning letter to the former president of Group I and collective coaching sessions for the Group I secretariat), internal administrative inquiries were launched in January 2019. These inquiries were later suspended in order to avoid impeding OLAF's parallel investigation, as established in the EESC-OLAF agreement.

Irrespective of the above action undertaken by the administration, in full compliance with the applicable legal framework, the revision and further strengthening of both the decision on the prevention of harassment and the decision on whistleblowing has been identified as a clear target in the Action Plan on the Ethical Framework adopted in January 2021. The revision is currently ongoing and is expected to be completed in 2021.

The EESC also stresses the fact that the Tribunal judgment in Case F-50/15 did not find any grounds for the alleged harassment and sexual discrimination against the plaintiff¹⁸.

- 67. *Recalls that OLAF identified the victims of harassment in its 2018 investigation; regrets that the victims were forced to initiate the process through their own means because of the lack of action by the Committee's administration; notes that the follow-up of the formal requests initiated by the victims under Article 24 of the Staff Regulations started in January 2020; notes with concern that the formal recognition of the status of victim only occurred on 2 October 2020, although the Committee claims to have implicitly recognised their status months before;***

The formal recognition of the status of victim, which also included an apology on behalf of the institution, was granted explicitly after an official decision of the Bureau in June 2020. This decision formally took note of the conclusions of the OLAF report and those of the Advisory Committee on the Conduct of Members, concerning the (at the time) Group I

¹⁸ Paragraphs 109 and 110 of the judgement further elaborate on the fact that the applicant had in no way provided proof that she was subject to psychological harassment. Paragraphs 132 to 134 of the judgement further elaborate on the fact that the applicant could not reasonably consider that she had been discriminated against on the basis of her sex or her state of pregnancy.

president's responsibility vis-à-vis the acts of harassment and misconduct of which he was accused.

Please also see the replies to observations 66 and 72.

- 68. *Points out that the Committee's failings in this case have resulted in a material loss of public funds with respect to legal costs, sick leave, victim protection, reduced productivity, meetings of the bureau and other bodies, etc.; considers it therefore to be a matter of concern regarding accountability, budgetary control and good governance of human resources in the Union institutions, bodies, offices and agencies; in this sense reiterates what the Court stated in its Special Report 13/2019, The ethical frameworks of the audited EU institutions: scope for improvement, namely that ethical conduct in public affairs contributes to sounder financial management and increased public trust, and that any unethical behaviour by staff and members of the Union institutions and bodies attracts high levels of public interest and reduces trust in Union institutions and bodies;***

The EESC is aware of the points underlined by the European Parliament and of the conclusions in Special Report 13/2019 on the importance of an ethical framework in the European institutions. Since May 2020, a joint working group made up of representatives from both the administration and the Staff Committee has worked on formulating recommendations relating to respect and ethics at work. This has resulted in a consolidated action plan for the revision of the EESC's ethical framework, adopted by the Appointing Authority in January 2021. It incorporates the joint working groups' recommendations on the ethical framework at the EESC and covers other measures falling within the remit of other bodies, in particular the revision of the Members' Code of Conduct.

This action plan lays down a solid battery of measures and constitutes a strengthened ethical framework. Some of these actions have already been fully implemented (e.g. the new brochure for the members) while others are ongoing.

Please also see the replies to observations 60 and 64.

- 69. *Recalls that Parliament refused to grant the Committee's secretary-general discharge in respect of the financial year 2018, among other reasons on the ground of a flagrant breach of the duty of care and the lack of action by the administration, along with the financial consequences; reminds the Committee that being refused discharge is a serious matter, requiring immediate action; deeply regrets the lack of decisive action, in particular prevention and reparative measures, by the then director of HR and finance, now secretary-general, until the refusal of the 2018 discharge;***

Please also see the reply to observation 66.

- 70. *Notes that during the 2018 and part of the 2019 discharge procedures, the secretary-general was unable to provide sufficient, transparent and reliable information to Parliament's Committee on Budgetary Control as evidenced by the number of times that the information provided was refuted by whistleblowers, the Committee's trade unions, by the defence team***

of the victims or by the perpetrator himself; calls on the Committee to take notice of the damages caused to the victims and whistleblowers, both in material and moral terms, resulting from insufficient support and lack of rightful rehabilitation and compensation; is deeply concerned that the victims had to file a complaint because of the inaction of the Committee's administration in the rehabilitation procedure; reminds the Committee of its obligation to protect victims and whistleblowers;

The EESC reiterates its full commitment to the principles of zero-tolerance and to the right of all members and staff to a respectful workplace, based also on the lessons drawn from the past.

Whilst the action plan endorsed in 2021 to further strengthen the EESC ethical framework will allow potential gaps to be tackled and will provide for a robust and efficient framework, the EESC would also like to recall action taken in the past. Major improvements in this field have been ongoing throughout the 2010s. The decisions on the prevention of harassment and on whistleblowing were adopted in 2014 and 2016 respectively. In 2015, a group of confidential counsellors was set up to deal with conflict and difficult situations at work and in 2017 a team of ethics counsellors was established to advise on whistleblowing. In 2019, for the first time, the EESC acquired a legally binding Code of Conduct for members, which forms part of the EESC Rules of Procedure. Also in 2019, the EESC adopted internal guidelines on the prevention of conflicts of interest. Moreover, various initiatives on wellbeing at work were rolled out, such as the "Respect@Work" campaign. In early 2021, the Code of Conduct for members was modified and significantly strengthened based on the lessons learned from the past.

The EESC considers that the current ethics framework has produced the intended results and proved its value, as it provided the rules and procedures that allowed the case of misconduct within Group I to be tackled. Once the first whistleblowing reports started to be made in 2018, the former president and administration took all the necessary measures, within the remit of their powers, to resolve the situation, including providing assistance to the victims and eventually launching internal investigations and notifying OLAF of the matter. It is also thanks to the, then new, Code of Conduct that the harassment case in question was appropriately dealt with by the Advisory Committee on the Conduct of Members and the Bureau.

