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The European External Action Service (EEAS) is the European Union's diplomatic service. It supports the High Representative of the European Union for Foreign Affairs and Security Policy and Vice President of the European Commission (HR/VP) carry out the Union's Common Foreign and Security Policy. Based in Brussels, but relying on an extensive network of EU diplomatic presence worldwide, the EEAS brings together European civil servants, diplomats from the foreign services of the EU Member States and local staff in countries around the world.

The EEAS Annual Activity Report is a management report of the Secretary-General of the EEAS to the HR/VP. It is the main instrument for management accountability within the EEAS and constitutes the basis on which the HR/VP takes his responsibility for the management of resources, including the efficiency and effectiveness of internal control systems and an overall assessment of the costs and benefits of controls.

In accordance with the governance statement of the EEAS, staff conduct operations in compliance with the applicable laws and regulations, working in an open and transparent manner and meeting the expected high level of professional and ethical standards.

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PART 1

INTRODUCTION



1. PART 1 – INTRODUCTION

1.1. Introduction by the EEAS Secretary-General

European Union external policy and action continues to gain in prominence as the EU seeks to respond to global challenges and advance its values and interests in an increasingly competitive and volatile international environment.

In 2019, the EU held elections to the European Parliament, which were followed by the appointment of a new European Commission, President of the European Council and EU High Representative for Foreign Affairs and Security Policy, who also serves as Vice President of the Commission (HR/VP). This transition was the occasion of a renewal of the EU's vision and leadership for external action.

The European External Action Service (EEAS) marked its ninth year of operation and as of December 2019 is under the guidance of its third HR/VP. From its Brussels Headquarters and with more than 140 Delegations and 17 Missions and Operations around the world, the EEAS continued to further professionalise as the Union's foreign policy and diplomatic service, advancing cooperation and coherence among EU Member States, and the effectiveness of our joint global action.

Together, we continued through 2019 to champion multilateral cooperation and international partnerships to help advance our vision for a peaceful and prosperous world. Central to this approach is our unwavering support for the rules-based global order, with the United Nations at its core. We also intensified efforts to further strengthen the EU's resilience and strategic autonomy in order to more effectively react to crises and threats and to promote our values and interests in an ever more challenging international environment.

This work is detailed hereunder, in this ninth edition of the Annual Activity Report of the EEAS, addressed to the HR/VP Josep Borrell.

As required by the Financial Regulation, this report provides an overview of the use of resources by the EEAS, and is published on the EEAS website in order to ensure full transparency, including towards EU citizens. In this year's edition, the EEAS Managing Directorates for the first time report on their work towards their respective policy objectives, as set in the 2019 Annual Management Plan (Section 2.1 "Achievements of policy objectives"). This periodic analysis of our work, internal management and use of financial resources is critical to our planning processes as we strive to adapt to new challenges and deliver on our strategic objectives in an optimal manner. This cumulative exercise is especially pertinent in the context of the ongoing discussions on the EU Multi-Annual Financial Framework 2021-2027 and political programming of our financial instruments – to which substantial attention was dedicated in 2019.



Helga Maria Schmid

Secretary General
European External Action Service

1.2. Key political issues in 2019

During 2019, the Global Strategy guided EEAS efforts by offering EU partners a credible statement of intent and a reminder that the EU is a predictable and consistent partner in this challenging world.

The EEAS continued to **support the multilateral order** in the face of increasing challenges. Support to the United Nations (UN) took place through several avenues: (i) advocating for and supporting UN reform; (ii) continuing to work closely with all UN agencies; (iii) supporting the UN track in political processes, be it in Syria, Libya or Yemen. The strength of the partnership with the UN was reaffirmed in the margins of United Nations General Assembly (UNGA) in September. In addition, the EEAS worked towards ensuring visibility and EU unity with regards to key milestones including the Human Rights Council, the implementation of the Paris agreement, the political declaration of the first High Level Political Forum at the level of Heads of State and Government (UN Summit on the Sustainable Development Goals (SDG)) and the Iran nuclear deal (Joint Comprehensive Plan of Action - JCPOA). During 2019, five EU Member States were members of the UN Security Council, providing the opportunity to have a significant impact.

The new European Consensus on Development and the deployment of the European External Investment Plan, with its strong focus on mobilising the private sector, business and investment, were key enablers to respond to today's global trends in international cooperation and development based on UN key principles. In addition, the 2019 session of the yearly High Level Political Forum (in July), the first SDG Summit and the UN Climate Change Summit (in September) provided important opportunities for the EU and its Member States to showcase their efforts to implement the 2030 Agenda. The work in the new Multiannual Financial Framework (MFF) and (pre-) programming of the new cooperation instrument (Neighbourhood Development and International Cooperation Instrument - NDICI), has focused on providing an effective and flexible instrument able to deliver

strong and comprehensive partnerships, projecting a Union that can act together based on its values and interests.

The EEAS also advanced multilateralism by redoubling efforts to work with those actors who were keen to partner with us on key issues, from SDG implementation to trade, human rights and democracy, and security and defence. We continued to make progress in **institutionalising our relations with partners**. In our immediate neighbourhood, we worked on building the resilience of our partners and supporting their reform agendas, starting with the Western Balkans, followed by the Eastern and Southern Neighbourhood. The negotiations on the Post-Cotonou framework should pave the way for redefining our relations with one third of the planet, as, on the political front, we reinforced our relations with the African Union, the Caribbean Community and the Pacific Islands Forum. The EU maintained close contact with Asian partners in particular through summits with China, India, Japan and the Republic of Korea. The EU signed a Free Trade Agreement and Investment Protection Agreement with Vietnam and continued to make progress on the conclusion of bilateral political and trade agreements, including with Mexico, Mercosur, Australia and New Zealand. Tailor-made regional strategies were elaborated for Latin America and Central Asia. 2019 was also the first year of implementation of the EU Strategy Connecting Europe to Asia, a component of the EU Global Strategy. The first Europa Connectivity Forum, which took place on 27 September 2019, demonstrated the convening power of the EU and attracted huge international interest and unprecedented publicity, highlighting the expectations for the EU to be an effective global player.

Enlargement policy remains a key aspect of the EU's work to implement the Global Strategy, demonstrating to the region and the world that integrating the Western Balkans into the EU is a strategic investment in the security and stability of Europe as a whole. In 2019, the EEAS has worked to

underline and make tangible the EU commitment to a European perspective for the Western Balkans. This was complemented by work to support resolution of key issues for regional stability, and thus for resilience and to foster cooperative regional orders, notably including a strong focus on the facilitation of the Belgrade-Pristina Dialogue.

The EEAS continued its work towards **enhancing the EU's strategic sovereignty and autonomy** by identifying ways to equip the EU with the tools to contribute to the shaping of the international order. The building blocks of a true European Security and Defence Union were set with the establishment of Permanent Structured Cooperation (PESCO) and of the European Defence Fund (EDF) as a catalyst for a strong defence industry able to develop cutting-edge, fully interoperable technologies and equipment. We continued work on military mobility, a concrete manifestation of our renewed engagement and partnership with NATO.

The Integrated Approach to conflicts and crises was put into practice both in Headquarters and in EU Delegations through the different means at the EU's disposal (diplomatic, economic, development, civilian-military crisis management). The EEAS continued its efforts on conflict prevention, support to peace processes (e.g. Ukraine, Syria, Libya, Yemen, Afghanistan and Colombia) and operational engagement (e.g. Sahel, Libya and Horn of Africa). The European Peace Facility (EPF), if agreed, promises to become a stable source of future funding for peace support missions by the African Union and others, and new ways to support security sector reform. The EEAS also continued to strengthen the cooperation with partners on countering terrorism. The reinforcement of the Hybrid Fusion Cell has improved our capacity to detect hybrid threats, facilitate actions against chemical, biological, radiological and nuclear (CBRN) threats, address disinformation via strategic communications, as well as build up our resilience and deterrence in the cyber security sector.

The issue of economic sovereignty has also arisen as a key challenge – not least in the context of the re-imposition of US sanctions against Iran or against

Russia, which has affected the ability of European operators to conduct legitimate business. In direct response to this concern, the EEAS has undertaken intense work on economic diplomacy, implemented a revised Blocking Statute and worked to develop independent economic channels that would not be affected by the extraterritoriality of sanctions.

Migration remained a key EU priority in 2019. The EEAS continued to address its external aspects, by strengthening partnerships and cooperation, in particular with countries of origin and transit, and working closely with the International Organization for Migration (IOM) and the United Nations High Commissioner for Refugees (UNHCR). Sustainable migration governance, as well as protection and support to refugees and migrants remained a focus of EEAS activity, such as in the framework of the AU-EU-UN Taskforce on Libya or through deepening of the Continent-to-Continent Dialogue on Migration and Mobility with the African Union (AU).

During 2019 the EEAS continued to fulfil its responsibility in the programming of **external assistance**. It also contributed to the discussions in the Council and the European Parliament as concerns the proposed NDICI, which will enable the EEAS to better support the EU political priorities and address today's global challenges, including through the support of the SDG implementation in partner countries and at multilateral level and quickly react to evolving realities or new crisis.

As concerns **public diplomacy** efforts, a special focus was on combating disinformation. An Action Plan for a more coordinated EU effort in that area was presented following the European Council Conclusions of June 2019. The EEAS expanded its capacity to monitor and analyse trends in social media, so that we cannot only recognise and react to disinformation activities, but also be proactive and use our own communication campaigns more effectively to reach the key target audiences. The EEAS also further improved the use of public diplomacy tools and programmes, both in Headquarters and in Delegations, including the establishment of relationships and dialogues with key stakeholders in different segments of societies.

A HR/VP's Global Tech Panel and Digital Diplomacy Task Force were the first steps towards a more "digital" and innovative European diplomacy that works closer with leading figures in this field.

Special attention was paid to **strategic reflection and outlook**, with analysis of trends and dynamics of strategic importance for EU interests and values, notably in relation to geopolitical issues or matters such as the strategic dimension of digital and Artificial Intelligence or the role of religion in society and foreign policy contexts. The EEAS also contributed to the development of a common European strategic perspective through the network of EU Policy planners and to the work of the EU inter-institutional European Strategy and Policy Analysis System (ESPAS).

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PART 2

ACHIEVEMENTS

2. PART 2 – ACHIEVEMENTS

2.1. Achievements of policy objectives

Directorate for Interinstitutional Relations, Policy Coordination and Public Diplomacy

In 2019, the Directorate for Interinstitutional Relations, Policy Coordination and Public Diplomacy continued to improve the coordination of policies and processes inside the EEAS, and the engagement with other Institutions. Following the European Parliament elections in May 2019, special emphasis was put on the preparation of the confirmatory hearing for the next HR/VP and the start of the von der Leyen Commission. Further actions were taken to enhance communication on EU's foreign policy with European citizens and in priority regions, and to address disinformation of external actors within and outside the EU.

The Directorate was fully involved in the preparatory work leading to the approval of the first Work Programme under **the new Commission** (CWP2020), as concerns both the "Stronger Europe in the World" heading and the external aspects of other CWP2020 headline ambitions. In addition, the Directorate contributed actively to the setting up of the working arrangements under the new Commission, namely the establishment of and support for a Commissioners Group for a Stronger Europe in the World (CGSE) and of a Group for External Coordination (EXCO). The Directorate also provided support for the EEAS work of the Council, namely in direct support for the HR/VP in the preparation and reporting of monthly **Foreign Affairs Council (FAC)** meetings, including in its configurations with Ministers of Development and Defence, as well as in support of the EEAS in following the work of other Council meetings and informal ministerial meetings. The Directorate ensured direct support for EEAS representation in the Committee of the Permanent Representatives

of the Governments of the Member States to the EU (Coreper) and the "Antici Group". The coordination of policies and working processes of the EEAS, and engagement with the other institutional actors, were further improved by the establishment of an internal senior management weekly coordination mechanism. Coordination meetings were held with the incoming rotating Presidencies of the Council. A comprehensive review was carried out to update and streamline EEAS working methods (from political reporting to decision-making), both for Headquarters and for Delegations. The Directorate assisted the preparation of meetings of the HR/VP and senior management by handling 1,456 briefing requests, out of which 476 for the HR/VP; it also processed 1,685 letters for the HR/VP, the President of the European Council, and the President and other Vice Presidents of the European Commission.

The Directorate further strengthened **positive communications and public diplomacy** through campaigns promoting multilateralism, democratic values and human rights, addressing climate change and explaining the EU's partnerships with third countries. The digital media team and dedicated Task Forces led several successful media campaigns and established the EEAS social media accounts among the global leaders in terms of engagement amongst diplomatic services. The "Europeans Making Difference" campaign, targeting citizens in the Western Balkans and in the EU, reached over 11 million viewers, while a campaign to highlight the EU's response to the Syria crisis in the margins of the Syria Conference reached 14 million citizens on social media, accompanied by briefings to multipliers, journalists and influencers. The in-house "Beach Clean-Up" campaign helped promote environmental and climate change actions and was supported by over 80 EU Delegations around the

world. The innovative Children Rights campaign in cooperation with the United Nations Educational, Scientific and Cultural Organization (UNESCO) on TikTok platform reached 500 million, with over 100,000 videos produced by platform users in response to the campaign's messages.

The Directorate led the implementation of the **Action Plan against Disinformation**. It further built up expertise in detecting, analysing and exposing foreign disinformation by upgrading media monitoring and big data analysis, and expanding cooperation with international partners (Group of Seven - G7, North Atlantic Treaty Organization - NATO). The number of catalogued and exposed disinformation cases on the EUvsDisinfo.eu portal reached 7,000 by the end of the year. The strengthening of coordinated and joint responses to disinformation improved with the establishment of a Rapid Alert System (RAS) platform and network, which has allowed EU Member States and Institutions to share and communicate the relevant information and insights in real time. In the context of the European Parliament elections, the Directorate teamed up with the European Commission and European Parliament services and conducted a major awareness-raising campaign on the negative impact of disinformation for EU's media and civil society organisations. These actions contributed to the protection of democracies and long-term resilience against hybrid threats. EU Member States welcomed actions taken to reinforce the Strategic Communication Task Forces East, South and Western Balkans with the recruitment of new disinformation experts, data analysts and communication officers. The EUR 3 million Preparatory Action dedicated to East Strategic Communications (Stratcom) Task Force activities allowed for greater exposure of disinformation targeting the EU and priority neighbourhood regions.

The EEAS continued its proactive and targeted **outreach to the European Parliament** (EP) on specific topics and files, notably on the Multiannual Financial Framework for 2021-2027 (MFF) and the new Neighbourhood, Development and International Cooperation Instrument (NDICI),

thus contributing to the constructive EP position adopted shortly before the electoral recess (in particular accepting the general architecture of the NDICI and the inclusion of the neighbourhood within the instrument). A mandate for the HR/VP and the EEAS to relaunch negotiations with the Parliament on updating the 2002 Interinstitutional Agreement on access to classified information in Common Foreign and Security Policy (CFSP) / Common Security and Defence Policy (CSDP), on hold since 2014, was secured after challenging discussions in the Council. The management of Parliamentary Question (PQs) within the EEAS was made more efficient by the introduction of a new IT-platform and training of colleagues involved in handling of PQs.

The Directorate was in the lead to prepare the **confirmatory hearing of the new HR/VP** in the Parliament's Committee on Foreign Affairs (AFET). This included preparing answers to a comprehensive written questionnaire and a briefing for three hours of questioning on all aspects of the HR/VP's portfolio. The completion of these tasks required intense cooperation, coordination and communication with the Parliament and within the EEAS, as well as with the transition team. The result contributed to the successful hearing of the new HR/VP in the Parliament.

In 2019, the Directorate also assumed responsibility for the design and the maintenance of **EU sanctions**, with the transfer of the relevant Division from the CSDP-CR department. In addition to the annual or six-monthly review of the different EU autonomous sanctions regimes, the Directorate contributed to proposals setting up new sanctions regimes: sanctions against cyber-attacks (part of the cyber diplomatic toolbox); sanctions vis-à-vis Nicaragua; sanctions in view of Turkey's unauthorised drillings in the eastern Mediterranean. The Directorate also supported the discussions in the Council on the establishment of an EU global human rights sanctions regime. An agreement on the political appropriateness of establishing an EU Global Human Rights Sanctions Regime was reached at the FAC of 9 December 2019.

The Directorate continued to **assess the performance and the functioning of the EU Delegations**. In 2019, 28 Delegations were inspected. More than 1,000 recommendations were provided to the inspected EU Delegations and services at Headquarters. The implementation of these recommendations was regularly monitored. The system of inspections proved again its usefulness as a genuine management tool, both for the Delegations and Headquarters, not only to identify strengths, eventual weaknesses and problems, but also to provide concrete recommendations for action.

Managing Directorate for Africa (MD Africa)

A key neighbour and the subject of growing attention from various international players, Africa's future is fundamentally intertwined with that of the EU. In this context, in 2019 the EU positioned itself as a credible, reliable and close partner of Africa, stepping away from the traditional donor-recipient paradigm and establishing a political reciprocal relationship.

With regard to the **Africa-EU Partnership**, the first annual European Union-African Union (AU) Ministerial meeting took place in Brussels on 21 and 22 January 2019. The meeting confirmed the strength of the partnership, with increased co-ownership on both sides. A joint communiqué was adopted. MD Africa also initiated, in the second semester of 2019, preparatory work towards the EU-AU Summit to take place in October 2020. It also largely contributed in the elaboration of the Joint Communication on Africa Strategy initiated by the new EU leadership at the end of 2019. MD Africa focused furthermore on the follow-up to the peace, security and governance issues, further developed in the Memorandum of Understanding signed in May 2018. The first High-level follow-up meeting was organised in Addis Ababa in July 2019, with the participation of the AU Commissioner for Peace and Security, H.E. Smail Chergui, and the AU Commissioner for Political Affairs, H.E. Minata Samate Cessouma. Both sides engaged in a frank

exchange on the crisis situations (Mali/Sahel, Libya, Central African Republic, the Lake Chad region and Somalia) with a high degree of convergence.

Negotiations for a successor agreement to the Cotonou Partnership Agreement continued throughout 2019. The current Cotonou agreement was extended until the end of 2020 to provide enough time to complete the negotiations. Negotiations on migration and mobility as well as other parts of the agreement were still ongoing at the end of 2019. Talks on the other titles were almost fully completed in 2019.

Following the Joint UN-AU-EU communiqué of September 2018 stating the parties' intention to increase coordination and cooperation at political, economic and operational levels, specific efforts were made to implement this commitment, including joint trilateral missions to Central African Republic (CAR) and Mali. An EU-UN Steering Committee, was held on 20 November 2019 agreeing to propose to the AU a working-level trilateral meeting in Addis Ababa. In addition, MD Africa initiated and conducted monthly political coordination with the UN Department of Peace and Political Affairs to ensure convergence.

After years of relative stagnation, the strategic partnership with **South Africa** started to pick up in 2019. Senior political engagement took place in November 2019 in Brussels on the occasion of the EU-South Africa Political and Security Dialogue Forum as well as the Human Rights Dialogue. The two sides identified several areas for further coordination around joint interests.

Political dialogues were organised with African countries under article 8 of the Cotonou agreement, including points dedicated to multilateralism and global issues. With climate change and environment (including trafficking of natural resources) as major emerging themes, the EEAS also deepened its dialogue with the UN Environment Programme (UNEP) and the UN Office on Drugs and Crime (UNODC) during 2019. The EEAS co-chaired a senior officials' meeting with Southern African Development Community (SADC), the Economic

Community of West African States (ECOWAS) and the Intergovernmental Authority on Development (IGAD), to discuss bilateral and multilateral issues including peace and security in the Southern Africa and Indian Ocean regions, and global issues including climate change and international trade.

As concerns conflict prevention, peacebuilding and strengthening of political governance, the **Sahel** remained a key strategic priority, aiming at greater responsibility and reciprocal commitment. MD Africa, in association with the EU Special Representative (EUSR) for the Sahel, contributed to the preparation of FAC meetings in May 2019 with participation of the ministers of foreign affairs of the five Sahel countries and related conclusions, an EU-G5 Sahel ministerial in Ouagadougou and subsequent visit by the HR/VP to the Sahel in July 2019. As a follow-up to the Biarritz G7 Summit in August 2019, MD Africa coordinated the identification and analysis of "gaps and needs" in support of the "Partenariat pour la Sécurité et la Stabilité au Sahel" initiative. This thorough exercise, in which EU Member States took part, was presented at the Council's Political and Security Committee (PSC). In parallel, MD Africa also initiated work on the revision of the EU Sahel strategy in light of the recent developments and changes in the EU approach to the region.

Intensive efforts were conducted to follow-up on major developments in the **Horn of Africa** and to enhance the EU's political profile in the region, in association with the EUSR for the Horn of Africa. In 2019, the EU scaled-up relations with **Kenya** through a number of high-level visits and contacts. MD Africa contributed to the preparation of the first official visit of Commission President von der Leyen to **Ethiopia**, which consolidated an extensive reengagement in support of reform efforts. In **Sudan**, the EU actively advocated for a civilian-led transition, including witnessing the signing of the constitutional declaration on 17 August 2019. MD Africa participates in the regular meetings of the Friends of Sudan informal group and was the leading service in organising Prime Minister Hamdok's visit to Brussels in November 2019. The MD also contributed to the preparation of Council Conclusions on Sudan in December. MD

Africa conducted a comprehensive review of its relations with **Tanzania** and sought to re-engage in meaningful political relations.

The MD contributed to political dialogue with the majority of states in **Central Africa**. From January to August 2019, MD Africa coordinated the activities of the International Contact Group for the Great Lakes and handed over to Belgium in September 2019. A well-attended high-level meeting of the International Conference of the Great Lakes Region took place, with the participation of President Tshisekedi of the Democratic Republic of the Congo (DRC), the HR/VP and representatives from the Member States. The EU also supported negotiations of a peace and reconciliation agreement in the **Central African Republic** and assisted **Chad** and **Cameroon** in addressing their security, humanitarian and development challenges. The MD contributed to HR/VP's visit to Mozambique in August 2019 to attend the signature of the historic peace agreement between the Mozambican government and the main opposition party RENAMO. Extensive attention was also dedicated to the developing insurgency in northern Mozambique (Cabo Delgado), which will be a priority in 2020. In Zimbabwe, a formal Political Dialogue with the EU took place in June 2019, indicating further normalisation of relations.

In the area of **migration and mobility**, MD Africa engaged extensively in efforts towards a balanced, coherent and comprehensive joint policy framework to complement existing dialogues. A number of tentative areas of work were jointly identified. On updating the Joint Valletta Action Plan, consultations took place within the Khartoum and Rabat processes. Work continued to ensure the effective implementation of readmission agreements, as well as, in the absence of such agreements, discussions with the countries concerned to find an agreed path forward.

MD Africa engaged actively with EU Delegations and Commission services in the country assessments and regional assessment for the African continent, which were prepared in the course of the year to ensure a strategic framework for the programming

exercise for the next MFF. This culminated in country team meetings organised and chaired by MD Africa in December 2019 to allow the different thematic services and the Commission's Directorates-General (DGs) to comment on the results of this exercise, focussing on the strategic interests and objectives of the EU and the Member States. MD Africa took the initiative to strengthen relations between the 46 Delegations in Sub-Saharan Africa to ensure a coherent collective strategic approach to Africa and a common understanding of EU political objectives and priorities. More regular strategic guidance and information was provided on ongoing processes and political consultations with partners. Contacts were organised during the regional seminars in spring and during the "Africa Day" in the margins of the 2019 Conference for EU Heads of Delegations. Policy steer and feedback were provided to newly appointed Heads of Delegation and Heads of Political Section. More frequent interactions with individual and/or group of several Delegations within the same region were organised, using video conference technology. Qualitative feedback on Delegations' reporting was encouraged to improve its value-added. MD Africa also continued to act as the coordinator, first entry point and support Department for Delegations in Africa in interactions with other EEAS Departments and Commission DGs. Special attention was also paid to economic diplomacy.

Managing Directorate for the Americas (MD Americas)

In 2019, MD Americas continued to focus on developing EU joint strategic interests with the United States of America (US) and strengthening the transatlantic bond. Concerning relations with Canada, MD Americas concentrated on reinforcing the already rich and likeminded partnership that resulted in a successful Summit in July 2019. MD Americas finalised drafting and worked on the implementation of the new strategy on Latin America and the Caribbean in the form of an adopted communication. Great attention was paid to negotiations of agreements with Mexico,

Mercosur and Chile, and to enhancing cooperation with several regional organisations.

MD Americas contributed to the EU's strategic engagement with the **United States** administration and congress to advance coordination in areas of mutual concern (Russia/Ukraine, Western Balkans, Venezuela, Syria, Yemen, Democratic People's Republic of Korea (DPRK) and global challenges (counter terrorism, cyber security, energy, climate change and migration, as well as human rights). In this regard, MD Americas prepared a number of high-level meetings, including an official visit by the HR/VP to Washington, D.C. in July 2019. The MD contributed to the preparation of the annual CSDP Symposium that took place in Washington in June 2019, and to consultations on security and defence with the aim of launching a dedicated EU-US security and defence dialogue.

MD Americas ensured the preparation of the EU-Canada Summit, held in July 2019. The Summit demonstrated shared commitment to multilateralism, and reaffirmed determination to jointly address global challenges and to strengthen the rules based international order with the UN at its core. In the margin of the EU-Canada Summit, the EU and **Canada** signed an Ocean Partnership agreement and welcomed the conclusion of the negotiations on a new EU-Canada Passenger Names Record (PNR) agreement. Across 2019, the MD worked towards ensuring cooperation with Canada on a number of pressing international crises and peace and security challenges, such as Russia/Ukraine, Iran, Venezuela, where the EU and Canada showed a high degree of convergence of views.

There was high-level political engagement with countries in **Latin America and the Caribbean**, through visits by the HR/VP, European Commissioners and the Managing Director for the Americas, as well as technical and political dialogues. The political dialogues in 2019 included high-level dialogues with Brazil and Colombia, joint committees with Ecuador, Paraguay, Peru and Uruguay. Human Rights Dialogues were held with Argentina, Brazil, Chile, Colombia and Peru. Terms of Reference for Human Rights dialogues with Ecuador

were established. Contact was established with new leaderships and administrations following presidential elections in a number of countries in Latin America and the Caribbean (e.g. Brazil, Argentina, Uruguay, El Salvador). Dialogue with the new administration of Brazil intensified with a view to relaunching the strategic partnership. MD Americas prepared the joint committee of the Political Dialogue and Cooperation Agreement with **Central America**, held in February 2019. Dialogues with **Cuba**, including with the presence of the HR/VP, were held throughout the year with frank exchanges on all issues including human rights. A Joint Declaration between the EU and the **Pacific Alliance** was signed in the margins of the General Assembly of the United Nations (UNGA) in September 2019, reflecting a mutual interest to strengthen cooperation and partnership. In addition, a broad array of technical dialogues were held with the different countries and regional groups on various issues of mutual concern, including digital, circular economy, citizen security and the fight against drugs.

On the regional level, MD Americas prepared a high-level political dialogue meeting of EEAS Deputy Secretary General with Secretary General of the **Organization of American States** (OAS) in December 2019, which allowed for coordination of positions during a turbulent time in the region.

Regular meetings were held with relevant European Parliament's Committees and Delegations, including D-LAT, D-BR, D-MER and relevant EU Delegations. In December 2019, the Head of Delegation to Panama represented the EEAS at the Euro-Latin American Parliamentary Assembly (EUROLAT) plenary in Panama, which also included a video-recorded address by HR/VP Borrell. In addition, there was regular outreach and consultations on issues concerning relations with the Latin America and the Caribbean (LAC) region with press, civil society, think tanks, and private sector, at both Headquarters and in the region. A series of outreach events were organised by Headquarters and EU Delegations to present the new communication on EU-LAC relations "Joining Forces for a Common Future", adopted by the Commission in April 2019.

A number of new initiatives were taken to **strengthen people-to-people relations** with the US through an expanded agenda of visits and exchanges on both sides of the Atlantic. In Latin America and the Caribbean, ample contacts were maintained with civil society organisations in third countries and in the EU during structured dialogues, consultations as well as informally, including in the context of the negotiations of the EU-Mercosur Agreement. Public diplomacy events to further EU positions on issues of strategic relevance, including climate change, human rights, and support for progressive reforms and policy initiatives, were held in the region.

In 2019, the partnership with Canada saw further progress in the implementation of the **EU-Canada Strategic Partnership Agreement** (SPA) and the Comprehensive Economic and Trade Agreement (CETA). A historical agreement in principle on the trade part of the **EU-Mercosur Association Agreement** was reached in July 2019 after 20 years of negotiations. Throughout 2019, negotiations continued to finalise the remaining outstanding issues in the political cooperation and institutional part of the agreement. Negotiations advanced on the modernisation of the EU-Chile Association Agreement and were concluded on the EU-Mexico Agreement. There was progress on the EU-Caribbean protocol in the **post-Cotonou negotiations**. Outreach was conducted with EU Member States to accelerate the full ratification of the **EU-Central America Association Agreement**, resulting in the ratification of Austria and Greece. The EU Head of Delegation to El Salvador was accredited to the Central American Integration System (SICA) to ensure fluidity of communication.

MD Americas followed a number of crises that brought to the fore the need for continued work on **resilience** in Latin America, including as regards the forest fires in the Amazon region and political instability and socio-economic unrest in several countries. Work strands included engagement on the countries' commitments with regard to climate change, biodiversity, regional cooperation on environmental issues and human rights. The MD worked on the EU's strong engagement in support of the peace process in **Colombia** and EU's policy

response towards the crisis in [Venezuela](#), which included the adoption of additional sanctions against five persons responsible for human rights violations, the establishment of the International Contact Group and the nomination of a Special Adviser on Venezuela. An International Solidarity Conference on the Venezuelan migration and refugee crisis was held in October 2019 in Brussels. MD America also worked on the EU's engagement in relation to unrest in Ecuador, Bolivia and Chile.

Special attention was paid to the [fight against corruption and insecurity](#) in Central America. Implementation started in earnest of the Spotlight joint initiative with the United Nations on gender violence, giving high-level visibility and political traction in Central America in particular, one of the regions where femicide is among the highest in the world. The MD worked toward the development of a coherent and consistent EU policy response to the crisis in Nicaragua (Council conclusions, use of EU financial instruments, adoption of a sanctions framework). The MD also monitored the fall-out of the process towards the United Kingdom's withdrawal from the EU in the Caribbean.

Managing Directorate for Asia and the Pacific (MD Asiapac)

Throughout 2019, MD Asiapac continued to strengthen relations between the EU and the Asia-Pacific region, contributing to political and social stability, and economic growth. Summits with China and Japan, and high-level meetings at the level of the Association of Southeast Asian Nations (ASEAN), the Asia-Europe Meeting (ASEM) and the Pacific offered opportunities to enhance multilateral cooperation and international partnerships. MD Asiapac continued its efforts to promote peace, democracy and human rights in a highly diverse region, where a number of difficult national situations and trans-border hotspots required constructive engagement.

MD Asiapac continued to work on the reshaping of the relationship with [China](#) through the preparation

of a joint communication of the European Commission and the HR/VP on an "EU-China: a Strategic Outlook" in March 2019, characterising China simultaneously as a partner for cooperation and negotiation, an economic competitor and a systemic rival. The 21st EU-China Summit in April 2019 committed both sides to support multilateralism, rules-based trade and the reform of the World Trade Organisation (WTO). It also addressed the need to tackle industrial subsidies in China and for the EU to have greater market access in China; and brought forth commitments to conclude geographical indications negotiations in 2019 -which was achieved-, as well as, an ambitious EU-China Comprehensive Investment Agreement in 2020. Foreign and security policy issues, environmental issues, climate change and the implementation of the Paris Agreement are other areas of potential cooperation.

Throughout the year, MD Asiapac continued to support the constitutional order in [Afghanistan](#), on the basis of the EU's position that a peace deal should not be made at the cost of the achievements in rule of law and the fundamental rights of Afghan citizens. The EU also encouraged the United States of America (US) to stay firm on protecting fundamental freedoms and in insisting on a ceasefire, while the US was pursuing a deal with the Taliban. MD Asiapac worked on the preparation of Council conclusions of April 2019 and a Foreign Affairs Council discussion in December 2019. The EU Special Envoy for Afghanistan held several meetings with Afghan leaders, the Taliban, the US and other international actors, promoting a peaceful resolution to the conflict, an inclusive political dialogue, and a comprehensive ceasefire to accompany the launch of intra-Afghan negotiations in which the Afghan government will be included. The MD prepared the ground for Council's agreement on clear principles for future EU support to Afghanistan.. MD Asiapac worked on the EU's support to Afghanistan's presidential elections of September 2019. Continued good cooperation with the Afghan government in the framework of the Joint Way Forward on migration contributed to further facilitating the return and reintegration process, allowing regular operations conducted

by the European Border and Coast Guard Agency (Frontex) to materialise.

MD Asiapac worked towards the upgrading of the **EU-India Strategic Partnership** on the basis of the 2018 EU Strategy for India, and on a future 2025 EU-India Roadmap, to be adopted at the 2020 EU-India Summit. The MD contributed to continued engagement with **Bangladesh**, including support for the comprehensive response to the humanitarian challenge caused by the Rohingya crisis and the development of a roadmap to strengthen compliance with labour and human rights in the framework of the "Everything But Arms" (EBA) unilateral trade preferences. In that respect, restrictive measures were prolonged on **Myanmar/Burma**, as the EU continued to seek a solution to the Rohingya issue. The MD worked on the upgrading of EU relations with the Maldives following the democratic transition, including the repeal of restrictive measures and the establishment of annual senior officials' meetings. MD Asiapac worked on the preparation of a new EU-Pakistan Strategic Engagement Plan, which was adopted in 2019 and which establishes a new Security Dialogue and foresees expanded cooperation on climate, energy and other areas.

The Economic Partnership Agreement between the EU and **Japan** entered into force in February 2019. The EU-Japan Strategic Partnership Agreement also started to be provisionally applied. The MD worked on the preparation of the EU-Japan Summit that took place in April 2019, and which paved the way for further cooperation in several areas, including connectivity, data protection, and climate change. In September 2019, the EU and Japan signed a Partnership on Sustainable Connectivity and Quality Infrastructure, the first concrete step in implementing the EU's Sustainable Connectivity Strategy. MD Asiapac, together with the **Connectivity Task Force** attached to the Secretary General, worked on the organisation of the First Europa Connectivity Forum; that event demonstrated the convening power of the EU, attracting huge interest, with more than 1,000 participants from 82 countries, and 11.5 million engagements on social media. It also showed the expectations for

the EU to be an effective global player, offering an alternative to other visions of connectivity. Indeed, in 2019 the EU was approached by a number of countries that expressed willingness to enter into similar partnerships.

The EU continued to deepen its relations with the **Republic of Korea** (RoK) and to implement the EU-RoK Framework Agreement and Free Trade Agreement. The EU-RoK high-level political dialogue took place in February 2019. The EU strengthened practical cooperation on security-related issues with the RoK and held the EU-RoK security dialogue in November 2019. The RoK continued to participate, under the EU-RoK Framework Participation Agreement, in the European Union Naval Force Operation (EUNAVFOR) Atalanta, aimed at addressing piracy in the Indian Ocean and off the Horn of Africa. In the absence of concrete actions by the **Democratic People's Republic of Korea** (DPRK) towards the complete, verifiable and irreversible dismantlement of its nuclear and missile programmes, the EU continued to insist on and worked with countries around the world to ensure that sanctions on the DPRK are fully implemented and respected.

MD Asiapac worked on the preparation of the January 2019 **ASEAN-EU** Ministerial Meeting, at which time both sides agreed in principle to upgrade their relations to a strategic partnership and to deepen their cooperation in the security field. The EEAS applied for observer status in certain ASEAN Defence Ministers' Meeting-Plus processes in the Forum's Expert Working Groups. The EU also became co-chair of the ASEAN Regional Policy Forum on counterterrorism and transnational crime. The MD contributed to the preparation of the annual ASEAN-EU Post-Ministerial Conference with ASEAN Foreign Ministers and the 26th ASEAN Regional Forum in Bangkok in August 2019, which the HRVP attended. Negotiations continued on an EU-ASEAN Comprehensive Air Transport Agreement with a view to initialling an agreement in 2020.

MD Asiapac worked towards the conclusion of three important agreements with **Singapore**: the Partnership and Cooperation Agreement, the Free

Trade Agreement and the Investment Protection Agreement. In June 2019, the EU signed the Free Trade Agreement and Investment Protection Agreement with **Vietnam**, which was also the first ASEAN country with whom the EU signed a Framework Participation Agreement at the end of 2019. MD Asiapac further contributed to Foreign Affairs Council discussions on **Thailand** in October 2019, in which the Council reiterated the EU's willingness to broaden its engagement with Thailand, by preparing for the timely signature of the Partnership and Co-operation Agreement and by taking steps towards the resumption of negotiations on a Free Trade Agreement.

The MD worked on the provisional application of EU political agreements with **Australia** (Framework Agreement) and with **New Zealand** (Partnership Agreement for Relations and Cooperation), pending their ratification by all EU Member States. The negotiations on Free Trade Agreements with both countries were launched in 2018 and advanced well during 2019. There was further engagement with both countries on a range of issues, confirming the shared commitment to the rules-based international order and free trade.

MD Asiapac contributed to the negotiations for a successor to the **Cotonou Partnership Agreement** between the EU and Africa-Caribbean-Pacific (ACP) partners, including a specific Protocol on the future EU-Pacific political and strategic relationship. Over the year, MD Asiapac organised high-level Political Dialogue meetings with **Fiji, Vanuatu, Solomon Islands, Tuvalu** and **Timor-Leste**. The MD contributed to work in support of the Bougainville Peace Process in **Papua New Guinea**, the implementation of the Peace Agreement and the peaceful conduct of the Bougainville referendum. The MD contributed to continued cooperation between the EU and the Pacific countries towards the implementation of the Paris Agreement, including active involvement and coordination on the 2019 United Nations Climate Change Conference (COP25), and work on disaster preparedness and resilience in communities and countries affected by climate change (e.g. supporting the Solomon Islands during floods and Samoa in the context of a

measles epidemic).

MD Asiapac worked in the preparation of the 8th **ASEM** Foreign Ministers' Meeting in December 2019, where the ASEM Foreign Ministers discussed how to strengthen cooperation across a wide range of areas, focusing on global issues, such as the UN SDGs, climate change, and marine litter; regional and security challenges, including terrorism, maritime security, cyber and information and communication technology; gender equality and empowerment; as well as on sustainable connectivity.

Managing Directorate for Europe and Central Asia (MD Eurca)

The main activities of MD Eurca focused on fostering stability and security in Southeast Europe, by taking forward the EU integration perspective of our Western Balkans partners and addressing the challenges in EU-Turkey relations. The MD supported the strengthening of state, economic and societal resilience in the Eastern Neighbourhood and in Central Asia, whilst ensuring a balanced implementation of the five guiding principles of EU-Russia policy and fostering regional and multilateral cooperation in the wider area. The MD further developed the EU relations with non-EU Western European countries.

Throughout 2019, MD Eurca continued work on the implementation of the **Western Balkans Strategy** and the Sofia Priority Agenda, as well as the December Council conclusions on Bosnia and Herzegovina's application for EU membership. Intensive engagement continued through political consultations, including on working jointly on global issues. Work was taken forward to enhance strategic communication on the benefits and responsibilities involved in pursuing an EU perspective. The MD continued worked on the EU-facilitated Dialogue to conclude a comprehensive, legally binding agreement between Serbia and Kosovo, in line with international law and the EU acquis and acceptable to EU Member States and the region.