- 71. *Acknowledges that the Committee is striving to further strengthen its capacity to tackle unethical behaviours; notes that a detailed action plan was to be endorsed at the latest by the end of 2020; agrees that the Committee must continue to raise staff and management awareness through more targeted internal communication on the structures already available to help address any kind of difficult situation in the workplace; asks the Committee to make training sessions on ethics and integrity mandatory for its members; requests the Committee to provide Parliament with a complete overview of all actions undertaken;***

The EESC is aware of the need to continuously and firmly strive to reinforce its capacity to prevent and tackle any unethical behaviour, and shares the view that this also means

appropriate awareness-raising.

A new brochure on ethics and the Code of Conduct for members has already been published on the intranet and is available for both members and staff. The political and administrative authorities issued specific communications in order to inform members and staff of this new publication. The brochure has been prepared for members as a practical guide to the principles of ethics and integrity. This should help to prevent inappropriate behaviour and harassment in all of its forms and ensure ethical conduct and respectful behaviour in the workplace. A similar initiative is also planned for staff.

- Raising staff and members' awareness through specific training for targeted audiences is also an important part of the action plan. The "Ethics and Integrity" training is already mandatory for all staff. Additional training for specific audiences, such as officials working for the groups, is in preparation. Moreover, training for the ethics counsellors will be launched in order to reinforce their knowledge on ethics and their capacity to welcome requests from whistleblowers.
- With regard to ethics training for the members, this is already included in the current training programme.
- The action plan has been communicated to the Parliament's Committee on Budgetary Control.

Please also see the reply to observation 68.

- 72. Calls on the Committee to swiftly reach a settlement agreement with the victims of harassment and misconduct; considers that the new leadership should take an active role in negotiating a settlement with the victims, with the aim of reaching a fair and satisfactory agreement supported by all sides as well as to avoid any conflicts of interests; expects the settlement with the victims to be based on principle of transparency and decency and to include a public apology, fair conditions in the settlement, the full rehabilitation of the victims in their working environment and guaranteed protection against adverse consequences from the case; strongly opposes the applying of any pressure on victims to sign non-disclosure clauses and to prevent them from confidentially providing any information regarding the settlement to Parliament's Committee on Budgetary Control; calls on the Committee to report in detail on the protective and compensatory measures offered; asks the Committee to report on the current situation of the victims identified;***

The EESC has been in constant contact with the victims identified in the OLAF report.

- After the OLAF report was received in January 2020, the director of human resources and finance met on a bilateral basis with all the victims between 22 January 2020 and 12 March 2020, as instructed by the secretary-general. One of the victims was met again on 13 March and 22 June 2020 respectively.
- All persons concerned were asked about their specific needs, if any, in the context of the outcome of the OLAF report. They were also offered assistance (medical or psychological support or any other assistance from HR, including protection measures if felt necessary in light of the administration's duty of care).

- Decisions granting legal assistance to the three named EESC staff victims (two for harassment and one for serious misconduct) were taken and communicated on 16 March 2020. On 16 July 2020, the Committee Assembly granted legal assistance to a former EESC member who was a victim of serious misconduct.
- The relevant parts of the OLAF report were communicated to each of the victims on 24 March 2020.
- The appraisal report of one of the victims was modified, as per her specific request under Article 24 and with her agreement, by an ad hoc decision of the Appointing Authority on 12 June 2020.
- Victims (along with whistleblowers) were formally informed of the actions taken by the relevant EESC bodies relating to Mr Krawczyk in formal letters dated 12 June 2020 and 31 August 2020 respectively.
- Decisions granting recognition of the status of victim were sent on 2 October 2020 to the three victims among the staff. Please also see the reply to observation 67.
- As a follow-up to negotiations, which started as early as July 2020, a final agreement has been reached by all parties for the two victims of harassment, on 28 December 2020 and on 31 March 2021 respectively, thereby completing all pending points in the initial requests for assistance.

The two victims of serious misconduct (one staff member and one former EESC member) have submitted new requests, in December 2020 and January 2021 respectively. The Committee requested that they further specify the nature and extent of the compensation sought and quantify their claims in order to enable a full assessment of the matter. One of the victims responded, in April 2021, by sending additional information concerning the compensation claims and the administration is currently processing this file with a view to reaching a legally sound, fair and proportionate settlement as soon as possible.

The EESC denies that any pressure would have been applied as far as the signature of confidentiality clauses are concerned. They are a standard practice between both parties in amicable settlements. Moreover, the confidentiality clauses in the settlement agreements signed between the EESC and the victims explicitly provide for both parties to communicate all general terms of the agreement to the competent budgetary control authorities if requested. The EESC confirms that it stands ready to communicate these confidentially terms to the Parliament's Committee on Budgetary Control.

- 73. Notes the decisions taken by the general assembly of the Committee with a large majority on 28 January 2021 and welcomes the adoption of a new code of conduct, which repeals and replaces the code adopted in March 2019, and the establishment of a framework dedicated to ethics and integrity; observes that the code of conduct now contains a sanctions regime that is in proportion to the severity of the unethical behaviour; welcomes in particular the introduction of financial sanctions and the possibility of expelling a member from the Committee; urges the Committee to enforce sanctions when necessary, as well as the improved provisions on the declaration of financial interests and on conflict of interest; urges that Parliament, the Council and the Commission be informed of the names of Committee members who are found to be responsible for breaching the code of conduct;***

congratulates the Committee on the ambitious, comprehensive and reinforced code of conduct which addresses Parliament's observations as well as the relevant recommendations of the European Ombudsman; notes with satisfaction the emphasis on the appropriate behaviour of Committee members and the respect of the dignity and integrity of the members of staff; expects a strict observance by the members as well as a coherent attitude by the Committee's political leadership, including the three internal groups representing employers, workers and civil society;

To accompany the latest revision of the EESC Code of Conduct, and to better reflect its new content, a new brochure has been developed for members regarding their ethical obligations. It contains advice on how to avoid situations of harassment and the contact details of the various bodies responsible for such issues in-house. This brochure was finalised and published in April 2021 on both the EESC internet and intranet pages and a dedicated email was sent to all members. The brochure has also been communicated to staff and will be distributed during training courses on ethics.