MD Eurca continued working towards the strengthening of state, economic and societal resilience of **Eastern Partners** and the implementation of the 20 deliverables for 2020. The implementation of the Association Agreements with **Ukraine, Moldova and Georgia** and the Comprehensive and Enhanced Partnership Agreement with **Armenia** remained the main bilateral frameworks for working together with the respective partner countries on strengthening resilience in all areas. The Agreements served as the basis for internal reform roadmaps in the partner countries. The MD was involved in negotiations on a new agreement with **Azerbaijan**, which aims at enhancing relations and supporting Azerbaijan's reforms in the field of economic diversification. With **Belarus**, the EEAS intensified the dialogue and engagement in selective areas benefitting the population. Strengthening the rule of law and respect for human rights and fundamental freedoms were at the core of the relationships with all six partners. The MD worked with partners based on their international commitments, through institutional dialogue, public diplomacy, financial instruments and conditionality of assistance.

MD Eurca worked on the preparation of a new EU Strategy on **Central Asia**, which was adopted by the Foreign Affairs Council (FAC) on 17 June 2019, focusing on support to regional cooperation, strengthening resilience and promoting prosperity. The MD participated in the negotiations of a new-generation Enhanced Partnership and Cooperation Agreement (EPCA) with **Kyrgyzstan** and **Uzbekistan**.

With **Turkey**, the momentum created by the meeting of the Association Council in March 2019 after a pause of four years was short-lived because of Turkey's drilling activities in the Eastern Mediterranean. The MD contributed to the preparation of Council conclusions that, inter alia, restricted the margins of engagement at the political level and established a framework for restrictive measures. The EU condemned also Turkey's military operation in North-East Syria. At the same time, the EU reaffirmed the importance it attaches to relations with Turkey and its commitment to maintaining an open and frank

dialogue, to addressing common challenges and to cooperating in essential areas of joint interest such as migration, counterterrorism, economy, trade and support to multilateralism. Turkey's accession negotiations and work towards the modernisation of the EU-Turkey Customs Union remain at a standstill. EU assistance was further reoriented to supporting Turkey's civil society, including projects under the European Endowment for Democracy.

EU policy towards **Russia** in 2019 continued to be guided by the five principles which were reaffirmed by the FAC in April 2018: implementation of the Minsk agreements as the key condition for any substantial change in EU-Russia relations; strengthening relations with Eastern partners and other neighbours; strengthening internal EU resilience; selective engagement with Russia on issues of EU interest; and engagement in people-to-people contacts and support to Russian civil society). The MD focused its work on the implementation of these five principles, in line with the Global Strategy and thereby ensuring a united EU approach.

MD Eurca's work supported the continued participation of the **non-EU Western European countries** in the EU's Internal Market and in other relevant areas. The MD also worked towards enhancing EU relations with several of these countries, aiming to strengthen and streamline their cooperation with the EU. Following the conclusion of the negotiations on the EU-**Switzerland** Institutional Framework Agreement (IFA) in November 2018, MD Eurca continued to engage with the Swiss side, standing ready to clarify issues raised by Switzerland while insisting that no re-negotiation of the IFA would take place. The MD monitored the developments related to the Swiss financial contribution to EU cohesion, defending the view that the contribution should be unconditional and swiftly disbursed. In 2019, MD Eurca considerably intensified negotiations with **Andorra, Monaco and San Marino** on their participation in the EU's Internal Market, with the aim of concluding the negotiations on key principles; in the context of sensitive requests for derogations the negotiations continue. MD Eurca made significant progress in the implementation of the

European Economic Area agreement (with **Iceland**, **Norway** and **Liechtenstein**), by incorporating a record number of EU legal acts into the agreement. These acts included key measures in EU's priority areas: climate, energy and the withdrawal of the United Kingdom from the EU.

Before the establishment of the specific Division within MD Eurca for relations with the **United Kingdom** in 2020 (EURCA.WEST.4), the Strategic Policy Planning Division (Stratpol), which is directly attached to the Secretary General, acted as the EEAS focal point for Brexit negotiations. As such, Stratpol worked very closely with the Commission's Task Force for the Preparation and Conduct of the Negotiations with the UK under Article 50 TEU and with the Council's Working Party on Article 50 TEU, providing input on the relevant aspects of CFSP and CSDP. Stratpol was also associated to discussions led by the Commission's Task Force in these domains in the context of the negotiation of the Withdrawal Agreement and of the Political Declaration on the future EU-UK relationship but also of contingency preparedness plans in case of a no-deal scenario. It also supervised the orderly withdrawal of the United Kingdom from CSDP structures and operations by the date of the withdrawal.

Managing Directorate for the Middle East and North Africa (MD Mena)

In 2019, MD Mena focused on strengthening the EU's relations with all partner countries in the region, both from a bilateral and regional perspective. The MD enhanced dialogues on issues of common interest such as governance, rule of law, inclusive growth and socio-economic development, as well as security and migration. MD Mena also reinforced the EU's role in addressing ongoing crises and conflicts and support to peace and stabilisation processes in the region.

MD Mena worked on the preparation of the first ever **EU-League of Arab States** (LAS) Summit in Egypt in February 2019. This important event confirmed the joint willingness of the EU and LAS

countries to deepen their partnership and address global challenges together.

More generally, both at bilateral and regional level, and mainly under the framework of the **European Neighbourhood Policy** (ENP), MD Mena continued to work with Southern Neighbourhood partners as concerns the main challenges affecting the region, from socio-economic development and governance, to security and migration. The MD was involved in the preparation of a joint political declaration between the EU and **Morocco** in June 2019, aimed at developing a Euro-Moroccan partnership for shared prosperity, which gave a renewed impetus to bilateral relations. Moreover, at regional level, the EU co-chaired with Jordan the Fourth Regional Forum of the **Union for the Mediterranean** (UfM) in October 2019, where the Ministers of Foreign Affairs of the UfM countries discussed developments in the Euro-Mediterranean Region.

MD Mena continued its contribution to the deepening of the EU's bilateral relations with **Gulf countries**, including work as concerns the signature and implementation of bilateral Cooperation Arrangements. The opening of the EU Delegation in Kuwait in July 2019 also marked the EU's increased diplomatic presence in the region.

In terms of **crisis and conflict management**, MD Mena worked on the EU's firm support and contribution to the UN-led processes in Syria, Libya and Yemen and to post-Islamic State stabilisation work in Iraq. The EU also pursued its contribution to stability and security in the region through a number of CSDP operations, in Iraq, Libya and Palestine.

MD Mena had a key role in the organisation of the **Third Conference on Supporting the Future of Syria and the region** in March 2019, hosted by the EU, together with the United Nations. It brought together more than 60 states, international organisations and financial institutions, as well as more than 1,000 civil society representatives, to renew and strengthen the political, humanitarian and financial support to the Syrian people, the neighbouring countries (Jordan, Lebanon, Iraq and Egypt), and the communities most affected by the

conflict. A record pledge of EUR 8.3 billion was made at the Conference, two third of which came from the EU.

While the situation on the ground deteriorated, the EU continued to promote and defend a two-state solution as the only viable solution to the **Israeli-Palestinian conflict** based on the internationally agreed parameters and international law. The EU provided almost EUR 330 million in support to the Palestinians, much of the funding aiming at continuing Palestinian state building. MD Mena had a key role in ensuring close coordination with regional key actors and the international community to reach the EU's political goal.

Significant popular uprisings in **Algeria, Lebanon and Iraq**, with clear demands for more transparency, accountability and good governance, required the MD's attention. The EU encouraged dialogue and continued to offer its support to the countries' efforts towards democratic transition and consolidation. The EU was also present with Electoral Observation Missions (EOM) to monitor the presidential and legislative elections in Tunisia during the second semester of 2019.

Work on Iran was the responsibility of the **Iran Task Force** directly attached to the Secretary General. As coordinator of the **Joint Comprehensive Plan of Action** (JCPOA), the HR/VP and on her/his behalf the EEAS Secretary General were instrumental in the preservation of the JCPOA in 2019. Intense efforts were undertaken in light of the effects of the US withdrawal from the JCPOA in 2018, and the re-imposition of sanctions against Iran, which led to gradual steps by Iran, inconsistent with its JCPOA nuclear commitments. Four regular Joint Commission meetings were convened in order to support the implementation of respective nuclear-related and sanctions-lifting commitments. In the context of voluntary efforts to facilitate legitimate trade between the EU and Iran, the Iran Task Force coordinated the extensive conceptual and technical support by the European Commission services to France, Germany and the UK in view of launching and operationalising the Instrument in Support of Trade Exchanges (Instex). The Task Force also

contributed to the increase of shareholders by adding more European countries. The Iran Task Force was also responsible for the preparation and implementation of the review of the EU policy towards Iran by the Council in February 2019, in close cooperation with the Chairs of the Council's Middle East/Gulf Working Party (MOG) and Political and Security Committee (PSC).

The Iran Task Force continued to coordinate the work of Commission services to advance the development of EU-Iran bilateral and sectorial engagement in areas of common interest. This included the continued promotion of human rights and fundamental freedoms as well as publicly reacting to human rights abuses, such as the disproportionate use of force by Iran's security services during demonstrations in November 2019. Outside the scope of the JCPOA, the EU also maintained a number of targeted sanctions to address, inter alia, serious human rights violations in Iran and Iran's support for the Assad regime in Syria. In an increasingly tense regional security context (attacks on oil tankers, seizure of vessels and the attack on the state-owned Saudi Aramco oil processing facilities), the Iran Task Force worked towards the pursuit of diplomatic efforts and maximum restraint by all relevant actors, including through regional political dialogue with the aim of fostering an improved regional environment.

Managing Directorate for Human Rights, Global and Multilateral Issues (MD Global)

MD Global continued to promote effective multilateralism with the United Nations (UN) at its core. The MD contributed to responding to the global challenges of our times, from the protection and promotion of human rights and democracy to climate, digital and migration. It also actively engaged in the post-2020 Multiannual Financial Framework (MFF) negotiations to ensure that the EU's financial resources match our external policy objectives.

MD Global worked on the preparation of the

first-ever Council conclusions on EU action to **strengthen rules-based multilateralism**, adopted in June 2019, which became the compass for operationalising the EU's commitment to advancing effective multilateralism. This action agenda for the EU and its Member States aims at upholding, extending and reforming the multilateral system of governance. The Council conclusions spell out seventeen action areas, ranging from diversifying multilateral partnerships, to promoting human rights, to adopting a more strategic approach to EU funding of the UN system.

Continuous efforts were made to further reinforce the **EU-UN partnership**, building on the broad convergence of the EU and the UN Secretary-General's priorities, from human rights and conflict prevention, to climate and digital. MD Global collaborated with the UN on the 75th anniversary of the organisation, including as concerns joint celebratory activities. Cooperation was strengthened with the African Union (AU) in multilateral fora across the UN's three pillars, as well as in International Financial Institutions (IFIs), including the World Bank, and whenever relevant and possible, trilateral EU-AU-UN cooperation was pursued.

The MD contributed to increased EEAS participation in **new areas of multilateral relations**, such as digital, including artificial intelligence, cybercrime, technical standards, human rights and connectivity. This materialised for instance in the strong EU involvement on advancing the recommendations of the UN High-Level Panel on Digital Cooperation, together with relevant Commission services. The EEAS is one of the co-chairs of the roundtable on digital human rights, the work of which will continue in 2020. MD Global also worked on the EU's contribution to the 2020 UN Peacebuilding Architecture review as a way to support the implementation of the UN peace and security reform and to take an active role in evolving the UN Peacebuilding Commission and the UN Peacebuilding Fund.

Thorough 2019, MD Global continued to provide a policy steer and coordination to address the

external aspects of migration, by embedding migration in the EU's dialogues with countries of origin and transit, and addressing all migration-related aspects in a comprehensive manner with partners. Work continued towards a deepening of the Continent-to-Continent Dialogue on Migration and Mobility with the AU, focusing on remittances and diaspora investment, information sharing on trafficking in human beings and migrant smuggling, as well as sustainable reintegration of returning migrants.

Furthermore, the MD contributed to the EEAS engagement in the AU-EU-UN Task Force to increase support and protection for migrants and refugees in Libya, and the establishment of a new Emergency Transit Mechanism in Rwanda. A high-level meeting of the Task Force took place in the margins of the 74th UN General Assembly in New York. The strategic cooperation between the EU and the International Organization for Migration (IOM) was further strengthened, notably through the 6th EU-IOM Senior Officials Meeting in June 2019. The MD worked towards the prominence of migration and mobility issues as part of the relaunch of relations between the EU and Morocco. The Solidarity Conference, co-hosted in Brussels in October 2019 by the HR/VP with IOM and the United Nations High Commissioner for Refugees (UNHCR), was a milestone in bringing together all relevant stakeholders in support of Venezuelan refugees and migrants.

MD Global contributed to the EU's leadership in **protecting and promoting human rights and democracy** across the globe, most notably at the UN Human Rights Council (HRC) and the Third Committee of the UN General Assembly. Engaging with and empowering Human Rights Defenders (HRDs) remained also at the forefront of the MD's action. The MD worked on the organisation of the 21st EU-NGO Forum on Human Rights, held in Brussels on 3 and 4 December 2019, which put the human rights and environment nexus in the spotlight. The Forum brought together HRDs from more than 90 countries to discuss how to build a fair environmental future. During 2019, the MD worked on the preparation of the new Action Plan

on Human Rights and Democracy (2020-2024) in broad consultation with EU Member States, the European Parliament and civil society. The new Action Plan will set the EU priorities and level of ambition for the next five years focusing on cutting-edge priorities such as new technologies and climate change.

MD Global also contributed to the FAC discussions on the political appropriateness of establishing an EU global human rights sanctions regime to tackle serious human rights violations worldwide committed by state and non-state actors. Work was also carried out on the first ever EU Guidelines on economic, social and cultural rights: the Guidelines on safe drinking water and sanitation. These guidelines opened new horizons in promoting the indivisibility of civil and political rights from economic, social and cultural rights, thus, expanding the EU human rights toolbox. Moreover, MD Global was engaged in the preparation of new EU Guidelines on Non-Discrimination in External Action and an update of the Guidelines to EU Policy towards Third Countries on Torture and other Cruel, Inhuman or Degrading Treatment or Punishment, also adopted in 2019. Throughout 2019, the EU Special Representative on Human Rights remained at the core of political action, most notably, through the "Good Human Rights" Initiative, which aims at promoting a positive narrative on human rights.

MD Global contributed to the adoption in October 2019, for the first time in a decade, of Council conclusions on **democracy**. These conclusions provide a comprehensive framework to advance EU's work in supporting democratic governance, including approaches to address new challenges to democratic processes. Eight EU Election Observation Missions (EOMs) (in El Salvador, Kosovo, Malawi, Mozambique, Nigeria, Senegal, Sri Lanka, and Tunisia) and seven Election Expert Missions (in Afghanistan, Bolivia, Guatemala, Guinea-Bissau, Maldives, Mauritania and South Africa) were deployed. Together with other international observation organisations, such as the Organization for Security and Co-operation in Europe (OSCE) and its Office for Democratic Institutions and Human Rights (ODIHR), the African

Union, the Organization of American States (OAS) and the Carter Centre, MD Global worked on the development of a methodology to assess the impact of on-line media in electoral processes. This methodology started being tested in the second half of 2019 (EOMs Tunisia and Sri Lanka). Work on the follow-up of the implementation of EOM recommendations was further strengthened. An increasing number of Election Follow-up Missions (EFMs) were deployed in 2019 (7 compared to 5 in 2018), EU Delegations in countries where EOMs were deployed started drafting follow-up plans on the implementation of recommendations and, in close cooperation with Commission services, systematic efforts were made to better link the work of EU election missions and technical assistance supporting electoral reform. In addition, together with Commission's Service for Foreign Policy Instruments (FPI) the MD developed a public database that provides access to all election missions' reports since 2000, and a central repository of recommendations issued by EU EOMs since 2016.

MD Global continued to play a key role in the **post-2020 MFF** negotiations, in close cooperation with the Commission's DGs. Efforts were intensified to move towards an agreement on Heading 6 (external relations) and the proposed NDICI (Neighbourhood, Development and International Cooperation Instrument). Significant progress was achieved: the European Parliament adopted its first reading position on NDICI in March 2019, further endorsed in October 2019 following the May 2019 EP elections. The Council adopted a Partial Mandate for Negotiations with the EP in June 2019, supplemented in September 2019 with parts related to investment and in November 2019 to migration. On that basis, two trilogue meetings took place at the end of 2019, leading to a joint working methodology that facilitated additional progress and agreement on provisionally closing some parts of the regulation.

The MD played a steering role in the (pre) programming process of the post-2020 external funds. As a first step, EU Delegations and Headquarters services were given joint instructions

to carry out country, regional and thematic assessments, including an analysis of the country/regional/thematic contexts, opportunities and challenges as well as EU interests and priorities. Building on that input, Country and Regional Team Meetings were organised, gathering EU Delegations, EEAS and the Commission DGs, in order to test the identified priorities against those of the new Commission. Based on the results of these meetings, the EU framework documents will be prepared, jointly with EU Member States, in a number of countries where EU action is multidimensional and broader than development cooperation. The consecutive steps of the (pre-programming exercise, fed by intensive consultations (including EU Member States, European Parliament, civil society) will define how the variety of EU policies and tools will be best used to foster leverage and ensure the optimal impact of the EU's external action.

Managing Directorate for Common Security and Defence Policy and Crisis Response Services (MD CSDP-CR) and EU Military Staff (EUMS)

An internal re-organisation of the Common Security and Defence Policy (CSDP) and crisis response structures in 2019 contributed to improving efficiency in crisis management as well as intelligence/situational awareness structures within the EEAS. As a result, a new Managing Directorate for CSDP and Crisis Response Services (MD CSDP-CR) was created on 1 March 2019, including two Directorates: 1) Integrated Approach for Security and Peace Directorate (ISP), dealing with the implementation of the integrated approach to conflicts and crisis through an effective coordination of the EU response across the full spectrum of the conflict cycle, and including responsibility for crisis management and planning; 2) Security and Defence Policy Directorate (SECDEFPOL) covering the broader range of security and defence policies, including defence capability development, civilian capabilities, maritime security, cyber-security, hybrid threats, as well as counter-terrorism, non-proliferation, and partnerships with international

organisations and third countries. The Situation Room was directly attached to MD CSDP-CR. On the other hand, the Intelligence and Situation Centre (INTCEN) was moved under the direct authority of the HR/VP, while maintaining the administrative link to the EEAS Secretary General. The Space Task Force and Sanctions Policy Division were attached to the EEAS Secretary General.

In 2019, MD CSDP-CR worked towards strengthening the EU's capacity to act in an integrated manner in **addressing conflicts throughout all phases of the conflict cycle**, making full use of all its tools based on a sound analysis and with a specific focus on prevention. The development of concrete response strategies was at the heart of the revised EU conflict Early Warning System. A shorter-term Horizon Scanning exercise was further developed and a Responsibility to Protect /Atrocity Prevention toolkit was rolled out to Delegations and CSDP missions and operations. Crosscutting themes like Women, Peace and Security , youth, peace and security , and climate change received special attention.