A similar brochure on ethics and integrity will also be prepared for all EESC staff, as established in the Action Plan on the Ethical Framework.

Please also see the reply to observation 71.

- 74. *Underlines that on the basis of the observations made by Parliament's Committee on Budgetary Control, the report by OLAF and the reflections of the Committee's advisory committee on the conduct of members, the Committee set up a joint internal working group on the ethical framework with a mandate to review all potential gaps in the current framework with a view to recommending improvements; notes that the advisory committee also has the opportunity of liaising with the joint internal working group in order to ensure coherence of the overall ethical framework within the Committee and to explore possible synergies; notes that the advisory committee on the conduct of members became the ethics committee and that a provision on the appointment of reserve members has been added, as well as the possibility for one of its members to recuse himself or herself or to be removed if found guilty of breaching the code of conduct; welcomes the fact that the Committee now has explicit investigative powers in order to carry out its mission and may also seek advice from external experts; strongly suggests that the ethics Committee establishes permanent consultation with the Committee's legal service, rather than optional consultation, especially when an investigation is opened; notes that the Committee has also updated its ethics and integrity framework through the adoption of an action plan for a stronger ethics framework which entered into force on 7 January 2021; expects a robust and reliable set of measures regarding protection, prohibition of retaliation and support for victims;***

The EESC expects that the full set of measures, once implemented, will provide a robust, coherent and efficient framework to prevent issues related to harassment and similar inappropriate behaviours, as well as fully effective protection and support measures to victims.

Please also see the replies to observations 68, 70 and 71.

75. *Notes that the mandate given by the bureau in June 2020 to draft proposals to revise the code of conduct and the provisions of the rules of procedure concerning the code of conduct was postponed by the bureau on 15 September 2020 because a particular member, acting as president of Group 1, advised that the advisory committee's decision on the rules of procedure be carried over to after October 2020; is concerned that that particular member who was found responsible for harassment was still active in the bureau after the OLAF recommendation and managed to delay the adoption of the new code of conduct for members;*

The EESC would like to respectfully correct the above statement. On 25 June 2020, the Bureau decided by written procedure to give a mandate to the Advisory Committee on the Conduct of Members:

- to submit proposals to amend the current Code of Conduct of the Members of the European Economic and Social Committee, as well as any rules in the EESC Rules of Procedure relating to the Code of Conduct and to submit them for approval to the Assembly, in principle in September, according to the provisions in force;
- to draft the Implementing Provisions of the Code of Conduct and submit them for approval to the Bureau in September;
- to finalise their internal rules of procedure and submit them for approval to the Bureau in September.

Subsequent to the communication of this new mandate, the Advisory Committee worked with the help of the Legal Service.

The Advisory Committee made considerable progress but had not completed the work requested by the Bureau on 25 June 2020. It should be stressed that the new tasks assigned to the Advisory Committee by the Bureau went beyond the competences that had been granted to it by the Code of Conduct, and therefore no prior reflection or work had been done on these specific subjects. Given the exceptional circumstances related to COVID-19, the difficulty of organising meetings, the need to consult the Legal Service and the short deadline for submitting the proposals, it was only possible to have preliminary discussions on how the Code of Conduct could be revised and what the Implementing Provisions could contain, instead of submitting definitive proposals. Moreover, it was also pointed out in a legal opinion that any revision of the Code of Conduct required the EESC Assembly to issue a formal mandate to the Rules of Procedure Panel.

Therefore, on 15 September 2020 the Advisory Committee on the Conduct of Members advised the Bureau, in its end-of-term report, to take note of the work that had been carried out by this committee and to extend the deadline for delivering the documents requested on 25 June 2020.

After the October 2020 renewal, the newly appointed Advisory Committee continued the work in close cooperation with the Legal Service. The Assembly adopted the revised Rules of Procedure and the Code of Conduct on 28 January 2021.

- 76. Asks the Committee to provide its legal service with a formal working strategy to ensure that it is officially and systematically involved in the most important matters of the Committee without leaving the decision on whether to consult it up to the different services; considers the replies received to the questions in this regard insufficient and asks the Committee to report to Parliament on what has been done to include its legal service in a more systematic and independent manner;**

In March 2021, the EESC adopted a new decision on the procedure for consulting the Legal Service, which was properly publicised and disseminated across all services. The aim of this new decision was to clearly set out the role and remit of the Legal Service, while specifying which bodies can request legal opinions and the formal requirements for submitting such requests. The Legal Service has now a more centralised role and can assist all services at a horizontal level.

Furthermore, the Legal Service has been actively involved in several new initiatives, such as the revision of the EESC decision on whistleblowing, the revision of the EESC Rules of Procedure, the SLA with the European Commission's IDOC Service, and the memorandum of understanding with the Committee of the Regions regarding administrative inquiries.

- 77. Appreciates that an internal audit on ethics and integrity will take the form of a mapping exercise followed by an analysis aimed at establishing a comprehensive overview of rules, standards and measures in relation to ethics and integrity; notes that the audit will also tackle issues such as gifts and entertainment, outside activities and assignments, conflicts of interests and post-Union employment;**

This exercise was completed in March 2021 and the audit recommendations translated into a specific action plan for implementation by the Committee. The audit report concluded that many of the elements required in an EU body such as the EESC are in place but a holistic approach is missing to consolidate the link between the rules applicable to staff and the rules applicable to members. The EESC has a solid basis to build on but needs to maintain a continuous focus on keeping the framework up-to-date. The swift adoption of the new Code of Conduct for members and the HR/staff action plan on ethics also shows that the EESC acts quickly and with determination.

- 78. Is concerned that despite the bureau decision of July 2020 on 1 December 2020 the Bureau approved the establishment of the investigated member as representative of Group 1 for the category on transport, automatically putting him in contact with staff of Group 1, including his victims;**

Currently, the former president of Group I, while renewed as a member, no longer holds any functions involving formal staff management and administration tasks, in light of Article 37 of the Staff Regulations and Article 2 of the CEOS. Moreover, the identified victims of harassment or serious misconduct are no longer members of the Group I secretariat.

Please also see the replies to observation 80.

- 79. Welcomes the meeting held with OLAF in July 2019 in order to clarify the interpretation of the administrative agreement between OLAF and the Committee so that possible harassment cases related to members are considered as high priority; notes that at this stage, the Committee cannot rely on an external independent investigative capacity for harassment cases (apart from OLAF); notes that the contacts with the network of agencies and with the disciplinary office of the Commission have not been conclusive to date; appreciates that this issue is also currently being looked into as part of the ongoing revision of the decision on administrative enquiries;**

Following a new request by the EESC, the European Commission agreed, on 10 February 2021, to conclude a Service Level Agreement (SLA) with the EESC for the externalisation of administrative inquiries involving EESC staff members to the Investigation and Disciplinary Office of the Commission (IDOC). The finalisation of the SLA is ongoing. A revision of EESC Decision No 635/05 A laying down general implementing provisions governing disciplinary proceedings and administrative investigations will also be tackled, as established in the Action Plan on the Ethical Framework. This revision will take into account the externalisation of administrative inquiries to IDOC.

- 80. Emphasises in relation to the OLAF findings of harassment against a member of the Committee and pursuant to the decision of 9 June 2020 of the Committee's bureau that the member in question was fully discharged from all tasks related to the management and administration of the Group I secretariat's staff until the end of his mandate; notes that on 7 September 2020 the member withdrew his candidacy for the position of the president of the Committee; regrets that, given the legal principle of non-retroactivity of sanctions, the enforced sanctions regime under the revised code of conduct cannot be applied in this specific case; is, however, gravely concerned that the perpetrator has been appointed by the Council as member for a new mandate; and that victims and whistleblowers risk facing retaliation by him or by people supporting him in the Committee; highlights the fact that he does not acknowledge or regret his wrongdoings, which demonstrates a complete lack of self-reflection and respect for the victims concerned;**

The appointment of EESC members is entirely outside the EESC's remit as their nomination is dealt with under Article 302 TFEU, which grants this power to the Council after consultation of the Commission. The EESC is neither associated with nor consulted on the appointment decisions.

Currently, the former president of Group I, while renewed as a member, no longer holds any functions involving formal staff management and administration tasks, in light of Article 37 of the Staff Regulations and Article 2 of the CEOS. As such, the member in question is not in a position to exercise any influence or potentially harass any staff members.

Insofar as potential acts of retaliation take place from 10 February 2021 onwards, they would be subject to the procedure and penalties set out in the new Code of Conduct. However, the EESC recalls that the victims had already been moved to other positions at the Committee, also in order to protect them in their capacity as whistleblowers, whilst the OLAF investigation was ongoing.

Moreover, the amicable settlements reached with the victims of harassment also entail a change to other administrative positions, in full agreement with them and the EESC. These positions do not involve either direct or indirect contact with the former president of Group I, thereby limiting to the maximum possible extent any risks of retaliation. If any such attempt were still to occur, the staff members concerned would also benefit from all of the reinforced protective and preventive measures that the EESC is putting in place based on the recently adopted action plan.

- 81. *Reiterates its concern of the fact that the Committee's website still features a statement by the member concerned in his capacity as president of Group I that is in reality a personal testimony of self-defence with the aggravating factor that the cases mentioned are either pending or expected before the Union judicial authorities and the Belgian authorities;***

The webpages dedicated to each of the three Groups are dealt with directly by the Groups themselves and are under their primary responsibility, given that they are free to express their respective views as political bodies forming part of the EESC. The EESC confirms that the statement in question has been removed from the internet website; however, it may still be visible by using the cache function of online search engines. Appropriate action has been taken and requests have been submitted in order to permanently delete the page in question.

- 82. *Notes that in the context of the application for interim measures lodged by the above mentioned member with the General Court (KN v EESC, T-377/20), seeking to suspend the execution of the decision of 9 June 2020 of the Committee's bureau, the General Court rejected the application as it did not meet the condition of urgency; notes that the main proceedings in the case, seeking the annulment of the abovementioned decision, are ongoing;***

No follow-up required.

- 83. *Notes that the plenary session of the Committee on 15 and 16 July 2020 confirmed the decision of 9 June 2020 of the bureau as regards the Committee joining as a civil party in the procedure that will be opened by the Brussels Labour Auditor before the Brussels Criminal Court; notes that the Brussels Labour Auditor has been informed of the waiving of the member's immunity, but no further information about the proceedings have been received to date;***

The Brussels Labour Auditor requested that the EESC Appointing Authority waive the duty of discretion for a number of staff members who would be invited to testify as part of the ongoing proceedings. The EESC complied with the Auditor's request but has not received any additional information about the progress of the proceedings.

- 84. *Is deeply concerned that in April 2021, the EESC is still failing in its duty of care towards the victims of harassment and grave misconduct given the fact it only concluded settlement agreements with two out of the four victims and has not yet published the public apology it promised.***

The EESC is fully aware of its duty of care towards the victims identified by OLAF. The EESC has been in constant contact with the victims identified in the OLAF report. In March 2021, the president met with them personally to express her sincere regret for what has happened and to fully understand what – in their view – was needed to reach fair and quick solutions.

In April 2021, agreements were signed with the two victims of harassment identified by OLAF and the EESC is giving the implementation of those agreements highest priority.

As regards the two victims of serious misconduct, both of them received legal assistance from the Committee. They also received formal letters acknowledging their status as victims of serious misconduct and expressing apologies on behalf of the institution. Compensation claims were submitted in December 2020 and in January 2021. The Committee has asked for further specification and quantification of those claims in order to enable a full assessment of the matter in line with legal and financial requirements that the Committee has to comply with. In April 2021, one victim responded by sending additional information concerning the compensation claims, which are currently being analysed with a view to reaching a legally sound, fair and proportionate settlement as soon as possible.

The Committee and its president are committed to reaching and implementing fair solutions for the victims in question.