MD CSDP-CR worked on **defence capability development**, contributing to the adoption of a third batch of Permanent Structured Cooperation (PESCO) projects and the launch of a work/consultation phase on the PESCO Strategic Review, as well as the launch of the first full-fledged Coordinated Annual Review on Defence (CARD) cycle. Efforts continued to ensure coherence among the EU defence initiatives (PESCO, CARD, European Defence Fund (EDF)), notably through the Project Team on Defence Union and the "coherence" meetings. A first report by the HR/VP on interactions, linkages and synergies among EU defence initiatives was presented. Progress was also made on military mobility as reported to the Council and the European Parliament in the first Joint Progress Report with the Commission on the implementation of the Action Plan on Military Mobility. Work continued in particular to increase the operational capability of the Military Planning and Conduct Capability (MPCC) and enhance civil-military synergies (through the Joint Support Coordination Cell), activated since the

end of the year on the basis of a Memorandum of Understanding concluded between the Civilian Planning and Conduct Capability (CPCC) and the EUMS/MPCC. Efforts also continued as concerns the future adoption of a European Peace Facility. With negotiations ongoing in the Council since January 2019, the launch of the new instrument is foreseen for January 2021.

A continued focus on **civilian capabilities and civilian CSDP** in the framework of the Civilian CSDP Compact led to the development of an EEAS-Commission services Joint Action Plan, Member States' National Implementation Plans and the first Annual Review Conference on civilian CSDP. The newly created EU Civilian Training Group started its work on the identification of training needs and streamlined CSDP related training.

In the field of **disarmament, non-proliferation and arms export control**, the focus remained on strengthening the global rules-based order with the United Nations at its core. MD CSDP-CR continued developing coordinated strategies and approaches to **defeat terrorism** abroad and securing the **counter-terrorism cooperation** of international partners, in order to counter terrorist actions and violent extremism abroad and as well as securing the EU against foreign terrorist threats. On **cybersecurity**, MD CSDP-CR continued to work on the operationalisation of the "cyber diplomacy toolbox" to contribute to conflict prevention, mitigation of cybersecurity threats and greater stability in international relations including via regular cyber dialogues with partners. In addition, work continued on establishing the EU common position on ongoing multilateral discussions on cybersecurity (UN Open-Ended Working Group and UN Group of Governmental Experts) and cybercrime, including via outreach and cyber capacity building.

On **hybrid threats**, besides the implementation of the 2016 Joint Framework and the 2018 Joint Communication Increasing Resilience and Bolstering Capabilities to Address Hybrid Threats, MD CSDP-CR assisted the Finnish Presidency of the

Council on a newly established Horizontal Working Party in the Council. In addition, the MD worked on the launching of hybrid risk surveys with four Western Balkans partners, Georgia and Moldova. On **maritime security**, MD CSDP-CR worked towards strengthening the EU's maritime security dialogues with partner countries and international organisations and furthering the implementation of regional strategies in Africa. Additionally, the EU Coordinated Maritime Presences initiative was developed.

A more strategic approach to **cooperation with third countries** was implemented in the course of 2019, looking at how to improve modalities for cooperation in CSDP missions and operations, as well as enhancing engagement with partners on security and defence issues. The recruitment of the first batch of military advisors in selected Delegations was an important step forward. In addition to maintaining existing dialogue formats with established partners, there was a focus on the Western Balkans and the Eastern Partnership, as well as with Asian partners in line with the Council mandate of May 2018. Partnerships with key international and regional organisations were also enhanced. Building on a long-standing relation in the field of peace-keeping and crisis management, cooperation with the United Nations was further pursued in line with the new set of priorities on peace operations and crisis management for 2019-2021. Cooperation with NATO was further consolidated and strengthened. The fourth progress report on the implementation of the 74 common actions was submitted to the respective Councils in June 2019. Cooperation with the African Union and OSCE was also further developed.

The EU's 17 **CSDP Operations and Missions**¹ continued to provide valuable strategic impact within the broader context of the Global Strategy in Europe, the Middle East and in Africa. Operational Planning focused on Africa – in particular Sahel, Horn of Africa/Somalia and Central African Republic, as well as Libya. In the Sahel, regionalisation

¹ The Council established the EU Advisory Mission in the Central African Republic (EUAM RCA) in December 2019; the EUAM RCA was launched in 2020.

started in the beginning of 2019. On Central African Republic, planning on the launch of a civilian CSDP mission was successfully completed. In Somalia, the Training (EUTM Somalia) and Capacity Building (EUCAP Somalia) Missions remained a visible sign of the EU's engagement in the region, in addition to EUNAVFOR Atalanta off the coast of Somalia. In the Central Mediterranean, Operation Sophia contributed to maritime security, and has since been replaced by Operation Irini, while the Border Assistance Mission in Libya (EUBAM Libya) focused on the implementation of the new mandate in support of the security sector in Libya, in line with the outcome of strategic review carried out at the end of 2018. Elsewhere the Rule of Law Mission in Kosovo (EULEX Kosovo), the Advisory Mission in Ukraine (EUAM Ukraine) and the EU Force in Bosnia and Herzegovina (Operation Althea) continue to operate effectively in Europe while the Coordinating Office for Palestinian Police Support (EUPOL COPPS), the Border Assistance Mission for the Rafah Crossing Point (EUBAM Rafah) and the Advisory Mission in support of security sector reform in Iraq (EUAM Iraq) contribute to stability and confidence in the Middle East. Horizontally, the mainstreaming of human rights and gender approach was prioritised throughout all CSDP activities. Across the five priorities identified above, special attention was given to strategic communication aspects.

The consular affairs Division led several consular crisis exercises involving hundreds of participants

mobilised to respond to natural and man-made crises. A discussion paper on **EU Consular Crisis Preparedness Exercise Policy** was presented to the relevant Council preparatory body (Consular working group – COCON).

Following its attachment to the Secretary General, activities in the area of space were carried out by a dedicated **Space Task Force**. The EEAS Special Envoy for Space launched the Safety, Security and Sustainability of Outer Space initiative (3SOS) aiming at building support for a safe, secure and sustainable outer space, promoting a sustainable approach to outer space by avoiding collisions, tackling orbital debris and promoting transparency and confidence-building measures in outer space. Concerning the implementation of Council Decision 2014/496, the Galileo Threat response Architecture (GTRA) established in 2015 was reinforced. 2019 also saw the building of a new Galileo secure room on EEAS premises. The Special Envoy for Space continued exercising the operational direction on the EU Satellite Centre (SatCen) on behalf of the HR/VP, by chairing its Board and ensuring the prioritisation of tasks in function of a growing demand for geospatial intelligence and SatCen's limited resources. The Space Task Force coordinated the organisation of a joint event between Headquarters and the EU Delegation to Japan with the view to promote a space-based laser technology enhancing communication capabilities.

2.2. Achievements of objectives in EEAS administration

In 2019, the Directorate General for Budget and Administration (DG BA) defined its core priority areas for the year based on the key priorities defined by the EEAS Secretary General. DG BA focused on the following four priority areas:

- Improving the workplace and ensuring the implementation of the Task Forces on "Career Development" and "Gender and Equal Opportunities";
- Consolidating administrative policies and the

internal legal framework;

- Fostering a culture of safety and security across all entities;
- Enhancing the efficiency and effectiveness of the administration and modernising financial management.

DG BA continued consolidating its new structure building on the benefits of the 2018 reorganisation. That split the Directorate responsible for security, infrastructure and budget into two different

Directorates: Budget and Support Directorate (DG BA.BS) and Infrastructure and Security Directorate (DG BA.SI), in order to ensure a more coherent attribution of responsibilities and a better balance with regard to the number of divisions and staff. Together with the Human Resources Directorate (DG BA.HR), the three Directorates identified short and longer-term goals and focused on the development of their different areas of responsibility, working closely together in order to achieve the planned synergies. The Horizontal Coordination and Protocol Division (DG BA.01) continued its role on horizontal files and remained the focal point for the European Court of Auditors (ECA), the Internal Audit Service (IAS) and the European Anti-Fraud Office (OLAF).

Significant progress was achieved on all four of DG BA priorities during 2019 resulting in enhanced corporate governance in the EEAS, increased transparency and predictability, alignment and integration of risk management and control practices, and further modernisation of the EEAS administration. This progress contributed decisively to the EEAS' capacity to adapt successfully to the accelerating pace of change in international relations.

2.2.1. Improving the workplace and ensuring the implementation of the Task Forces on "Career Development" and "Gender and Equal Opportunities"

DG BA strived to improve the workplace for all staff at Headquarters and in EU Delegations, through continuous and intense work to implement the recommendations of the Task Forces on "Career Development" and "Gender and Equal Opportunities".

In January 2019, the EEAS launched the **Career Advisory Service** with the aim of further improving the career development policy in the EEAS and establishing a more dynamic structure ensuring the continuity of service. This measure was taken following a recommendation by the EEAS "Career Development" Task Force. The Career Advisory Service uses strictly confidential coaching

techniques to provide career guidance and employs several tools in order to clarify professional goals, increase self-awareness and focus on realistic and concrete actions that could further develop the career of its staff. Throughout the year, 78 sessions were organised. The issues discussed in these sessions included: mobility and rotation exercises, long-term career planning, work-life balance, clarification of the existing rules and policies and job security. Around one in ten of the sessions were devoted to preparing for a specific job application. The Career Advisory Service also developed an online questionnaire, which analysed behavioural preferences and traits displayed in the working environment. The findings and the trends of the survey will be analysed with other relevant services within the EEAS and DG BA in order to provide timely responses to emerging issues and the needs of all EEAS staff.

In July 2019, the appointment of the EEAS **Career Development Adviser and Talent Manager** further strengthened the framework of career development in the EEAS. The Adviser supports all staff at Headquarters and in Delegations. He advises and guides staff in order to meet their career expectations and to improve their career predictability, while responding to the needs of the Service. The Adviser works closely with existing DG BA support services on training, career advice and recruitment, thus providing a comprehensive culture of counselling on career development in the EEAS.

Further progress was achieved fostering the EEAS **management culture**, through the creation of a Management Handbook, specialised guides, trainings and peer coaching, to ensure all managers have the tools required to perform their tasks, covering Headquarters and Delegations. Following various requests, several management trainings were opened to staff occupying pre-management positions or exercising management tasks but not in formal management posts. In addition, an increased number of managers also underwent a 360 degree evaluation exercise by their staff, peers and hierarchy; this exercise will be further systematised in 2020.

The role of the Head of Administration is considered pivotal for the functioning of EU Delegations around the world, both in terms of overall efficiency and the work environment. In order to create a pool of highly professional staff, equipped with all the necessary skills required for this position, the first edition of the **College for future Heads of Administration** was launched in March 2019. Furthermore, the EPSO open **competition to recruit new staff as Heads of Administration** in EU Delegations was successfully concluded in 2019.

Throughout 2019 and in the framework of the implementation of the recommendations of the Task Forces, the following new initiatives and actions, inter alia, were adopted:

- Expansion and enhancement of the dedicated training, talent-spotting, coaching and mentoring for women who are new to management or in pre-management positions;
- The establishment of compulsory training on unintended bias and interview techniques for selection panels;
- The creation of a social policy with an inclusive approach to the question of work-life balance including in Delegations;
- The development of policies and action plans to support partners of staff in Delegations, in close cooperation with Member States. The policies aim to facilitate the deployment of EEAS staff in Delegations by improving the work opportunities for accompanying partners or spouses in third countries. A first pilot project was launched in the USA (Washington) to pool information on jobs in the Delegation and EU Member State missions;
- Improved training to ensure better prepare for posts in Delegations, such as a language training pilot project;
- Launch of pilot project on teleworking in selected Delegations;

- Support to contract agents at the end of their contract through dedicated training;
- The creation of a newsletter as a dedicated information tool for Local Agents.

After the launch of the anti-harassment information package, the EEAS intensified efforts to improve the implementation of the **zero tolerance policy against any form of harassment**: the campaign on preventing and addressing harassment in the workplace was successfully concluded in 2019, with the EEAS managers delivering a compulsory presentation to all staff on this subject, providing the necessary information on the support structures in place. The work continued with the follow-up and monitoring of the progress achieved on the Commission Decision on protecting the dignity of the person and preventing psychological and sexual harassment², which is directly applicable to the EEAS staff.

The EEAS continued its efforts focusing on benefitting from a diverse workforce by improving its capacity to provide reasonable accommodation to staff with a disability and also to welcome visitors in an appropriate manner. With a view to the preparation of its own **EEAS Disability Policy**, in 2019 the EEAS undertook a mapping of policy frameworks, practical measures and best practices employed by other EU institutions concerning reasonable accommodation, access to buildings, work environment and information, awareness-raising and communication, recruitment and integration. Based on the mapping exercise, the EEAS took stock of existing measures and tools, and collected experiences and input not only at Headquarters but also in Delegations. In order to identify further actions to be implemented and taking into consideration time, feasibility and budget constraints, the EEAS initiated work on a Roadmap for Action that will be finalised in 2020. Throughout 2019, the EEAS was able to implement a number of actions immediately, including the establishment of new channels for communication, the implementation of structures to facilitate the welcoming of visitors with disabilities, the

² C(2006) 1624/3.

dissemination of useful information, and the development of relevant training courses. In addition, to mark the International day of Persons with Disabilities (IDPD), the EEAS organised a lunchtime event to raise awareness on the topic. Staff from different EU institutions including the EEAS, colleagues living with a disability and colleagues working with related policies, shared their experiences, perspectives and best practices during a web-streamed conference that was followed by EEAS staff in Headquarters, Delegations and other EU institutions.

The results of the **EEAS Staff Opinion Survey** and the first joint **EEAS-Commission Staff Opinion Survey** for all staff in EU Delegations were published in July 2019. At Headquarters, the follow-up included the transmission of the Managing Directorates' (MD) results, most commonly in the form of an interactive presentation where the staff and the management of each MD could openly discuss their results and proposed follow-up actions. This exercise allowed to not only compile collective feedback and identify concrete measures for the follow-up actions, but also to encourage the management of each MD to focus on and adopt their own specific and most appropriate measures. In Delegations, the EEAS and the Commission agreed on the importance of following-up jointly on the survey and identifying a set of common, concrete actions and messages that will efficiently address the challenges and expectations of the staff. There are three areas on which the EEAS, together with the Commission Services in Delegations, will focus: communication and collaboration; well-being and work-life balance; career perspectives and learning. EEAS senior management endorsed the dissemination of messages and promotion of actions targeting staff working both at Headquarters and in Delegations, in order to address the challenges and expectations identified under these three areas in 2020.

2.2.2. Consolidating administrative policies and the internal legal framework

A major **revision of the rules and conditions**

governing the employment of Local Agents in EU Delegations took place in 2019. On 7 August 2019, the High Representative and the Commission adopted the three main Joint Decisions that will form the basis of the new employment conditions for local agents:

- Conditions of Employment - Joint Decision C(2019)5686
- LA-Provident Fund - Joint Decision C(2019)5685
- LA-Medical – Joint Decision C(2019)5684.

These rules have remained unchanged since 1989, while workplace norms and the EU's institutional structures have evolved considerably. These rules are needed because the employment of the Local Agents is based principally on local law. The aim was to adopt an ambitious package to modernise and improve the employment conditions of the 3,200 Local Agents employed by the EU and get more contemporary, more comprehensive and clearer rules.

The reform was achieved on budget neutral terms and it will change these complementary EU conditions in three key ways:

- by improving a wide range of employment benefits, including in the field of social security;
- by giving Local Agents greater legal certainty about their access to complementary EU social security cover;
- by making it easier for the EU as employer to adapt its common rules in the future in order to keep pace with employment norms.

The first main change brought by the reform is the greater legal certainty for all local agents regarding their access to complementary EU social security cover. Enshrining the social security schemes in decisions at the highest level has provided the Local Agents with a legal permanency and an enforceability that they did not previously possess. Another important change is the improved employment benefits for local agents: All local agents affiliated to the current complementary EU

medical insurance and Provident Fund schemes will automatically be affiliated to LA-Medical and LA-Provident Fund, bringing them automatic benefits without requiring them to sign anything. Meanwhile, those local agents who sign the addendum to their employment contract accepting the application of Joint Decision C(2019)5686 of the Commission and the HR/VP of 7 August 2019 on the Conditions of Employment of Local Staff of the European Union engaged in places outside the European Union (LA Conditions of Employment) will gain additional, concrete benefits reserved only for them. These include: doubling of the value of a promotion, a new minimum of 20 days paid leave per annum, extension of paid maternity leave from 8 weeks to 20 weeks, better financial protection if a contract is ended due to medical incapacity, better financial protection for dependents when a local agent dies in service, a new legal basis for determining an accident at work or an occupational disease, opening the way to lump sum compensation if this results in total permanent invalidity necessitating termination of employment, and extended appeal rights, including the possibility to re-open an appeal within 12 months if new facts emerge.

The third main change brought about by the reform is the greater flexibility in the future for the EU as employer to keep up with employment market norms: The reform will only change the EU minimum conditions that form part of each local agent's contract. The principle that the employment of local agents is based primarily on local law, complemented by EU minimum conditions, remains the same, so their local law entitlements will remain untouched. In addition to the changes mentioned above, the structure of the EU minimum conditions will change so that these can be amended more easily and quickly in the future. This will be achieved by eliminating the old global Framework Rules and the Delegation-specific Specific Conditions of Employment that had become too unwieldy to update. The "pillars" of the new structure are the three Joint Decisions mentioned above, on Conditions of Employment, LA-Medical and LA-Provident Fund, adopted at the highest level and containing the core elements. The remaining details will be established in a number

of accompanying implementing decisions adopted at lower levels so that in future these are easier to update.

The adoption of the three above-mentioned Joint Decisions has set in motion the entry into force of the reform on 1 June 2020. It will apply automatically to all new employment contracts signed from 1 June 2020 onwards.

In 2019, DG BA launched a **mapping exercise of all legal bases** for the EEAS administration. This exercise aims to improve legal certainty by producing administrative decisions and related implementing acts in the specific fields where gaps will be identified and by consolidating the existing policies and rules. The objective is to adopt clear rules and processes, which will mean staff can benefit from increased clarity and transparency. As a direct consequence, this exercise should reduce legal challenges against administrative decisions. This will lead to the mitigation of legal risks deriving from DG BA competencies and will also have a significant impact on the execution of the EEAS mission. It will also facilitate the prioritisation of the legislative and rule-setting priorities of the EEAS administration. This mapping exercise will serve as a basis for innovation in DG BA and will help not only to ensure legal soundness of decision-making in the future, but also to improve the administrative rules and practices.

2.2.3. Fostering a culture of safety and security across all entities

Providing a safe and secure working environment for all staff at Headquarters and in Delegations and reducing the risk of accidents and injuries at work is a priority for the EEAS. In 2019, thanks to the support of the Budget Authority, concerted efforts were made to foster a security culture by improving awareness for all staff, the development of new tools and streamlining of the existing procedures, covering HQ and the EU Delegations. Promoting a genuine culture of safety and security is particularly crucial in times of crises, as it strengthens and safeguards the resilience of the EEAS in a constantly

changing and challenging environment.

The **EEAS Headquarters Business Continuity Plan** (BCP) was updated in October 2019: it ensures that the EEAS HQ has the personnel, procedures, infrastructure, tools (including IT) and budget to perform its critical and essential functions in the event of unexpected situations which could lead to major disruptions of EEAS operations.

Business Continuity ensures that the core business of the organisation continues even when the unexpected occurs by identifying priorities for action. By preparing the EEAS for possible disruption of its activities and by anticipating how it could respond to emergencies, the BCP increases institutional resilience. The updated BCP minimises the impact of disruption on external stakeholders, whilst facilitating the identification and recovery of key business processes and systems within agreed time frames. It also helps to minimise, to the extent possible, financial, legal and reputational risks associated to business discontinuity. The BCP is an internal document, which is regularly updated following the evolution of HQ risk analysis and mitigation. It respects and complements the existing rules and procedures for the EEAS on how to deal with critical incidents. By preparing the EEAS for possible disruption of its activities and by anticipating how it could respond to emergencies, the BCP increases the EEAS institutional resilience. DG BA plays a key role in managing the emergency, ensuring business continuity measures, as well as creating conditions for a quick recovery and return to "business as usual".