12. RESULTS AND CONSEQUENCES OF CLOSED EUROPEAN ANTI-FRAUD OFFICE (OLAF) CASES IN 2020

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 2020, OLAF closed two investigations: one involving an EESC staff member and one involving an EESC member.

1. Following an audit check carried out by the European Court of Auditors, it appeared that an EESC staff member could have committed fraud or irregularity regarding allowances received from other sources. The OLAF investigation, opened following the information from the European Court of Auditors, did not show that the person concerned committed any fraud or irregularity. OLAF recommended that the EESC undertake all necessary administrative actions in relation to double allowances received by staff members, in particular after information of changes in the private life of their beneficiaries. The implementation of this recommendation is ongoing.

2. In November 2018, the EESC informed OLAF about suspicions of serious professional misconduct of one of its members. Having also received separate notifications of harassment from July 2018 to December 2018, OLAF launched a formal investigation in December 2018. In its final report, OLAF concluded that there were sufficient elements to believe that the member concerned had been behaving improperly towards staff members and members. This behaviour could be qualified as:

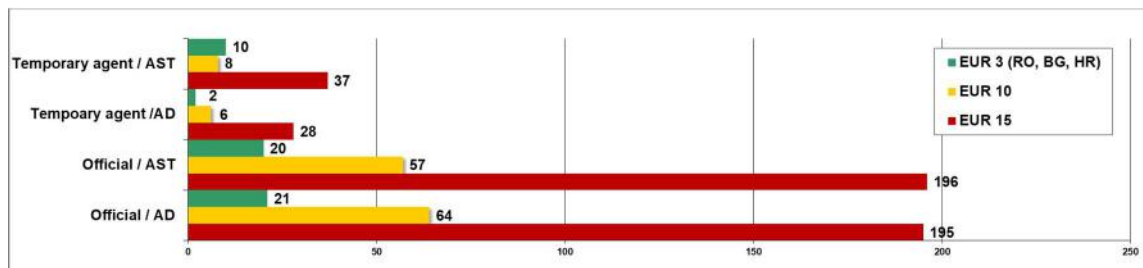
- harassment against two staff members;
- improper behaviour (serious misconduct) against a staff member and an EESC member;
- misconduct vis-à-vis other staff members.

The follow-up of this file is ongoing. OLAF has informed the EESC that it considered the disciplinary part of the recommendations for follow-up actions to be implemented.

13. DISTRIBUTION OF STAFF BY NATIONALITY, FUNCTION GROUP, TYPE OF CONTRACT AND GENDER ON 1 MARCH 2021

13.1 Nationality

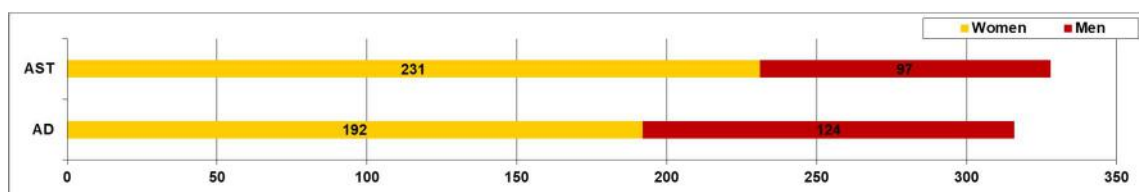
	Officials		Temporary agents		Contract agents		Seconded national experts and special advisers		TOTAL
	AD	AST	AD	AST	AD	AST	SNE	SA	
Austria	9	1	2	1		1			14
Belgium	29	78	1	6		13			127
Bulgaria	6	9	1	1					17
Croatia	7	3							10
Cyprus				1					1
Czech Republic	7	6	2		1				16
Denmark	11	5							16
Estonia	8	3							11
Finland	8	8	1		1				18
France	12	21	8	5	1	2		1	50
Germany	24	7		3					34
Greece	14	9	2	5		3	3		36
Hungary	9	10	1						20
Ireland	5	4	1	1					11
Italy	33	22	6	8	1	7	1		78
Latvia	4	3							7
Lithuania	7	5				1			13
Luxembourg		1							1
Malta	8	3							11
Netherlands	6	2		1					9
Poland	10	11	2	2			1		26
Portugal	11	10		5		4			30
Romania	8	8	1	9	1	2			29
Slovakia	7	9		4		1			21
Slovenia	4	7	1	1					13
Spain	16	22	2			6	1		47
Sweden	7	3	2	2					14
United Kingdom	10	3	3						16
	280	273	36	55	5	40	6	1	696
	Offic.AD	Offic./AST	TA/AD	TA/AST	CA/IV	CAI-II-III	SNE	SA	
EUR 15	195	196	28	37	3	36	5	1	501
EUR 10	64	57	6	8	1	2	1		139
EUR 3 (RO, BG, HR)	21	20	2	10	1	2			56



13.2 Gender

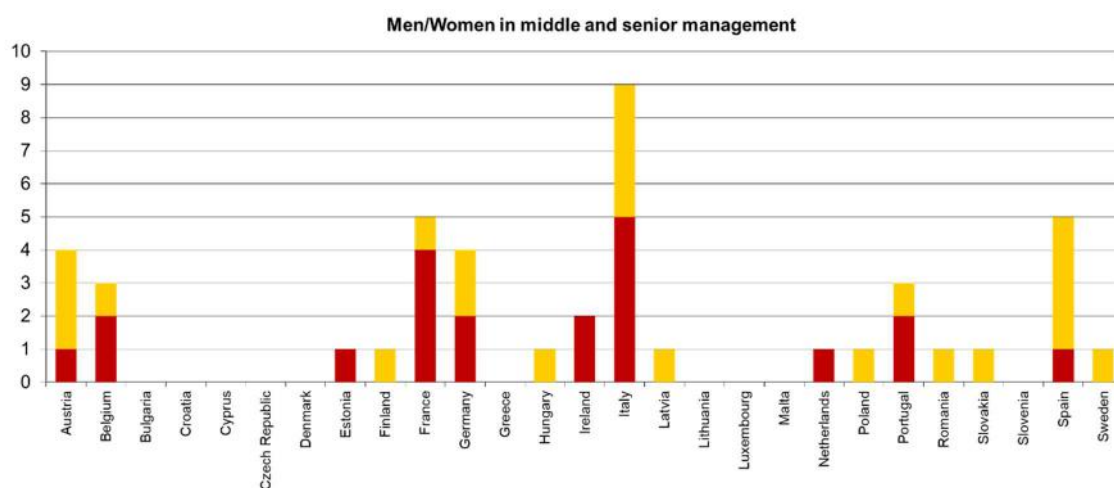
	Officials		Temporary agents		Contract agents		Seconded national experts and special advisors		TOTAL	FS/FT/TP	
	AD	AST	AD	AST	AD	AST	SNE	SA		AD	AST
Women	163	186	29	45	3	22	3	1	452	192	231
Men	117	87	7	10	2	18	3		244	124	97
	280	273	36	55	5	40	6	1	696	316	328

Officials and temporary agents / gender



13.3 Middle and senior management functions

	Men	Women
Austria	1	3
Belgium	2	1
Bulgaria		
Croatia		
Cyprus		
Czech Republic		
Denmark		
Estonia	1	
Finland		1
France	4	1
Germany	2	2
Greece		
Hungary		1
Ireland	2	
Italy	5	4
Latvia		1
Lithuania		
Luxembourg		
Malta		
Netherlands	1	
Poland		1
Portugal	2	1
Romania		1
Slovakia		1
Slovenia		
Spain	1	4
Sweden		1
United Kingdom		
TOTAL	21	23
Share	48%	52%



14. Occupation of posts by grade actually filled on 31 December 2020

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

95,51%

12,28%

7,63%

63,26%

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			0
14			19	14			16	14			1	14			0
13			27	13			20	13			2	13			1
12			49	12			47	12			1	12			0
11		4	24	11		3	20	11		0	0	11		0	0
10		5	42	10		2	42	10		0	2	10		0	0
9		25	64	9		22	58	9		0	4	9		0	5
8		28	38	8		24	27	8		0	3	8		1	5
7		44	26	7		35	20	7		3	2	7		0	1
6	0	51	23	6	0	44	17	6	0	2	4	6	0	2	1
5	0	60	15	5	0	63	12	5	0	1	17	5	0	1	1
4	0	41		4	0	30		4	0	1		4	0	5	
3	13	33		3	3	25		3	0	16		3	0	4	
2	16	2		2	11	4		2	5	0		2	3	0	
1	11	1		1	6	1		1	11	7		1	0	0	
40 294 334				20 253 283				16 30 36				3 13 14			
668				556				82				30			

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			0
14			18	14			16	14			0	14			0
13			24	13			20	13			0	13			1
12			49	12			47	12			0	12			0
11		4	22	11		3	20	11		0	0	11		0	0
10		5	40	10		2	42	10		0	0	10		0	0
9		25	59	9		22	58	9		0	0	9		0	5
8		28	38	8		24	27	8		0	0	8		1	5
7		39	23	7		35	20	7		0	0	7		0	1
6	0	49	20	6	0	42	17	6	0	0	0	6	0	2	1
5	0	57	14	5	0	62	12	5	0	0	17	5	0	1	1
4	0	39		4	0	30		4	0	0		4	0	5	
3	13	30		3	3	25		3	0	10		3	0	4	
2	13	2		2	11	4		2	5	0		2	2	0	
1	11	1		1	6	1		1	9	7		1	0	0	
37 279 313				20 250 282				14 17 17				2 13 14			
629				552				48				29			

Temporary posts

BUDGET			
	SC	AST	AD
HC			1
16			0
15			0
14			1
13			3
12			0
11		0	2
10		0	2
9		0	5
8		0	0
7	5	3	
6	0	2	3
5	0	3	1
4	0	2	
3	0	3	
2	3	0	
1	0	0	
3		15	21
39			

	Officials		
	SC	AST	AD
HC			0
16			0
15			1
14			0
13			0
12			0
11		0	0
10		0	0
9		0	0
8		0	0
7		0	0
6	0	2	0
5	0	1	0
4	0	0	
3	0	0	
2	0	0	
1	0	0	
	0	3	1
		4	

Temporary Agents				
	SC	AST	AD	
HC			0	
16			0	
15			0	
14			1	
13			2	
12			1	
11		0	0	
10		0	2	
9		0	4	
8		0	3	
7	3	2		
6	0	2		4
5	0	1		0
4	0	1		
3	0	6		
2	0	0		
1	2	0		
		2	13	19
		34		

Vacant posts			
	SC	AST	AD
HC			0
16			0
15			0
14			0
13			0
12			0
11		0	0
10		0	0
9		0	0
8		0	0
7		0	0
6	0	0	0
5	0	0	0
4	0	0	
3	0	0	
2	1	0	
1	0	0	
	1	0	0
	1		

15. DETAILED BREAKDOWN OF MEMBERS' EXPENDITURE CONCERNING ITEM 1004

15.1 COUNCIL DECISION No 2013/471/EU OF 23 SEPTEMBER 2013

Article 9 of the Council 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.

This 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/EU IN 2020

Number of beneficiaries

The year 2020 covered two terms of office of EESC members¹⁹. In total, the EESC reimbursed 523 beneficiaries (either members or their alternates) during the year.

Whilst some members served in both terms of office, this figure includes 140 EESC members who received reimbursement for service in the second term only.

Number of journeys and destinations

The number of journeys carried out by beneficiaries and reimbursed by the EESC in 2020 is as follows:

Destination	Number of journeys
Brussels	3,516
Within EU (outside Brussels)	192
Outside EU	27

¹⁹ One term of office ended in October and one started immediately thereafter.

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.

The monetary amount of reimbursements made for the various forms of transport were:

Method of transport	Amount reimbursed (EUR)
Aeroplane	2,324,566
Train	128,412
Car	326,759

As regards air travel, reimbursements can be made for any economy class ticket (6% economy and 3% "low cost" in 2020) or a business class ticket (91% in 2020) 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, and the daily allowance

The following tables and annexes²⁰ present information on travel costs and travel allowances, and the daily allowance, in a progressively detailed manner. Aggregated information is provided for meetings that took place in Brussels. More detailed information is presented for meetings that took place within the EU (but outside Brussels) and in-depth information is provided for meetings outside the EU.