The mandate of the **EEAS Medical Service** was adapted in January 2019, in order to further enhance the safety and security services provided to the staff in EU Delegations. The mission of the Medical Service is to safeguard and promote the health and well-being of all staff in EU Delegations, regardless of their administrative status or origin. It also advises all EU Delegation personnel and EEAS management about health issues throughout the world. The Medical Service is the focal point for medical repatriation/evacuation; health risk assessment in EU Delegations; evaluation of

the health parameter in the Living Conditions Allowances; and patient advocacy. It also provides medical support and advice in crisis situations (man-made or natural) related to EU Delegations.

The development of the **future corporate classified platform**, EC³IS, progressed in 2019. The new platform aims to replace the current patchwork of classified systems by a consolidated platform able to address securely the EEAS needs for highly classified systems. Since its early stages, this system is developed under a security by design approach, which ensures a coherent, consistent and sound development in terms of security features as well as a sound financial management with a total cost estimated at less than the third of the commercial offer received to acquire a turnkey system. The EC³IS includes several supporting projects, which are being developed in parallel. In the meantime, the old systems were continuously maintained. Applications were maintained via existing framework contracts and some of them will be migrated toward the future system.

New tools for secure communication, such as secure voice devices, continued to be deployed both in Headquarters and Delegations. By the end of 2019, 133 pieces of equipment were deployed. Secure voice systems are increasingly used to communicate securely between Headquarters and EU Delegations. A new procurement was launched by the end of 2019 aiming to have a new framework contract signed in 2020. The General Secretariat of the Council of the EU (GSC) and the European Commission joined this procedure led by the EEAS.

EEAS IT security was improved with the deployment of the new RESTREINT UE/EU RESTRICTED set of security rules and services, "RESCOM", that includes secure smartphones, laptops and document management. An accompanying e-learning course provided staff with all the necessary information, security rules and guidance, using step-by-step video tutorials, on how to get started and become confident using the RESCOM system. The Security Operation Centre capabilities and the new EEAS Internet Access Street were also reinforced,

including the use of secure systems for monitoring IT traffic against potential cyber-attacks.

The EEAS **Security Awareness Programme** continued throughout 2019, with a special focus on information security. As part of the programme, a blind phishing campaign was conducted in October 2019; harmless simulated phishing attacks in the form of Dropbox, WeTransfer and EU Learn invitations targeted all EEAS e-mail addresses in Headquarters and Delegations. To help all EEAS staff identify phishing attacks, a new interactive security online training was launched following the campaign. The training was compulsory for all EEAS staff in order to provide them with educational tools that can assess and improve the cybersecurity awareness and intelligence both at work and at home.

In 2019, the EEAS continued to face considerable **security challenges**, with a substantiated deterioration in security worldwide, affecting the network of the EU Delegations and staff going on mission. During the last four years, additional financial resources, allocated by the budgetary authority, have allowed the EEAS to be better prepared to meet these field security challenges, notably through the expansion of the Regional Security Officers (RSO) network and the acquisition of additional security equipment, including inter alia armoured vehicles, radios and personal protective equipment. The RSO network has grown by more than 70% over last three years, together with the implementation of a Security Risk Management (SRM) methodology, the ongoing creation of an IT security portal, supplemented by various security-related policies, have also contributed to the on-going professionalization of EEAS diplomatic security.

In March 2019, the EEAS adopted an enhanced legal framework governing **personnel security requirements**. The new framework outlines the conditions for granting access to EU Classified Information and defines the positions within the EEAS (Headquarters and Delegations) for which the personnel security clearance is mandatory. In December 2019, the compliance in Delegations was

98%: 81% of EEAS staff in Delegations held a valid personnel security clearance, compared to 46% in 2017; a further 17% applications were pending approval by the respective National Security Authorities (NSAs). All Heads of Delegation were compliant with the security clearance requirements. At Headquarters, there was 95% compliance in Divisions with "security clearance required" posts. Staff without a valid PSC have been encouraged to launch the procedure to obtain their security clearance.

In 2019, the EEAS successfully launched the new automatised e-Clearance system, which contributed to a better management of a security clearance life-cycle. EEAS staff can be informed of any event related to their personnel security clearance: renewal, expiration, forms sent to the NSAs, arrival of a new clearance. In parallel, a new reporting tool has been developed and used by the EEAS security management, the Heads of Delegation and the inspection teams of the EEAS and the Commission to monitor the progress achieved.

The EEAS has been working closely with the Member States on critical issues and challenges related to the personnel security clearance, in order to enhance the communication and strengthen cooperation with the NSAs. The EEAS also established a working relationship with the European Commission and the General Secretariat of the Council, with weekly and monthly technical meetings between the clearance teams of the three Institutions, with the aim of exchanging good practices and fostering the inter-institutional collaboration.

Other achievements fostering a culture of safety and security during 2019 included:

- The launch of the Windows 10 Mobility project for Headquarters, which is expected to be completed in 2020. A personal videoconferencing pilot project with Skype for Business was also introduced. The new Secure printing project was completed at Headquarters.

- The close monitoring of the handling of classified documents, including updating guidelines, and the establishment of new reporting and incident procedures.
- A client-oriented approach with more user-friendly tools was adopted in processing accreditations of staff and visitors. The automated management system for access requests (e-visitor) was finalised and its implementation started in 2019.
- Further promoting security trainings at all levels through the e-learning courses BASE and SAFE, HEAT trainings, trainings for the Delegations' Security Management Teams, induction training of RSOs, pre-posting training, armoured vehicles' driver training, as a part of moving the EEAS towards full security awareness.
- Progress on the development of policies on hostage taking/kidnapping and firearm.
- A new technical support position was created to provide direct support to Delegations on building safety matters, with a focus on drafting health and safety guidelines for selecting buildings and awareness raising.
- Reinforced inter-institutional cooperation, often initiated by the EEAS, with the other EU Institutions, Agencies and Bodies as well as with Member States. In July 2019, one new Service Level Agreement was signed with the European Court of Auditors.

Within the exercise of EEAS's duty of care, the following EU Delegations were affected by decisions on **evacuations** during 2019:

In February 2019, the unrest in **Haiti** worsened to such an extent that the physical risk to dependents and some expatriate staff reached an unacceptable level. Therefore, the Delegation's non-essential staff and dependants were evacuated and relocated to Santo Domingo. In October, the situation worsened again, triggering another evacuation decision for all non-essential staff.

Due to the political turmoil in **Sudan**, in April 2019

it was decided to evacuate dependants for 15 days, but in June the security environment worsened to the extent that all non-essential staff and dependants were evacuated until August 2019 and the signature of a political agreement between the 'Transition Military Committee' and 'Forces for Freedom and Change' that led to a progressive stabilisation of the security situation in Khartoum.

In September 2019, the security threat situation in **South Sudan** was assessed as being at the 'significant' level, down from the 'high' and 'critical' levels at the dates of the initial evacuation in 2016 and afterwards. Given the solid improvements in the security posture and the updated security, it was decided to end the evacuation status and to return to normal operations, but to exclude local missions outside of Juba.

Because of the high levels of violence in the country, the EU Delegation to **Afghanistan** has remained under an evacuation decision since 2017, with a staffing level below 20. At the end of August 2019, following repeated threat warnings, the EEAS decided to restrict the movements of EU staff, and in mid-September, the EU Delegation's specific threat reports triggered a reduction of the staffing level to core staff members. The staffing ceiling returned to the previous level two weeks after, following an updated threat assessment.

As of December 2019, there was one EU Delegation evacuated at level 4 (withdrawal of all expatriate staff) since June 2014: Yemen (relocated in Jordan), and five Delegations evacuated at level 3 (withdrawal of all non-essential expatriate staff): Afghanistan, Haiti, Libya (relocated in Tunisia), Syria (relocated in Lebanon) and Iraq.

2.2.4. Enhancing the efficiency & effectiveness of administration and modernising financial management

DG BA strived to enhance the efficiency and effectiveness of the EEAS administration and financial management in 2019. The major highlights of the year include:

The rules of the **new Financial Regulation** entered into application on 1 January 2019 for the EEAS. The EEAS amended its Decision on the Internal Rules on the implementation of its Budget in order to adapt them to the dispositions deriving from the new Financial Regulation and it also introduced new possibilities such as: the acceptance of corporate sponsorship for events organised by the EEAS in the framework of the public diplomacy activities; a more explicit and stronger basis for the use of provisional commitments; and the provision of assigned revenues for the receipts of selling immovable property. Another new possibility is that the Head of Delegation has the possibility to act as sub-delegated authorising officer for the operational expenditure (Budget of the European Commission) and the Deputy Head of Delegation has the right to intervene as AOSD for the same expenditures when the relevant Head of Delegation is absent. The EEAS, since its creation, has advocated a more flexible approach to the question of the agents authorised to intervene in the financial workflows of the EU Institutions in Delegations, in order to ensure full business continuity and to maximise the efficient use of the human resources available in delegations. Amendments in this sense were obtained in the new Financial Regulation, in particular the new dispositions in Article 60(2) and in Article 60(3).

Corporate sponsorship occurs when partners (sponsors) support an event organised by an EU Delegation by providing goods or services (in kind). Financial sponsorship is not permitted by the Financial Regulation. In 2019, 10 EU Delegations mobilised corporate sponsorship from 31 sponsors for a total estimated amount of EUR 95,518. In accordance with the reporting requirements, all the relevant information was published on the websites of the Delegations. The EEAS also published on its website the names of sponsors and the value of their contribution, for contributions of more than EUR 5,000.

The Budget Authority arrived at a political agreement on the **EU budget for 2020** in November 2019. The President of the European Parliament then signed the budget on 27 November 2019, which gave the budget legal force.

As far as the EEAS administrative budget is concerned, the approved amount, which also includes the Amending Letter 1 to the Draft Budget 2020 is EUR 731.1 million, up by 5.2% from the EUR 694.8 million in the 2019 budget. This amount covers notably the following:

- The amounts necessary to finance the Action Plan against Disinformation;
- A reinforcement of security in Delegations and HQ through an increase to the Regional Security Officer network, additional security installations (such as Secure Speech Rooms) and investments in cyber-security;
- Additional amounts for the fitting out of the new NEO premises;
- Amounts for administrative development, comprising notably a replacement of a number of cost-free national experts by officials and an increase to the stipend amount for trainees in Delegations;
- A reinforcement of the CSDP structures, notably strengthening the network of counter-terrorism experts, additional military advisors in Delegations, the multi-annual development of the Military Planning and Conduct Capability and some targeted reinforcements of the CSDP and EUMS departments;
- Reinforcements of the geographical departments in high-priority key areas, including the Sanctions Policy Division.
- A number of needs remain pending as final decisions had still not been reached on some files during the budgetary procedure for 2020. Concerns over particular resources related to the new multiannual financial framework

(MFF), notably the European Peace Facility and the more extensive programming requirements, will be discussed during the procedure for the 2021 budget.

Simplification of budget lines

The financing of the Commission's staff in EU Delegations is managed by a system that has been the subject of considerable criticism from the Budgetary Authority, which has repeatedly invited the EEAS and the Commission to work towards a tangible **budgetary simplification**. This system is excessively costly in terms of maintenance and management; it is very time-consuming and its complexity makes it prone to errors, particularly in Delegations.

The upcoming change of the budget nomenclature under the MFF will have a considerable impact on the part of the EEAS' budget nomenclature, which is dedicated to this system. The change thus presents a good opportunity to address the concerns raised by the Budgetary Authority.

In 2019, the EEAS started the preparatory work of developing an alternative system, to be introduced in 2021. Such simplification should generate efficiency gains, and in the case of accounting practices and the heavy workload cited by EEAS, the efficiencies should be evident in the administrative costs of the EEAS.

Innovative 2019

Following the evaluation of the Regional Centre Europe, DG BA launched in 2019 an internal exercise with the aim to further simplify and modernise the working procedures and the ways DG BA supports the Delegations. This in-depth review, named as "**Innovative 2019**", signalled the end of the pilot phase for the regionalisation project but it also demonstrated the efficiency of a centralised model for several processes currently performed in the Administration sections in Delegations. A central treatment will not only alleviate some of the ever-

increasing workload in Delegations but it will also guarantee a homogenous application of the EEAS administrative rules in all Delegations.

Throughout 2019, all DG BA Divisions worked on this initiative with 20 working groups analysing numerous proposals and delivering their conclusions, taking into consideration recurring administrative issues in Delegations. The conclusions, in the form of actions that aim to improve the administrative support provided by DG BA to the Delegations, include:

- Appointment of a back-up acting AOSD capacity in Headquarters to ensure the business continuity for the AOSD function in case of long absences in Delegations;
- Gradual centralisation of the processing of expatriate staff individual rights;
- Creation of a central service to manage all high value procurement procedures, including through the use of modern IT tools;
- Launching of global procurements accessible to all Delegations where relevant;
- Launching of the EU branding project aimed at a harmonised visual identity for the Delegations;
- Creation of a front-office offering advice and practical, hands-on, support to Heads of Delegation and Heads of Administration;
- Reinforcement of the business continuity of the Head of Administration function through on-site (floater staff) and/or remote support.

The new arrangements for the administrative support to the Delegations will result to a small reorganisation of DG BA that will take place in 2020.

Budget management and Finance and Contract management

With a view to the modernisation and simplification of administrative procedures, a new financial IT platform on **budget management** was introduced with the opening of the 2019 budget cycle, covering

the management of credit requests and the creation of reports concerning credits, commitments and payments in ABAC (Accrual Based Accounting) Workflow.

New templates on technical specifications for typically low and middle-value contracts have been prepared and published on cleaning and IT Support. Electronic workflows for commitments and payments have been fully implemented in 2019 for all Divisions at Headquarters.

As part of the global objective of digitalising the procurement processes, further progress has been made, including the use of the procedure module in Public Procurement Management Tool (PPMT) for the management of procedures. A revised policy has been issued for the Registry of Exceptions and Non-Compliance Events and a new IT tool has been put in production now rendering the Registry fully electronic. A new policy has been elaborated for the management of the Press and Information Budget in Delegations, entrusting the responsibility for the preparation of the procurement procedures to the Administrative sections. Two document management instructions have been issued, one for Headquarters and one for Delegations, to streamline and define the document management requirements for procurement procedures and contracts, notably in Ares.

Lisbon Treaty obligations

In 2019, DG BA launched a new reporting exercise compiling and analysing for the first time the Delegations' activities with regard to the **Lisbon Treaty obligations**. The aim of this new exercise is to be able to better quantify the assets and time involved on the execution of these responsibilities which are an essential part of the role of EU Delegations. This exercise will support the visibility of the EU's diplomatic action and will be used to reinforce the communication with the control and budgetary authorities, and also with the public at large. The analysis of the data related to the Lisbon Treaty obligations will be completed in 2020.

Information and Document Management

The EEAS is constantly improving towards a knowledge-centric organisation that recognises the role and importance of information. **Information and document management** will enable and support policy and political work, and protect the interests of the EEAS. The Information Management Strategy, approved at the beginning of 2019, is an ambitious project going beyond the mere management of documents and aiming to create a comprehensive framework for the corporate management of information. Collaboration is the preferred working method to break down the information silos of the Service, supported by adequate tools seamlessly integrated with the existing IT ecosystem. It also encompasses areas such as long-term digital preservation, Knowledge Management and Corporate Culture Change. It includes a global approach to information and documents. Furthermore, the EEAS has a legal obligation to register, file and preserve important documents received or produced in the course of its activities. This legal obligation aims at preserving the EEAS memory and at protecting the Institution in case of for example litigation, audits by the Court of Auditors and OLAF investigations. It also contributes to the respect of transparency rules and enables timely responses to access to documents requests.

To initiate this cross-functional multi-year project, a governance structure was created in 2019 with the establishment of an Information Management Committee and several ad-hoc working groups, tasked with specific projects. Over the course of the year, three Committee meetings took place, involving 40 representatives from over 10 Directorates, while almost 80 members of staff participated in the working groups, which have been progressively initiated since May 2019. Globally, over 20 meetings were held over 8 months as part of the Information Management Strategy implementation, including a presentation by the French Ministry of Foreign Affairs on their information management project. The project benefited from external competencies by means of three contracts. A six-month study

on corporate search tools and enterprise content management applications was successfully completed, analysing the best solutions tailored to the EEAS needs. Other contracts cover the communication and change management aspects and they also provide direct support and facilitation to some groups ensuring effective delivery.

Data Protection

Processing personal data by the EEAS at Headquarters and in EU Delegations related to foreign policy, security, crisis response, development cooperation, administrative and budgetary support as well as public diplomacy activities continued to be of great importance for the year of 2019. With **renewed data protection rules** entering into force for EU Institutions and bodies in December 2018, the implementation of significant adjustment, awareness-raising and training tasks were reinforced throughout 2019.

The EEAS Data Protection Officer (DPO) took the necessary steps to ensure a smooth transition in cooperation with data controllers. In order to abide by the revised legislative framework and to embed data protection in all processes and procedures when staff needs to handle personal data, the EEAS introduced changes to the work practices to comply with the new requirements of accountability and to strengthen the rights of data subjects. On the basis of the five priority objectives set out in the Data Protection Action Plan prepared by the EEAS DPO, on 1 October 2019 the EEAS adopted implementing rules relating to the protection of personal data by the EEAS and the application of Regulation (EU) 2018/1725 on the protection of natural persons with regard to the processing of personal data by the Union Institutions, bodies, offices and agencies and on the free movement of such data. The Decisions ADMIN(2019) 8 and 10 were adopted by the High Representative and published in the Official Journal of the European Union on the 31 October 2019.

The EEAS carried on working towards conformity in order to record processes, assess risks and privacy

impacts, notify data breaches, assure protection for international transfers, enforce stricter data protection clauses for sub-contractors and regularly review Privacy Statements. The network of data protection focal points, nominated within the different EEAS Directorates, Divisions and Delegations have been helping controllers and the DPO in their efforts to transform existing data processing notifications into records along with data protection notices. As data controllers, the EEAS HQ Directorates and Divisions as well as Delegations duly handled processes involving personal data in close cooperation with the Data Processing Officer. During the stocktaking exercise over 150 processes were identified, covering a wide array of human resources, security, budget and support, crises response, military and global issues.

The EEAS aims at implementing data protection fully in line with the standards set out in the EU data protection legislative framework.

EEAS building policy

During 2019, the EEAS **purchased buildings** in Ecuador, South Africa and the United States of America. The office building in Washington, D.C. worth EUR 90.3 million was financed with a loan of EUR 48.5 million and EUR 41.8 million from the budget. The spaces not occupied by the Delegation are leased as a whole to 2175 K Street Operating Company LLC ("WLLC"), a private company incorporated by the EEAS to manage the common parts and the parts not occupied by the Delegation and to serve as shield for litigations. While it is aimed to deploy the House of Europe policy for the building, the EEAS has to honour the existing (commercial) rental agreements. WLLC subleases the commercial spaces at the ground floor and office spaces to several tenants and manages common areas. The services rendered by WLLC are fully outsourced to a third party.

The office building in Washington, D.C. had been awarded the Leadership in Energy and Environmental Design (LEED) gold certification.

This is in line with the EEAS's aim for **green building certification** for new office projects, where financially and technically possible. The EEAS encourages and supports eco-friendly and sustainable practices with a view to reducing carbon dioxide emissions. Eco-friendly property management, both of EEAS-owned offices but also of rented offices, is an important instrument.

In 2019, the EEAS concluded 17 new **co-location** arrangements, resulting in a doubling of the total amount of recovery orders to EUR 8.5 million in 2019. Co-location represented 7% of the total office surface in EU Delegations and involved almost half (68) of the network of EU Delegations. Progress was made in 2019 to improve the legal and financial framework for co-locations with the aim of simplifying the procedure. Significant steps towards developing effective management of recovery of costs in the framework of co-location were taken, amongst which: a progressive centralisation of revenues at Headquarters to better control of operations; the introduction of an administrative fee into colocation arrangements; and the development of a new legal instrument (the Service Level Agreement) to unify the legal basis for colocation and regularise the hosting of EU agencies and institutions in EU Delegations. Through this instrument, the terms of co-location are agreed with each partner in a single framework document, the recovery of co-locations costs are simplified, and a standardised system of payments is created.

In 2019, other achievements related to the EEAS buildings policy included:

- The move of two EEAS Divisions to the Belliard 100 building in Brussels was successfully completed;
- The purchase of new offices and residences for EU Delegations, the opening of new offices, the re-location of others, and the upgrade of others, taking into account criteria such as functionality, security, cost, space, health and safety, location, representativeness;
- The model of 'collaborative spaces/activity-

based office space' has already been partially integrated into the office space in Belliard 100 and was also applied to Delegations projects in 2019, whenever possible (e.g. Indonesia);

- The systematic control of building maintenance was partially introduced following the creation of a new technical support position in mid-2019. A survey to gather information on state of play was sent to all Delegations with the aim of providing a better support on building maintenance to all Delegations;
- A review of the Housing Policy was launched in 2019. The first step was the launch of an external evaluation of EEAS policy aiming at identifying and correcting remaining shortcomings of the latest reform, which took place in 2013.

Following the recommendations of the European Court of Auditors Report of 2016, the EEAS applied more strictly the target ceiling of 35m² per member of staff into its building policy to limit the relative size of office buildings in Delegations. This policy has been successful and the average size of office buildings is now close to the notional 35 m²/staff. The policy of sharing office space with other EU partners (co-location) has played a crucial role in achieving such results by maximising the use of office space.

EEAS Staff Elections

In November 2019, the EEAS organised and held the **election of the new EEAS Staff Committee**. New electoral rules, adopted through the referendum of June 2018, were applied for the first time during the 2019 elections and the new voting system "e-Poll", which was developed internally, was used. On 25 November 2019, the elections were officially concluded with 2,142 voters having cast their vote and the Electoral Office publicly announcing the results of the elections. The 15 available seats available were distributed among the following Trade Unions: 8 seats for Union Syndicale & Plus, 3 for U4Unity, 2 for THE UNION and 2 for Renouveau et Démocratie (R&D).

Withdrawal of the United Kingdom from the EU

In 2019, DG BA, in close coordination with the Commission, coordinated work related to the impact of the **withdrawal of the United Kingdom (UK) from the EU** on the different categories of staff with UK-only nationality. There were regular communications to all staff at Headquarters and in Delegations about the staff-related developments around the UK's withdrawal, mainly about the consequences of the extensions of the withdrawal dates, 29 March and 31 October 2019.

DG BA also coordinated the logistical and organisational aspects of the preparation of the opening of the **new EU Delegation to the United**

Kingdom, with a focus on the selection and recruitment of the staff and on the transfer of the building from the Commission to the EEAS. This was achieved by the setting up of a dedicated Task Force, in which all of the relevant Divisions of DGBA were represented. The Task Force met on a regular basis throughout the year, roughly every two weeks. In addition, the Director General for Budget and Administration co-chaired with the Secretariat General of the Commission a Steering Group that was set up between the two Institutions dedicated to the opening of the Delegation to the UK. This Group provided a forum for an exchange of information (e.g. on the Establishment Agreement), as well as for discussion of topics of common interest (staff, building). The Group met seven times throughout 2019.

2.3. Discharge of the EEAS Administrative budget

The EEAS considers the discharge procedure of crucial importance in terms of accountability for the sound financial management of the EU budget. It is committed to implementing the main recommendations and observations raised during the discharge procedure with the aim of further improving the management of EU funds.

At its plenary session of March 2019, the European Parliament decided by 489 votes to 140, with 9 abstentions, to **grant discharge to the HR/VP** in respect of the implementation of the budget of the EEAS for the 2017 financial year. This continues the positive record since the establishment of the EEAS in 2011. The resolution adopting the 2017 Discharge drew special attention to the increase of carry-overs of appropriations, the EEAS buildings policy and the impact of the withdrawal of the United Kingdom from the European Union.

In accordance with Article 319(3) of the TFEU and Articles 262 and 263 of the Financial Regulation, the EEAS took all the appropriate steps to act on the observations and the recommendations made in the framework of the European Parliament's discharge resolution. For the first time in 2019, the EEAS made

publicly available the **report on the follow-up to the discharge** of the EEAS for the 2017 financial year. This also covered the recommendation number 48 of the resolution, where the European Parliament asked the EEAS to provide a follow-up report. The follow-up report provided information and summarised the actions taken by the EEAS in order to address the recommendations and observations of the resolution.

In the 2018 discharge resolution of May 2020, the European Parliament recognised the EEAS's crucial role in ensuring the coherence of the Union's foreign policy in a time of an increasingly challenging international environment. The effectiveness and efficiency of management systems and the use of resources in Headquarters and EU delegations are key guiding principles for achieving the objectives of EU's foreign policy. The Parliament also supported the growing importance of the EU Arctic Policy and the reinforcement of the linkage between policy making, public diplomacy and strategic communication, including EEAS's actions to counter disinformation and hybrid threats.

For the second consecutive year, the Court did not

report any specific issues for the EEAS and did not identify material levels of error reported in the EEAS Annual Activity Report and governance arrangement. The EEAS's efforts to foster the sense of accountability of newly appointed Heads of Delegation for the sound financial management of the funds were welcomed.

In its resolution, the Parliament also praised the work achieved on co-location, the progress made on reducing the number of Delegations exceeding the maximum space of 35 m² per person, the permanent annual review mechanism as an effective workforce management instrument and the fact that the number of seconded national experts from Member States has been stabilised in the past two years.

The resolution stated more attention was needed to avoid potential conflict of interest situations with former EEAS staff. On budget, it said the EEAS should work on the simplification of the budget lines, further improvement of the procurement methods and the support for all value public procurement in Delegations. The EEAS should also provide sufficient explanation concerning its building's management and allow enough time for consultation with the EP on the building files. Regarding staff issues, the EEAS should address the staff imbalances related to gender and nationality and apply gender budgeting in all public expenditure. The resolution also called on the EEAS to continue working towards the development of a culture of zero tolerance towards harassment and to extend the network of confidential counsellors, particularly in Delegations.

PART 3

MANAGEMENT OF RESOURCES

3. PART 3 – MANAGEMENT OF RESOURCES

This section reports the control results and other relevant elements that support managements' assurance on the achievement of the internal control objectives³. It is structured as follows:

- the EEAS's assessment of its own activities for the management of its resources;
- the assessment of the results of internal and external audits, including the implementation of audit recommendations.

3.1. Management of human and financial resources by the EEAS

This section reports and assesses the elements identified by management that support the assurance on the achievement of the internal control objectives.

Interinstitutional Relations, Policy Coordination and Public Diplomacy (AFFGEN). This was in view of the increased importance on the security, defence cooperation and disinformation policy areas.

3.1.1. Management of human resources

Staff distribution by gender, age and nationality

At the end of 2019 there were 4,474 staff members at the EEAS of whom 2,082 (46.54%) were working at Headquarters (HQ) and 2,392 (53.46%) in EU Delegations and Offices around the world. The EEAS population was composed of 1,585 Officials and Temporary Agents (TA), 1,058 Local Agents (LA), 497 Contract Agents (CA), 461 Seconded National Experts (SNE), 237 Trainees, 43 Junior Professionals in Delegations (JPD) as well as 830 other external staff and trainees. In addition, 3,797 staff members of the European Commission were employed in Delegations.

The overall gender distribution at the end of 2019 was close to equal, with 47.9% of EEAS staff being women (including the following categories: officials, CA, TA, LA and SNE). Women held the majority of Contract Agent (57.6%) and Local Agent (54.4%) positions, while they represented 49.4% of Officials, 39.3% of Temporary agents and 25.2% of the SNE positions. As regards the AD category, women accounted for 34.8% while they held the majority of positions in the AST category with 66.3%.

33.37% of EEAS Administrators (AD) staff were diplomats from Member States, which was in line with Article 6(9) of the Council Decision establishing the EEAS⁴. The number of staff has increased compared to 2018 as a result of the reinforcement of the Crisis management and planning (CMPD), EU Military Staff (EUMS) and the Directorate for

The average age of EEAS staff was 47.3 years continuing the slight increase over recent years (47.1 in 2018, 46.9 in 2017).

The nationalities of staff are also closely monitored, even though the recruitment within the EEAS is strictly based on merit. In 2019, all 28 nationalities of the EU Member States were present among EEAS

³ Effectiveness, efficiency and economy of operations; reliability of reporting; safeguarding of assets and information; prevention, detection, correction and follow-up of fraud and irregularities; and adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the multiannual character of programs as well as the nature of the payments (Financial Regulation Article 36).

⁴ Council Decision of 26 July 2010 establishing the organisation and functioning of the European External Action Service (2010/427/EU).

temporary agents. However, Luxembourg was not represented among officials and seconded national experts, and there were no Maltese staff among contract agents.

Management positions

At the end of 2019, 267 staff members held management positions in the EEAS.

Even though the imbalance between the proportion of women and men in management positions continued in 2019, there has been a positive trend, with more women occupying management posts compared to 2018 and 2017. In total, 81 women (30.3%) held management positions in 2019, compared to 27.1% in 2018 and 24.5% in 2017. At middle management level, women occupied 68 (31.3%) out of 217 positions, compared to 28.4% in 2018 and 26% in 2017. The percentage of women has also increased at senior management level with women occupying 13 (26%) out of 50 positions compared to 21.6% in 2018 and 18% in 2017.

EEAS organisation and structure

2019 was a year of important changes in the organisation and structure of the EEAS, in order to ensure the appropriate response to the new security challenges and to political priorities.

Significant advances in EU security and defence policy required the EEAS to adapt its structures to ensure the long-term sustainability of these advances and to optimise the work of the service. For this reason, in March 2019, the EEAS crisis response and Common Security and Defence Policy (CSDP) structures (CSDP-CR) underwent an administrative reform with the aim of restructuring the existing Directorates along the following three pillars: policy, planning and operations. In particular, the reorganisation involved the creation of a CSDP-CR Department under the Deputy Secretary-General CSDP-CR and the allocation of two Directorates under the newly created

Department, the Directorate for Security and Defence Policy (SECDEFPOL) and the Directorate for Integrated Approach for Security and Peace (ISP). The reorganisation did not affect the Civilian Planning and Conduct Capability (CPCC) Directorate and the European Union Military Staff (EUMS).

The new Directorate for Security and Defence Policy represents the single entry point in the EEAS for all security and defence issues and facilitates interactions with the European Commission, the EU Member States and external partners. The mission of the new Directorate for Integrated Approach for Security and Peace is to facilitate the implementation of the integrated approach and to ensure continuity and coherence of engagement throughout the conflict cycle.

Within the same reorganisation, the Space Task Force was placed directly under the EEAS Secretary General to acknowledge its specific and broader relevance beyond security and defence. The Sanctions Policy Division was positioned under the Directorate for Inter-institutional relations, policy coordination and public diplomacy (SG.AFFGEN). In addition, the Intelligence Analysis and Reporting Directorate (INTCEN) was directly attached to the HR/VP to better reflect its role as a main source of intelligence-supported strategic situational awareness, analysis and forecast for the whole service and the EU Institutions.

In July 2019, the new Mission Operational Support Division (CPCC.4) was created within the Civilian Planning and Conduct Capability (CPCC) Directorate to reflect the commitments taken under the Civilian Compact and the relevant Action Plan in the human resources area of Civilian Missions.

Responding to a recommendation by staff in the Task Force on Career Development, the EEAS Secretary General agreed in July 2019 to create the Career Adviser/Talent Manager entity under the Directorate-General for Budget and Administration. The Career Adviser/Talent Manager advises colleagues from all categories and functions, from Headquarters and Delegations, on their career and professional development in close cooperation

with the Career Advisory Service available in the Human Resources Directorate.

Preparations were also undertaken for the creation of a new Division in charge with the relations of the EU with the United Kingdom of Great Britain and Northern Ireland (UK), within the Department for Europe and Central Asia. The UK Division was created in 2020, following the withdrawal of the UK from the EU.

Resource allocation

In 2019, the EEAS engaged in a series of actions in order to optimise resource management and allocation.

The scope of the Annual Review Mechanism was adjusted in order to further improve the functioning of the service and ensure the resourcing of political priorities. The new version of the Annual Review Mechanism specifically focuses on the autonomous functioning of EU Delegations, notably by ensuring business continuity and autonomous administrative sections. This foresees the presence of a "minimal kit" of 2 Administrators (Head of Delegation plus one other AD) and 2 Assistants (AST – a Head of Administration and a Personal Assistant to Head of Delegation) or Contract Agents in all Delegations. In this context, there is the need to create 13 posts covering 11 Delegations. These posts should be established in the rotation 2021 exercise at the very latest. As these posts only can be mobilised via transfers from other Delegations, redeployments from Headquarters, or through increased budget allocation, consultations with concerned services were launched.

With the aim of reducing the EEAS' reliance on Seconded National Experts (SNEs), a new policy was developed aimed at limiting the proportion of SNEs with generalist profile outside the highly specialised Departments of Crisis Management and Strategic Communications.

In order to optimise the functioning of the service, a screening of the level and distribution of secretarial

support was carried out. The screening provides the basis for redistribution of administrative support amongst departments and between Headquarters and Delegations.

Given the constantly changing and increasingly challenging environment in which the EEAS is operating, the EEAS developed and launched concept-policies ensuring the necessary agility of human resources with a view to address temporary extraordinarily resource-intensive tasks, such as crisis situations, intense phases of negotiations or extraordinary summits. This improves the EEAS response capacity to extraordinary situations and allows for a swift and more flexible mobilisation of resources for the short, medium and longer term when and if required.

Network of Delegations

In light of the general objective of the EEAS to strengthen the EU's global presence, in 2019, the EU presence was strengthened in the Middle East region, with the opening of the EU Delegation to the State of Kuwait and, in Central Asia, with the opening of the EU Delegation to Turkmenistan.

The EU Delegation to Kuwait was inaugurated by the HR/VP in July 2019. The Gulf countries, traditionally significant economic partners of the EU, are crucial actors in the EU neighbourhood. Furthermore, there was a genuine interest in the substantial upgrading of bilateral relations from both sides. The presence in Kuwait also allows the EEAS to share better the tasks of representation and presence in the wider region, as the new Delegation also covers relations with the State of Qatar.

Following a strengthened partnership and cooperation with Turkmenistan, the EU completed its diplomatic presence in Central Asia with the opening of a fully-fledged Delegation to Turkmenistan.

In Africa, the responsibility for Equatorial Guinea was transferred from the Delegation to Gabon to the Delegation to Cameroon, thus allowing

better communication and collaboration with the country's authorities.

As mentioned elsewhere in this report, in 2019, the EEAS also actively prepared the opening of the EU Delegation to the United Kingdom, which took place in February 2020.

Cooperation with the European Commission

Nearly the two thirds of the approximately 6,100 staff employed in EU Delegations are Commission staff. The combined force of EEAS and Commission staff in Delegations advance the EU's interests as a single undertaking. Close cooperation in human resource management between the EEAS and the Commission is an essential element underpinning the good functioning of the network of EU Delegations, for which the EEAS is responsible. As EEAS decisions with regard to the network of EU Delegations directly affect a large number of Commission staff members of all categories, the Commission has a high stake in decision-making as regards to the conditions of employment and the job environment of staff in Delegations.

EEAS-Commission cooperation takes place at all levels and during the whole lifecycle of decision- and policy-making. Draft proposals are shared at an early stage by the EEAS and are developed in close consultation with the Commission, especially when they are expected to have a direct impact on all Delegation staff. The results of daily work are captured in the meetings of the Steering Committee for EU Delegations, also known as the EUDEL. Chaired by the EEAS, the EUDEL brings together representatives of the Commission's Directorate-Generals and Services⁵) to formally discuss, finalise and endorse the decisions that affect the job environment and conditions of employment of staff in Delegations. The EUDEL met four times in 2019 at the level of Directors and once at the level of Heads of Division/Unit and dealt with issues

including, inter alia: rotation and mobility; education allowances; inter-institutional mobility; anti-harassment policy; UK Delegation and the departure of the UK from the EU, the joint EU Delegation's staff survey follow-up; the opening and closing of EU Delegations; the local agent reform; career development and training; teleworking; the College of Heads of Administration; home leave; and living conditions allowances.

The EEAS is committed to continue working closely together with the Commission on matters pertaining to the management of Delegations and Delegation staff. An important enabler of this endeavor is the results of the first joint EEAS-Commission Staff Opinion Survey for all staff in EU Delegations (see section 2.2.1).

Local agents

The EEAS and the Commission employ over 3,200 Local Agents, the most numerous human resources category in EU Delegations, as technical and support staff covering a wide array of activities ranging from driving to administration, cooperation to economic, press or political matters. In 2019, 197 Local Agents joined the EU Delegations and 170 departed from the Delegations, including 7 dismissals.

The management of Local Agents is decentralised to the EU Delegations with the EEAS Human Resources Directorate setting the overall human resources policy and supporting Delegations on legal, financial and social dialogue issues and providing daily support on recruitment, contracts, salaries, dismissals and supplementary pension and health insurances.

Local Agents are employed by the EU and their conditions of employment are defined by local law and by the EU Framework Rules. The EEAS Human Resources Directorate accompanied the Commission in its social dialogue with the

5 European Commission's Secretariat-General, Directorate-General for International Cooperation and Development (DG DEV-CO), Directorate-General for Trade (DG TRADE), Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR), Directorate-General for Budget (DG BUDG), Directorate-General for Human Resources and Security (DG HR), Directorate-General for European Civil Protection and Humanitarian Aid Operations (DG ECHO), and Service for Foreign Policy Instruments (FPI).

Trade Unions for modernising and improving the Framework Rules and related social security schemes.

A major revision of the rules and conditions governing the employment of Local Agents in EU Delegations took place on 7 August 2019 (see section 2.2.2).

In addition, several instruments already in place continued to improve working and living conditions of Local Agents:

- The promotion of 354 Local Agents and the change to a higher function group for 30 Local Agents;
- The revision of salary grids for 107 Delegations with an average 3.6% increase in salaries;
- EUR 1.8 million reimbursements of medical expenditures to local agents through the dedicated insurance scheme;
- The disbursement of EUR 3.1 million under the Provident Fund, an instrument which allows Local Agents to constitute savings for the end of their employment through employer and employee contributions, for those agents whose contracts ended.

Training

2019 was marked by a significant increase in the overall training offer available to EEAS staff in Headquarters and Delegations: more than 11,000 trainings were offered, 37% of which to staff in Headquarters and 63% at Delegations. There were several milestones to respond to staff requests in the recommendations of the Secretary General's Task Forces on Career Development and Gender and Equal Opportunities:

Launch of the EEAS' first Training Maps

With a view to facilitate the career planning for staff, the EEAS launched work related to tailored training maps. The training maps provide a set of

minimum skills and knowledge that a staff member has to acquire through training immediately before or soon after moving to a different job profile. As such, the training maps will contribute to further professionalise and strengthen the esprit de corps of the EEAS, as well as foster career development and mobility. The following training maps were adopted in 2019: Political officer / Diplomat; Assistant to Head of Delegation; Budget, Finance, Contracts Assistant; Newly appointed managers.

Tuning in with EEAS priorities

The EEAS operates in an increasingly complex environment which calls for its learning and development offers to stay tuned with current diplomatic affairs. In 2019, new courses were designed to cover issues such as "Islam, Politics and Power in the Gulf"; "Reforming, Deepening and Creating Multilateralism"; "Partnering with Africa"; and a "Deep dive into the Common Security and Defence Policy". Reflecting the EU's ambition to pursue a more strategic, political and interest driven external action, a new programme named "Toolkit 4 Programming" was launched to equip EEAS staff with the necessary tools to perform a political steering role throughout the cycle of external programmes. Finally, a new series on disruptive technologies featuring the political economy of Big Tech, cybersecurity, tackling disinformation online and artificial intelligence was organised in collaboration with the Commission.