The following table shows the amounts of travel costs and travel allowances paid:

Destination	Travel costs and travel allowances (EUR)	No of journeys	Average cost per journey (EUR)
Brussels	10,812,806	9,628	1,123
Within EU (outside Brussels)	1,889,006	1,701	1,111
Outside EU	501,521	225	2,229

²⁰ Detailed tables are included in Annexes 1 – 3.

The following table shows the amount of daily allowances paid:

Destination	Daily allowances ²¹ (EUR)	No of meeting days
Brussels²²	4,324,968	13,864
Within EU (outside Brussels)	93,526	304
Outside EU	21,605	65

This table shows the total travel costs and travel allowances, and daily allowance, paid per destination type:

Destination	Travel costs and travel allowances		Daily allowance		TOTAL (EUR) ²³
	Number of journeys	Cost (EUR)	Number of meeting days	Cost (EUR)	
Brussels	3,516	3,814,343	13,864	4,324,968	8,139,311
Within EU (outside Brussels)	192	188,622	304	93,526	282,148
Outside EU	27	61,244	65	21,605	82,849
TOTAL	3,516	3,814,343	13,864	4,324,968	8,139,311

This table shows the total travel costs and travel allowances, and daily allowance, broken down by destination (within the EU but outside Brussels):

Destination	Travel costs and travel allowances		Daily allowance		TOTAL (EUR)
	Number of journeys ²⁴	Cost (EUR)	Number of meeting days	Cost (EUR)	
Within EU (outside Brussels)²⁵	192	188,622	304	93,526	282,148
Austria	7	5,558	15	4,495	10,053
Belgium	1	82	1	290	372
Bulgaria	4	3,269	7	2,030	5,299
Croatia	18	27,776	30	8,990	36,766
Cyprus	13	5,308	20	5,945	11,253
Czech Republic	7	1,882	7	2,030	3,912
Estonia	11	10,889	19	5,655	16,544
Finland	1	503	1	290	793
France ²⁶	25	19,544	35	10,875	30,419
Germany	8	5,898	12	3,625	9,523

²¹ 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.

²² As a result of serious travel disruption during the COVID-19 pandemic, some EESC beneficiaries attended meetings "remotely" through technological means. This report takes, as a working assumption, that Brussels was the venue for meetings where EESC beneficiaries attended remotely.

²³ The costs have been rounded up or down to facilitate readability and this may therefore lead to a minor deviation in the total fields.

²⁴ 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.

²⁵ Detailed table in Annex 1.

²⁶ Including Martinique.

Destination	Travel costs and travel allowances		Daily allowance		TOTAL (EUR)
	Number of journeys ²⁴	Cost (EUR)	Number of meeting days	Cost (EUR)	
Greece	12	10,304	15	5,220	15,524
Hungary	1	125	3	870	995
Ireland	2	298	4	1,229	1,527
Italy	21	42,524	30	8,859	51,383
Latvia	1	37	4	1,450	1,487
Lithuania	3	1,212	9	2,610	3,822
Luxembourg	1	55	4	1,160	1,215
Malta	6	9,396	12	3,770	13,166
Netherlands	1	86	1	290	376
Poland	8	6,156	11	3,190	9,346
Portugal	13	15,322	23	6,960	22,282
Romania	9	7,347	10	4,414	11,761
Slovakia	3	1,331	3	870	2,201
Slovenia	1	144	1	290	434
Spain	4	4,082	11	3,480	7,562
Sweden	7	6,349	11	3,190	9,539
United Kingdom	4	3,147	5	1,450	4,597

This table shows the total travel costs and travel allowances, and daily allowance, broken down by destination (outside the EU):

Destination	Travel costs and travel allowances		Daily allowance		TOTAL (EUR)
	Number of journeys ²⁷	Cost (EUR)	Number of meeting days	Cost (EUR)	
Outside EU	27	61,244	65	21,605	82,849
Albania	1	1,514	1	435	1,949
Armenia	3	6,868	6	2,030	8,898
Japan	8	29,422	30	9,860	39,282
Moldova	3	1,873	3	1,160	3,033
Montenegro	1	1,345	1	290	1,635
Morocco	3	3,996	6	2,320	6,316
North Macedonia	1	1,771	1	290	2,061
Senegal	5	11,888	15	4,495	16,383
Serbia	1	1,295	1	435	1,730
Turkey	1	1,271	1	290	1,561

²⁷ 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.

15.3 DETAILED ANNEXES SHOWING THE REIMBURSEMENT TO EESC MEMBERS FOR MISSIONS AND THE MEETINGS ATTENDED BY EESC MEMBERS AND THEIR ALTERNATES

ANNEX 1 Table showing the reimbursement of travel costs and travel allowances, and of the daily allowance, to EESC members²⁸ for missions²⁹ where 4 or more EESC members participated, within the European Union (but outside Brussels)

Country	Number of missions per country	Date	City	Mission duration (days)	Number of participants	Travel costs and travel allowances (EUR)	of which aeroplane costs (EUR)	Daily allowances (EUR)	Total mission costs per country (EUR)
Croatia	1	09/03/2020	Split	2	16	22,448	12,798	8,120	30,568
Cyprus	2	13/02/2020	Nicosia	2	4	82	0	1,450	1,532
		27/07/2020	Nicosia	2	5	3,438	1,357	3,045	6,483
Estonia	1	13/02/2020	Tallinn	2	9	10,604	6,551	5,365	15,969
France	1	18/02/2020	Paris	1	6	1,722	669	1,740	3,462
Greece	1	13/02/2020	Athens	1	4	5,660	3,123	1,450	7,110
Malta	1	24/08/2020	Valletta	2	7	9,358	6,812	3,190	12,548
Romania	1	17/01/2020	Bucharest	1	4	5,151	3,008	2,674	7,824
TOTAL:						58,461	34,319	27,034	85,494

²⁸ As alternates are not permitted to represent the EESC during activities outside Brussels, this table therefore includes information relating to members only.