Mainstreaming high-level speaker events

Several high-level speaker events were organised in 2019 available to all staff at Headquarters and online for Delegations staff: Tom Fletcher, acclaimed author of "The Naked Diplomat" on Power and Politics in the Digital Age; award winning "keynote singer" Liz Howard on the "colour of communication"; Nancy Kline's "Thinking Environment", powerful tools to transform meetings; and Jamie Andrews, quadruple amputee and ironman, on personal and organisational resilience.

Going digital and bringing more training to Delegations

The investment in innovative methods of learning over the years has delivered tangible results: the participation of EEAS staff in training via online tools reached 50% in 2019. The learning offers for Delegation staff was further expanded, notably with video-supported training on political reporting and management training, not only for Heads of Delegation and Deputy Heads of Delegation but also for Heads of Sections.

New e-learning modules were also published on: the new EEAS secure communication devices and the EEAS Internal Control Principles with interactive testimonials. Moreover, several financial e-learning offers have been made available in French, notably the ABAC Authorising Officer and procurement procedures courses.

Over the year, modern IT tools were also introduced into learning formats such as Sli.do to engage large audiences in and outside the training room as well as ZOOM allowing state-of-the-art webinars to be organised for Delegations.

Strengthening peer-to-peer support

Following relevant scientific research, 80% or 90% of work-related learning does not take place in training rooms but directly on the job or by exchanges with fellow colleagues. In order to better reap the benefits of peer learning and also following such requests by staff, the EEAS expanded its mentorship programmes covering newcomers, Heads of Administration, Assistants to Heads of Delegation, women managers and newly-appointed Ambassadors. The EEAS also strengthened its structure of career advice with the nomination of more specialised personnel. A new format was introduced for career advice to Contract Agents at the end of their careers in the EEAS. Finally, peer coaching offered for managers was further increased, allowing them to exchange on management challenges with the support of a professional coach in a safe space.

Enhancing staff management

Managers play a crucial role in the professional development of staff and their performance; they should be role models when it comes to developing a common management culture. In 2019, new training formats were developed focusing on key people management topics including "Managing Local Agents", "Dealing with Poor Performance" and "Unconscious Bias for managers in selection panels". Performance management-related courses became obligatory for managers in the EEAS.

In order to highlight good management practice, the EEAS also developed its first EEAS Management Handbook. The handbook is based on the input of over 70 EEAS managers who shared their insights on how they tackle typical management challenges. It features concrete case studies, useful management tools and numerous tips and tricks on the 14 EEAS management competencies. The handbook is a concrete step towards a common management culture and illustrates the increased focus on strengthening people management skills. A hard copy of the handbook was distributed to all the EEAS managers at Headquarters and Delegations.

The EEAS Directorate General for Budget and Administration implemented a Department-wide 180° feedback exercise for its 18 managers. All staff were invited to assess their managers and provide developmental feedback; a longstanding request by staff and a promising pilot to further increase awareness on managerial performance.

Learning from and with Member States – and a jubilee

The gradual opening of EEAS courses to participants from Member States' ministries of foreign affairs and vice-versa continued in 2019. The EEAS opened 17 classroom courses and 5 online courses to Member States. Ten Member States opened in turn 18 classroom courses, 5 online and 25 videoconferences, featuring topics such as science diplomacy, cyber diplomacy or women in foreign policy.

The EEAS also coordinated the European Diplomatic Programme (EDP) together with the Presidency of the Council, the Council and the European Commission. The 20th jubilee edition of the EDP was launched in 2019 with 70 junior diplomats from Member States and EU officials from the EEAS, the European Commission and the Council participating. Since its inception 20 years ago, over 1,000 alumni have participated in the EDP. The jubilee edition focused on "The Future of Europe: Facing Global Challenges as Global Opportunities" and featured several modules organised by the Finnish and Croatian Presidencies of the Council, the EEAS in Brussels and exchange visits in each of the participating Member States' Foreign Ministries.

Language learning

The EEAS launched a pilot programme on pre-posting language training in 2019 with the aim of strengthening the capacity of EU Delegations to perform their diplomatic duties. The programme involved the selection of a small number of officials to serve in non-management posts in Delegations and to undergo intensive language training before taking-up duty in 2020 or in 2021. The selected languages were Russian, Mandarin and Arabic.

French and Portuguese were added to the languages learned through conversation tables for EEAS staff working in Headquarters.

College for future Heads of Administration

The role of the Head of Administration is considered pivotal for the functioning of EU Delegations around the world, both in terms of overall efficiency and work environment. In this light, the EEAS launched in March 2019 the first edition of the College for future Heads of Administration, in order to create a pool of staff equipped with all the necessary skills required for this position. The College was launched as a pilot project and targeted AST officials from the EEAS and the European Commission, who are based in Brussels and aspire to follow the career of a Head of Administration in Delegations. The first edition of the College has 17 participants and the cycle of

training is spread over 18 months.

The College for future Heads of Administration is also part of EEAS efforts to improve the career opportunities for AST staff, as recommended by the Task Force on Career Development launched by the EEAS Secretary-General.

Social Dialogue

A frank and open dialogue between the administration and representatives of the staff organisations is an essential component of policymaking and staff engagement as regards to human resources management in the EEAS.

Senior officials participated in the two Staff Committee plenary meetings held in 2019 (April and October 2019) to provide updates on and explain policy developments, in all matters pertaining to human resources management. This allowed for a useful exchange of views whereby staff committee members, including those posted in delegations, provided useful remarks and suggestions that the EEAS could factor in its policy making process where possible.

Beyond this informal dialogue, there is also a strong commitment to consult Trade Unions on the EEAS human resources policy through an active Social Dialogue. Throughout 2019, a broad array of issues was discussed in six dialogue sessions. As a result of these consultations, draft proposals from the administration have been significantly amended taking into account the views from the Trade Unions on topics including mediation service mandate, home leave, annual trips, the reform of the conditions of employment of Local Agents in Delegations, leave entitlements, pilot project on teleworking in Delegations, principles of professional behaviour, appraisal exercise, rules on composition and procedure of the Staff Committee and the voting system for Staff Committee elections.

Elections to establish a new Staff Committee were held in November 2019 according to the new

rules adopted in 2018, which introduced a reduced number of Staff Committee members and a more proportional voting system (see section 2.2.4).

Exchange programmes

Diplomatic Training Secondment Programme

The Diplomatic Training Secondment Programme, launched in 2015, targets diplomats from the Ministries of Foreign Affairs with, in principle, up to three years of professional experience in foreign services. In 2019, the programme provided an opportunity to six junior diplomats (three from Germany, one from the Netherlands, one from Denmark and one from Austria) to become more familiar with the EU's foreign policy and to acquire a better understanding of the working methods and decision making process in the EEAS. All participants were assigned to services at EEAS Headquarters.

Short term secondment programme with European Parliament

The short-term secondment programme between the European Parliament (EP) and the EEAS was relaunched in June 2019, for the sixth consecutive year. Fifteen EP colleagues benefitted from the programme and were assigned to different divisions in the EEAS Headquarters and Delegations. Five of them combined both assignments in geographical or horizontal divisions in Headquarters and postings to the corresponding EU Delegations (African Union in Ethiopia, Norway, Brazil and Saudi Arabia). For the first time, since the programme came into force, two AST colleagues coming from the EP were accepted to participate in the exchange. The programme provided an opportunity to colleagues to get an insight into their respective priorities and working methods and to develop closer professional links, thus enhancing the strong ties between the two Institutions.

Diplomatic Exchange programmes with third countries and international organisations

The EEAS concluded several Administrative Arrangements with a view to improve mutual knowledge and share expertise in sectors of common interest. So far, the EEAS signed such arrangements with the following countries and organisations: Switzerland, USA, Australia, Argentina, New Zealand, Tunisia, the League of Arab States, the Gulf Cooperation Council and the African Union Commission. In June 2019, a new Administrative Arrangement was signed with the Ministry of Foreign Affairs of Canada. Through these Administrative Arrangements and by hosting diplomats from non-EU countries, the EEAS enhances the mutual understanding and the development of a common diplomatic culture not only in Europe but also beyond its borders.

In 2019, the EEAS hosted one diplomat from the US State Department, two diplomats from Tunisia and one diplomat from the Gulf Cooperation Council of Saudi Arabian nationality.

Given the fruitful collaborations and the increasing number of exchanges, the EEAS established an internal security policy for diplomats coming from non-EU countries. These rules aim to mitigate, by preventive security measures, any potential risks of leaks or loss of sensitive information and/or documents.

Diplomatic Exchange and Secondment Programme

The EEAS launches the Diplomatic Exchange and Secondment Programme (DESP) on a yearly basis with the aim of contributing to the creation of a shared diplomatic culture between different actors in EU's foreign policy, notably between the EEAS and the Member States.

The DESP takes place between EEAS officials and diplomats from the Ministries of Foreign Affairs of Member States. The secondment period of EEAS staff is two years, which can exceptionally be extended to three. As a general rule, exchanges should be simultaneous, reciprocal and involve officials of an equivalent level. In 2019 one exchange took place with Spain.

Traineeship programmes with Public Administration Schools

The EEAS regularly welcomes students and officials for short-term traineeships based on Memorandums of Understanding with two Nationals Schools of Administration: the French National School of Administration (École Nationale d'Administration - ENA) and the Polish National School of Public Administration (Krajowa Szkoła Administracji Publicznej - KSAP). In 2019, the EEAS Headquarters hosted one student from KSAP.

Mediation service

In 2019, the EEAS Mediation Service dealt with 183 cases. This represents a substantial increase compared to 135 cases registered in 2018. A better awareness of the available tools in Headquarters and Delegations explains why an increasing number of staff turns to the Mediation Service. The cases concerned disagreements regarding rights and obligations, and also different kinds of conflict at work including alleged psychological and sexual harassment. All categories of staff, in Headquarters and Delegations, were represented in the registered cases.

A sustainable effort was made throughout the year to continue raising awareness of the tools at the disposal of staff through 16 seminars and presentations made by the Mediation Service.

The EEAS Confidential Counsellors' network, composed of 13 trained volunteers, dealt with 15 cases of conflict at work or alleged harassment over the year, compared to 13 cases in 2018. By dealing mostly with cases from local and contract agents who preferred to contact a colleague from the network as a first step towards resolution of their issue, the network complemented the work of the Mediation Service, which acts as supervisor and coordinator.

3.1.2. Management of financial resources

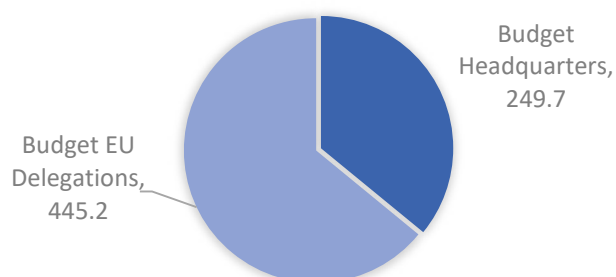
Implementation of the administrative budget

The initial budget for 2019 approved by Budget Authority was EUR 694.8 million, representing an increase of 2.4% compared to 2018.

This amount included notably a reinforcement to cope with the effects of the UK leaving the European Union, a reinforcement of the Regional Security Officer network, strengthening of the Delegation network, additional staff for the EU Military Staff and the CMPD and additional amounts for IT, information management and secure communications. The low increase, in spite of the reinforcements, is explained by a reduction to the budget of EUR 10.4 million to cater for the rapid and exceptional appreciation of the value of the euro, in line with the exceptional reinforcement obtained during the 2016 budget exercise. No supplementary appropriations were obtained during the year and the total voted budget for 2019 therefore amounted to EUR 694.8 million.

The budget was split between Headquarters and Delegations as follows:

EEAS BUDGET 2019 - EUR 694.8 MILLION



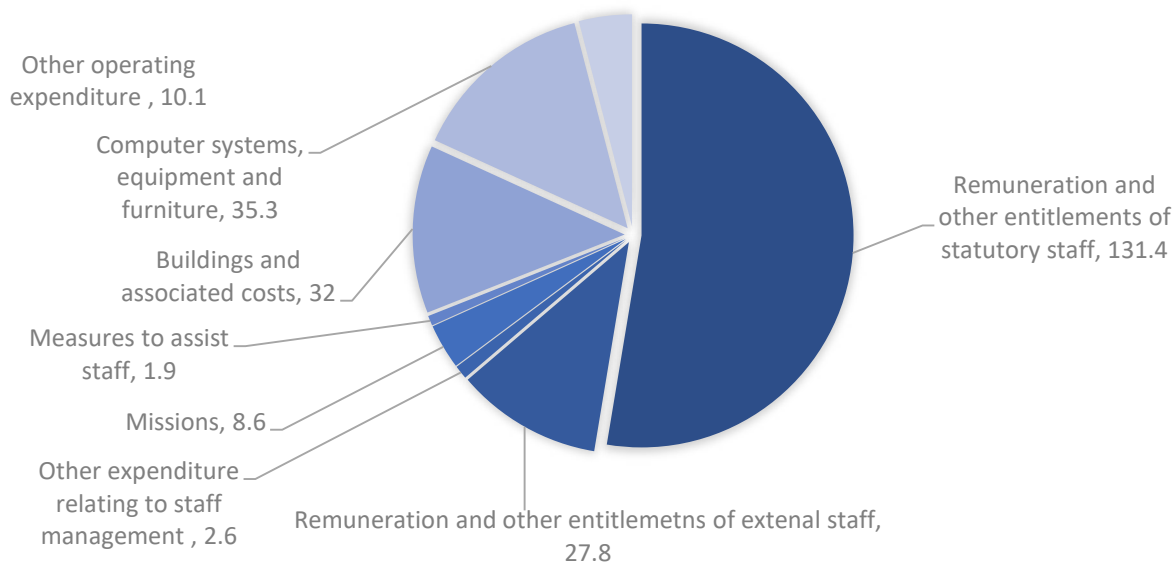
At Headquarters 64.8% of the budget (EUR 161.8 million) was allocated to the payment of salaries and other entitlements of statutory and external staff.

Other significant costs in the budget at Headquarters

relate to buildings and associated costs (13% or EUR 32 million) and computer systems (including

classified information systems), equipment and furniture with 14% or EUR 35.3 million.

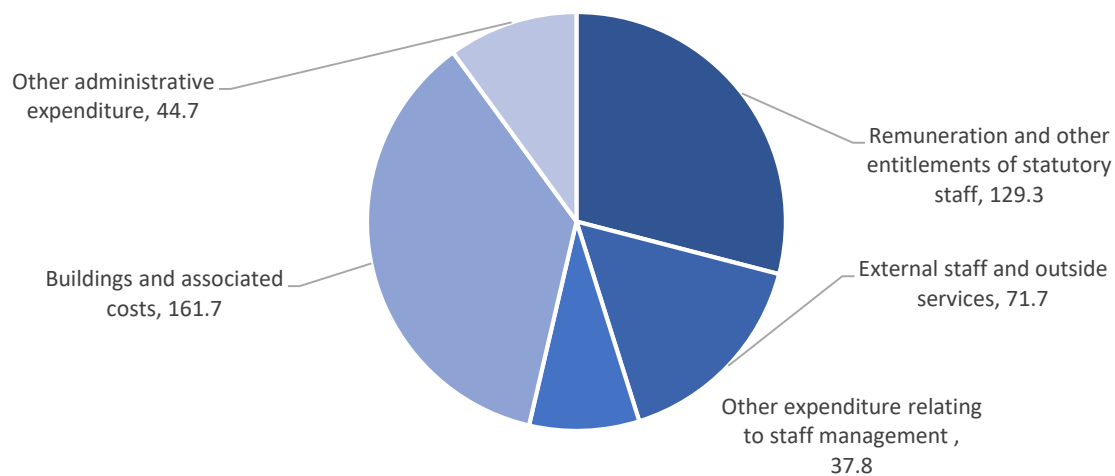
EEAS HEADQUARTERS BUDGET 2019 - EUR 249.7 MILLION



The EU Delegation's initial budget of EUR 445.1 million was divided between:

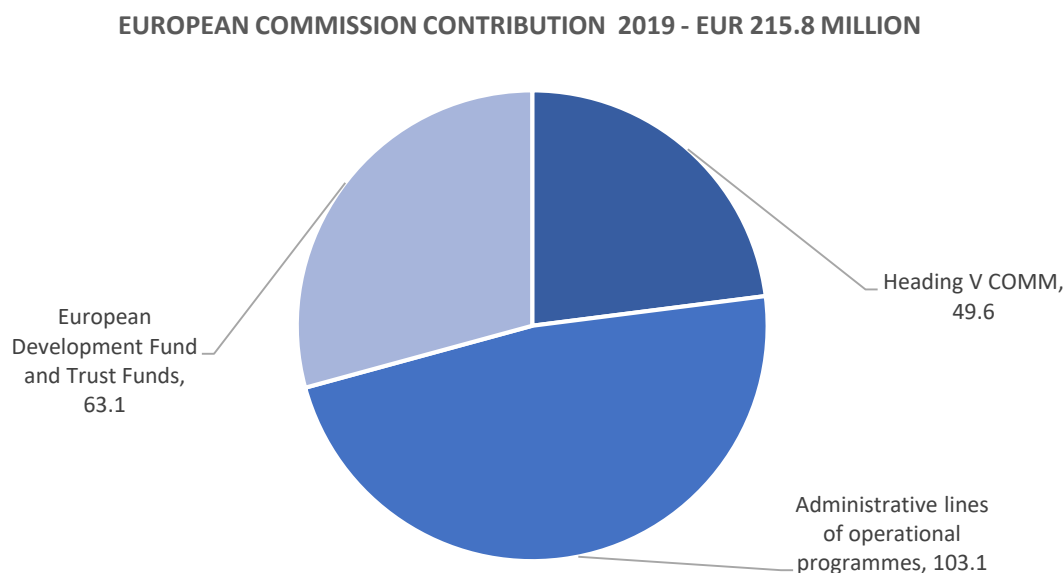
- EUR 129.3 million or 29.0% for remuneration and entitlements of statutory staff;
- EUR 161.7 million or 36.3% for buildings and associated costs;
- EUR 71.7 million or 16.1% for external staff and outside services;
- EUR 37.8 million or 8.5% for other expenditure related to staff;
- EUR 44.7 million or 10% for other administrative expenditure.

EEAS EU DELEGATIONS BUDGET 2019 - EUR 445.2 MILLION



In addition to the EEAS's own budget, the EEAS also disposed of an amount of EUR 215.8 million (including assigned revenues and carried over amounts) of Commission money to cover the administrative costs of Commission staff working in

Union delegations. This amount was split between the Commission's Heading V, the administrative lines of operational programmes (ex-BA lines) and the European Development Fund as follows:



The management of the budget continues to be a challenging exercise, particularly in relation to the delegations where, in addition to the EEAS budget we also manage contributions from the Commission on 34 different budget lines relating to the administrative costs of Commission staff in delegations. Preliminary discussions are currently being held with the Commission to explore possible ways of simplifying this complicated management, echoing the concerns made by the Discharge Authority.

2019 was the fourth year where the common overhead costs of all Delegation offices (rent, security, cleaning, and other overheads), including European Development Fund (EDF) delegations, were financed entirely from the budget lines of the EEAS. This made management of the budget for this type of expenditure simpler and more efficient. At times, availability of appropriations on certain lines was inadequate to deal with the actual expenditure on those lines and this necessitated transfers either from Title to Title, Chapter to Chapter or from Article to Article and also within articles.

The Budget Authority was informed of intended transfers on 2 occasions in accordance with Article 29 of the Financial Regulation and did at no occasion raise any objections. There were also a total of nine autonomous transfers.