²⁹ A mission includes one or several meeting days in the same city or in different cities in the same country.

ANNEX 2 Table showing the reimbursement of travel costs and travel allowances, and of the daily allowance, to EESC members³⁰ for missions³¹ outside the European Union

Country	Number of missions per country	Date	City	Mission duration (days)	Number of participants	Travel costs and travel allowances (EUR)	of which aeroplane costs (EUR)	Daily allowances (EUR)	Total mission costs per country (EUR)
Albania	1	28/02/2020	Tirana	1	1	1,514	824	435	1,949
Armenia	1	23/01/2020	Yerevan	2	3	6,868	5,071	2,030	8,898
Japan	1	27/01/2020	Tokyo	5	6	29,422	23,044	9,860	39,282
Moldova	1	13/02/2020	Chisinau	1	3	1,873	672	1,160	3,033
Montenegro	1	14/02/2020	Herceg-Novi	1	1	1,345	598	290	1,635
Morocco	1	14/01/2020	Rabat	2	3	3,996	2,383	2,320	6,316
North Macedonia	1	13/02/2020	Ohrid	1	1	1,771	934	290	2,061
Senegal	1	17/01/2020	Dakar and St Louis	5	3	11,888	9,094	4,495	16,383
Serbia	1	07/02/2020	Novi Sad	1	1	1,295	630	435	1,730
Turkey	1	14/01/2020	Istanbul	1	1	1,271	809	290	1,561
TOTAL:						61,244	44,059	21,605	82,849

³⁰ As alternates are not permitted to represent the EESC during activities outside Brussels, this table therefore includes information relating to members only.

³¹ A mission includes one or several meeting days in the same city or in different cities in the same country.

ANNEX 3 Table showing meetings attended by EESC members and their alternates outside of the European Union

Country / City	Meeting title	Purpose of meeting
Albania (Tirana)	EESC Youth Plenary – School Visit "Your Europe, Your Say!"	This meeting was part of the "Your Europe, Your Say!" initiative; an annual EESC event aimed at connecting teenage students from all Member States and EU Candidate Countries. An EESC member visited the selected school in Albania to explain the EU, the EESC and the theme of the event.
Armenia (Yerevan)	Establishment of the EU-Armenia CS Platform – joint EESC and European Commission mission	The EESC, jointly with the European Commission (DG NEAR) and the European External Action Service, organised a mission of three members to Armenia. The purpose was to prepare the ground for the establishment of the bilateral EU-Armenia civil society platform under the EU-Armenia Comprehensive and Advanced Partnership Agreement.
Japan (Tokyo)	EU-Japan Follow-up Committee	<p>The mission to Japan took place in the framework of the regular activities of the EU-Japan Follow-up Committee. Two days were related to meetings organised in Tokyo under the EU-Japan Economic Partnership Agreement (EPA). During these two days, the Follow-up Committee members participated in a preparatory symposium with Japanese civil society representatives and in the Joint Dialogue with Civil Society, (these meetings were part of the annual meetings of the Domestic Advisory Groups (DAG) and civil society under the EPA, and three Follow-up Committee members attended the meetings in their capacity as both Follow-up Committee members and DAG members).</p> <p>The other three days were dedicated to bilateral meetings (with main business and trade union federations, authorities, international organisations, NGOs and academics, including a round table discussion on circular economy, set up by the Follow-up Committee) aimed at further strengthening the cooperation with its well-established network of organisations and paving the way for the work of the EU Domestic Advisory Group.</p>
Moldova (Chisinau)	EU-Moldova Civil Society Platform	The EU-Moldova civil society platform is a monitoring body established under the EU-Moldova Association Agreement. It meets twice a year and prepares recommendations on the implementation of the Agreement to the Parties.
Montenegro (Herceg Novi)	EESC Youth Plenary – School Visit Your Europe, Your Say!"	This meeting was part of the "Your Europe, Your Say!" initiative; an annual EESC event aimed at connecting teenage students from all Member States and EU

Country / City	Meeting title	Purpose of meeting
		Candidate Countries. An EESC member visited the selected school in Montenegro to explain the EU, the EESC and the theme of the event.
Morocco (Rabat)	Euromed – Exploratory mission to Morocco	Three members of the Euromed Follow-Up Committee went to Morocco to prepare the 2020 Euromed Summit, which was jointly organised with the Moroccan Economic, Social and Environmental Council. In addition, the meeting served to discuss the wishes and concerns of civil society regarding the ongoing DCFTA negotiations between the EU and Morocco. The three Euromed Follow-Up Committee members also met Moroccan civil society organizations to evaluate their implication in political decision making.
North Macedonia (Ohrid)	EESC Youth Plenary – School Visit "Your Europe, Your Say!"	This meeting was part of the "Your Europe, Your Say!" initiative; an annual EESC event aimed at connecting teenage students from all Member States and EU Candidate Countries. An EESC member visited the selected school in North Macedonia to explain the EU, the EESC and the theme of the event.
Senegal (Dakar and St Louis)	AU-EU Renaissance – A renewed partnership for a joint sustainable progress	This meeting aimed to further EESC activities and develop relations linked to the African Union's main goals for achieving "an integrated continent, politically united, based on the ideals of Africa's Renaissance".
Serbia (Novi Sad)	EESC Youth Plenary – School Visit "Your Europe, Your Say!"	This meeting was part of the "Your Europe, Your Say!" initiative; an annual EESC event aimed at connecting teenage students from all Member States and EU Candidate Countries. An EESC member visited the selected school in Serbia to explain the EU, the EESC and the theme of the event.
Turkey (Istanbul)	EESC Youth Plenary – School Visit "Your Europe, Your Say!"	This meeting was part of the "Your Europe, Your Say!" initiative; an annual EESC event aimed at connecting teenage students from all Member States and EU Candidate Countries. An EESC member visited the selected school in Turkey to explain the EU, the EESC and the theme of the event.