In absolute terms, the value of all transfers made within the EEAS administrative budget amounted to EUR 20.8 million. The transfers reduced the EEAS Delegation budget by EUR 1.6 million and increased the Headquarters budget by the corresponding amount. No significant difficulties were encountered with the implementation of the Commission's contribution to the direct costs of its staff in delegations. The final voted budget for EEAS Headquarters, including transfers, amounted to EUR 251.3 million. The execution in commitments of this amount at 31 December 2019 amounted to EUR 251.2 million or 99.98%, up from 99.93% in 2018 and in payments to EUR 218.6 million or 87%, slightly lower than 87.1% in 2018. The final EEAS voted budget for the EU Delegations including transfers, was EUR 443.6 million. The execution in commitments at 31 December 2019 was EUR 443.2 million or 99.91%, down from 99.92% in 2018 and

in payments to EUR 391.9 million or 88.4%, up from 83.6% in 2018. Overall, the EEAS final voted budget of 2019 at 31 December 2019 was executed to 99.94 % in commitments and 87.9% in payments. The rate of execution in payments will increase with payments made in 2020 on commitments carried over.

During 2019, as a result of the simplification exercise, assigned revenues carried over from 2018 of EUR 36.5 million were also available on EEAS budget lines. At 31 December 2019, commitments of EUR 36.4 million or 99.8% were made and payments amounted to EUR 22 million or 60.2%. The rate of execution in payments will increase with payments made in 2020 on commitments carried over. Furthermore, assigned revenues received during 2019 generated an additional EUR 47.4 million in appropriations on EEAS budget lines, excluding the Commission's contribution. These revenues came principally from the EDF which, for the third time paid a standard amount per person in respect of Delegation overhead costs for Commission staff financed by the EDF. These amounts, together with other receipts from co-locations with EU Special Representatives and Member States generated the revenues. Of the total, EUR 4.2 million was committed and EUR 412,000 was paid in 2019. The uncommitted remainder is carried over to 2020. No appropriations were carried over to 2019 in accordance with Article 13(2)(a) of the Financial Regulation.

As far as the EEAS budget for 2018 is concerned, payments on commitments carried over to 2019 amounted to EUR 135.3 million, of a total carry-over of EUR 145.7 million. Losses on commitments carried over result as a general rule from the geographical fragmentation of the EEAS budget, exchange rate changes and from the sometimes difficult planning conditions in the geographical zones where the EEAS operates.

As indicated above, the budget of the delegations was supplemented by a Commission contribution intended to finance the administrative costs of Commission staff in delegations. The total contribution received from the European

Commission, excluding EDF and Trust Funds, was EUR 152.2 million, included assigned revenue of EUR 518,000. At 31 December 2019, execution in commitments on Heading V and other lines was EUR 150.6 million or 99.7% and in payments EUR 133.8 million or 88.5%. A contribution of EUR 42.7 million was also received from the EDF and the Trust Funds. Additional carry-overs and appropriations released from decommitments brought the total amount to EUR 63.1 million, including assigned revenues of the financial year. At 31 December 2019, execution in commitments was EUR 55 million or 87% and in payments EUR 52.1 million or 83%. EDF credits, which have not been committed, are carried over to the following year as external assigned revenue and there is no loss of appropriations. The rate of execution in payments for the Commission/EDF contribution will increase with payments made in 2020 on commitments carried over. During 2019, assigned revenues carried over from 2018 of EUR 1.3 million were also available on Commission budget lines (Heading V and other lines). At 31 December 2019, commitments of EUR 1.3 million or 99% had been made and payments amounted to EUR 3.1 million or 99%. The rate of execution in payments may increase very marginally with payments made in 2019 on commitments carried over.

Globally during 2019, the EEAS committed EUR 940.3 million, representing 94% of the available budget of the year. During the same year the total execution in payments was EUR 955.9 million, representing 84% of the available payment appropriations). The rate of execution in payments will increase with the payments to be executed in 2020 on credits carried forward from 2019 to 2020 according to the Financial Regulation's rules.

Accounting function and information

The EEAS, as an independent Institution according to the Financial Regulation, is responsible for the preparation of its own annual accounts, which are subject of the discharge procedure.

In this respect, on its creation the EEAS was not

granted the resources to deal with the tasks of the accountant such as treasury management, preparation of annual accounts, and therefore, to benefit from economies of scale and the experience and resources already existing with the Commission. The Accountant of the Commission is also the Accountant of the EEAS and the bulk of the accounting functions of the EEAS are de facto implemented by the services of the Accountant (DG BUDG).

Nevertheless, the EEAS has increased its accounting capacity by transferring a part of the clearing process from DG BUDG to the EEAS. The clearing of several suspense accounts in SAP (central accounting IT tool) for the Delegations has been performed directly by the EEAS. This brought new requirements in terms of internal organisation and collaboration with the Delegations.

During 2019, there were continuing efforts to control the total value and number of outstanding open items on suspense accounts, used in particular by the Delegations but also by Divisions at the Headquarters. The procedure for a monthly automatic clearing of the open items has improved the efficiency of clearing. In coordination with the Delegations and DG BUDG for the clearing suspense accounts, it was possible to maintain the number of open items at a very good level in line with the situation of the past two years. According to the 2019 end of the year statistics, there are 33,372 open transactions, out of which only 6,672 are overdue.

It is emphasised that the use of suspense accounts in the Delegations is necessary due to the nature of certain transactions which are undertaken, in particular the retention of local taxes and social security from local staff for subsequent payment to the local authorities and the accounting for Value Added Taxes which are reimbursable by the host country.

The accounting files for the EEAS are established by a close co-operation between the Budget Division of the EEAS and the Accounting Officer's services (DG BUDG).

Concerning the provisional annual accounts of the EEAS for the financial year 2019, the Accounting Officer concluded in her transmission note that the risk of material misstatement as a result of fraud in the 2019 EEAS financial statements has been reasonably mitigated.

The EEAS accounting quality was assessed by the Accounting Officer's service in the framework of the yearly risk assessment of accounting quality. The accounting risk of EEAS was evaluated as 'low', thanks to an efficient documentation of the existing controls.

3.1.3. Control effectiveness as regards legality and regularity

Ex ante control function and results

For financial transactions (commitments, payments and recovery orders) two ex-ante verification modes are used in the EEAS.

For Headquarters transactions in the framework of procurement contracts executed by external contractors (services, supplies and work), a decentralised ex-ante financial verification with counterweight is carried out by the Finance and Contracts Division. In this case, the ex-ante financial verification function is independent from the Authorising Officer by Sub-Delegation responsible for the transaction. This verification mode was introduced by the Authorising Officer by Delegation (AOD) with a view to enhancing compliance and regularity.

For all other financial transactions carried out at Headquarters (staff entitlements, services provided under Service Level Agreements, reimbursement of experts) and for the financial transactions in Delegations, the ex-ante verification is assured internally by the operational divisions or by the Delegation respectively.

During 2019, for transactions falling in the first category, the Finance and Contracts Division performed:

- 1,193 ex-ante financial verifications on commitments (1,041 in 2018) concerning 890 commitments. Overall, 308 errors were detected, of which 286 errors were of an administrative nature. Most of them were linked to incorrect amounts.
- 2,119 ex-ante financial verifications on payments (1,841 in 2018) concerning 1,756 payments. Overall, 394 errors were detected of which 318 errors were of an administrative nature. Most of them were linked to documents not presented to the ex-ante financial verification.

The detected errors linked to irregularities such as "incorrect time-limit suspension", "incorrect commitment", "expenditure not covered by legal basis" and "incorrect legal entity or bank account" were minor: 6 for commitments and 76 for payments.

For public procurement, two ex-ante verification modes are in place in the EEAS.

For high value contracts, the ex-ante verification by the Finance and Contracts Division is independent from the Authorising Officer by Sub-Delegation (AOSD) in charge of the procurement file in the operational Divisions and Delegations. This mode was introduced by the Authorising Officer by Delegation (AOD) with a view to enhancing compliance and regularity.

During 2019, the Finance and Contracts Division performed:

- 62 verifications of tender files prior to the launch of the procedure (publication of contract notice / invitation to tender);
- 38 verifications of the entire procurement procedure prior to the signature of the award decisions that led to the signature of 38 high-value contracts.

For middle and low value contracts, the ex-ante verification is assured internally by the operational Divisions or by the Delegations.

Ex post control function and results

Internal control processes at the EEAS aim at managing and mitigating the risks within the organisation, in order to ensure the reliability of financial reporting, the timely feedback on the achievement of operational and strategic goals, and the compliance with applicable regulatory and contractual provisions.

The ex post control function is a critical part of the internal control environment. The objective of ex post controls is to verify the financial and operational aspects of finalised budgetary transactions and to measure the level of error, in order to assess whether financial operations have been implemented in compliance with the applicable rules and ultimately to obtain assurance on the legality and regularity of the underlying transactions. The residual error rate is then subsequently compared with the materiality threshold of 2% of the total expenditure or revenue, as used by the Commission and the European Court of Auditors, above which a reservation in the Declaration of Assurance (DAS) of the Authorising Officer by Delegation (AOD) may be considered.

Ex post controls provide a comprehensive management information tool for the Secretary-General in accordance with article 74(9) of Financial Regulation 2018/1046 applicable to administrative appropriations as from 1 January 2019. The 2019 ex post assessment was both quantitative (evaluation of financial errors) and qualitative (nature of the errors detected, showing the main areas of concern in the execution of the budget).

Concerning the quantitative assessment, the EEAS follows the guidance of the Commission (DG BUDG) in the calculation of the error rate⁶, including the treatment of the anomalies detected in procurement according to which there are two

6 Ref. Ares(2019)6894467 of 7/11/2019.

categories of irregularities: financial procurement errors and reputational procurement errors. Thus, the Ex post control provides two types of error rate: rate of error with financial impact and rate of error with reputational impact.

A new Internal Audit Strategy and a detailed Multi-Annual Strategic Audit Plan for 2018-2021⁷ have been set up as from 2018, following the merge of the Ex post control section, previously part of the Inspection Division, with the Internal Audit Division. The main underlying idea of the new audit strategy is to focus on quality rather than quantity, providing more profound and relevant analysis and systemic recommendations which would be potentially applicable to all Delegations/Divisions.

This new strategy aims at exploiting the synergies created by this merge to the fullest extent while taking due account of several elements: the resources allocated to the control function, the low error rate for the administrative budget of the EEAS, the recommendations of the European Court of Auditors (ECA) regarding the ex post control scope, and the experience of control of other European Institutions similar to the EEAS.

With the aim of better covering all the administrative and support activities of the EEAS, the processes have been grouped in four fundamental areas which constitute the running costs of the EEAS as reflected in its administrative budget: Staff expenditure, Infrastructures and other operating expenditure, Security, and IT and Telecommunication.

In terms of efficiency and reliability, this new control strategy provides more representative results by focusing on more homogeneous subpopulations instead of a single sample covering all transactions across all budget areas.

All financial transactions of the EEAS budget recorded during the budget year are now controlled through random stratified samples:

- Payments (including the matching commitments) stratified according to the above-mentioned domains;
- Revenues – only the revenues duly registered in the accounts. All the entries in the suspense account (also called hors budget) will be in the scope once they are cleared and accounted for.

The methodology applied for the sampling of transactions, under the new Ex Post Control Strategy has changed in 2018, following the methodology used by the ECA for the DAS. It applies the same parameters for the sample size (95% confidence level and 5% audit risk/margin of error) and the same non-judgmental sampling techniques: Monetary Unit Sampling (MUS) for expenditure and Random Sampling for revenues.⁸

The MUS approach implies a slight bias towards size/value, with a higher probability of hitting more than once relative large numbers in the population. Therefore, the controls carried out on the salaries of the statutory staff, where monthly transactions were hit several times, were performed on individual payslips randomly selected from the NUP (unique pay number) list. Similarly, for the other domains (infrastructures and other administrative expenses, security, IT & telecommunication), if a transaction was hit more than one time, it was selected for control only once.

The stratification is based on the administrative budget lines of the EEAS, which have been divided in accordance with the nature of the expenditure/revenue and the posting criteria. This methodology provides a reduced sample size (150 transactions per domain) while ensuring an objective opinion with the same degree of reasonable assurance on the execution of the budget as the one resulting from the more extensive sampling used in the previous methodology.

The results of the controls will provide an error rate per domain and an aggregated error rate to the AOD.

⁷ Ref Ares(2018)1163171 of 01/03/2018.

⁸ Considering the nature of EEAS revenues, the random sampling technique is applied to the revenue stratum to give each individual in the population of interest an equal likelihood of selection without any bias towards size.

As in the previous year, the 2019 ex post control exercise has been based on the following features:

- the sampling method used is random sampling;
- the sample is stratified per activity domains linked to the EEAS budget lines;
- the core population covers the full financial year (following a past ECA recommendation) and includes transactions which were previously out of scope such as financial transactions with zero or negative EUR

value, remuneration of statutory staff at Headquarters and EU Delegations, missions registered in MIPS, Imprest Account payments and revenues.

As from 2019, new anomaly codes have been used for the assessment of the selected transactions, for both expenditure and revenues. They were designed in order to further improve the quality of findings and provide more substantiated recommendations.

The figures relating to the current and previous exercises are set out below:

| Financial transactions (Mio €) | Ex Post Controls 2019 | | Ex Post Controls 2018 | |
|--|-----------------------|----------------------------|-----------------------|----------------------------|
| | Expenditure | Revenue (Titles 5 to 9) | Expenditure | Revenue (Titles 5 to 9) |
| Total Population (a) | 955.88 | 243.51 | 870.47 | 253.07 |
| Core Population for the sampling | 955.88 | 243.51 | 870.47 | 253.07 |
| Sampling (b) | 201,02 | 3.22 | 127.05 | 2.33 |
| % on total population – (b) / (a) | 21.03 % | 1.32 % | 14.60 % | 0.92 % |

| Authorising officers by sub delegation | Ex Post Controls 2019 | | Ex Post Controls 2018 | |
|--|-----------------------|----------------|-----------------------|----------------|
| | HQ Divisions | EU Delegations | HQ Divisions | EU Delegations |
| Total (a) | 16 | 144 | 15 | 140 |
| Entities controlled (b) | 11 | 123 | 11 | 121 |
| % controlled – (b) / (a) | 68.75 % | 85.42 % | 73.33 % | 86.43 % |

a) Quantitative assessment – Rate of error with financial impact

For 2019 Annual Activity Report, the quantitative threshold for materiality of 2% as defined by the European Commission⁹ has been used. The level of financial error is understood as the EUR value of any payments overstated or revenues understated, which would be liable for recovery as detected during ex post controls.

The overall rate of error with financial impact for the Administrative Budget of the EEAS (financial impact on the whole budget) resulting from the ex post controls is 1.66% for Expenditure. This rate corresponds to a weighted average error rate for stratified sampling, in accordance with the guidance issued by the Commission (DG BUDG)¹⁰. This rate is below the threshold of 2% used by both the Commission and the ECA to define the material level of error. These results provide a reasonable assurance that the errors noticed do not have a significant effect regarding the legality and regularity of the underlying transactions for the expenditure side.

Concerning the revenue side, the error rate is of 0.21% on the sample of transactions, in what regards the non-compliance of the amount received with the recovery order or any legal commitment signed by the EEAS. It should be noted that, based on the ex post controls carried out in 2019, the Internal Audit Division believes that the revenue received and accounted for in 2019 should have been higher: this concerns solely the part of the total revenue and excludes the revenue arising from the Commission's contribution to the EEAS for Commission staff working in EU Delegations, which accounts for the 81% of the total revenue for 2019.

This independent audit opinion is based on the fact that several sampled colocation agreements do not provide for the re-invoicing of all costs incurred by

the EEAS, which leads, in auditors' opinion, to the non-compliance with the principle of budgetary neutrality (no profit/no loss) applicable to the implementation of an administrative budget.

Taking account of the experience gained with the testing of revenues (tested for the first time in 2018) and in order to further improve the current methodology, the EEAS is planning to amend the sampling methodology for revenues as from 2020 by applying the same approach as for expenditure. Therefore, the new methodology would take into account the heterogeneity of the population and stratify it in accordance with the nature of operations, apply the Monetary Unit Sampling (MUS) method based on statistical parameters (95% confidence level and 5% audit risk/margin of error). This would in particular allow a better assessment of the management of revenue by all the authorising officers.

The following tables detail the error rates per domain, with regard to the samples tested:

9 The "Guideline for determining materiality as regards the legality and regularity" – included in the list of guidance documents for the preparation of the 2019 Annual Activity Reports: ref. Ares(2019)6894467 of 7/11/2019 issued by DG BUDG – which states that "As regards legality and regularity, the proposed standard quantitative materiality threshold must not exceed 2%". This refers to the residual error rate, i.e., the error remaining after corrections (namely from ex-ante controls) have been made. This threshold follows the ECA approach.

10 "Guidance on the calculation of error rates, the financial exposure as amount at risk, the materiality for a potential reservation and the impact on the AOD's declaration" issued by BUDG/D3 in November 2017.

| Financial Errors – Sampling 2019 (January to December) | | | | | | | |
|--|---|--------------------------------|----------------------------|---|--|-----------|--|
| Budget Domain | Population EUR | Sampling | | Financial Error | | | Financial Error rate (calculated on the sample) |
| | | Number of sampled transactions | Value of the sample EUR | Number of transactions with financial error | Value of detected financial error EUR | | |
| Expenditure | Staff Expenditure | 512,362,036 | 150 | 1,298,428 | 15 | 21,531 | 1.66 % |
| | Infrastructures & other operating expenditure | 284,037,156 | 150 | 120,470,707 | 11 | 3,066,240 | 2.55 % |
| | Security (*) | 87,485,243 | 150 | 30,440,115 | 11 | 48,546 | 0.16 % |
| | IT & Telecommunication | 71,995,573 | 150 | 48,809,449 | 3 | 2993 | 0.0061 % |
| | Total Expenditure | 955,880,008 | 600 | 201,018,699 | 40 | 3,139,310 | |
| | Revenue and Income cashed (Titles 5 to 9) | 243,506,507 | 150 | 3,218,143 | 4 | 6,891 | 0.214 % |

(*) : This domain contains also mixed expenditure : Security & Infrastructures

Note: the weighted error rate for the expenditure is calculated by dividing the total estimated amount at risk by the total of expenditure. The total estimated amount at risk is obtained by summing up the individual amounts per budgetary domain, which were in turn the result of multiplying the respective population by the error rate in the respective sample. Thus, the weighted error rate takes into account the relative importance of budgetary domains in the core population.

| Financial Impact - Budget 2019 - Amount at Risk | | | | |
|---|---|-------------------|--|---------------------------------|
| Budget Domain | | Population EUR | Financial Error rate (calculated on the Budget) | Estimated amount at risk EUR |
| Expenditure | Staff Expenditure | 512,362,036 | 1.66 % | 8,496,047 |
| | Infrastructures & other operating expenditure | 284,037,156 | 2.55 % | 7,229,360 |
| | Security (*) | 87,485,243 | 0.16 % | 139,521 |
| | IT & Telecommunication | 71,995,573 | 0.0061 % | 4,415 |
| | Total Expenditure | 955,880,008 | 1.66 % | 15,869,343 |

(*) This area domain contains also mixed expenditure Security & Infrastructures

It is estimated that overall amounts at risk for the 2019 payments was EUR 15,869,343.

This is the best conservative estimate intended for the Authorising Officer by Delegation of the amount

of expenditure that does not comply with the applicable contractual and regulatory provisions at the time the payment was made.

b) Quantitative assessment – Rate of error of a reputational nature

Since 2012, the ECA has been quantifying all the payments linked to a contract stemming from a procurement procedure containing serious procedural errors in the procurement process with a error rate of 100%¹¹. The EEAS acknowledges that such errors are indeed serious and uses also the same quantification method in order to allow for a comparison of the results of controls of the EEAS with the results of the ECA on the extrapolation of the “most likely error rate”.

However, the EEAS, like the European Commission¹², is of the opinion that the actual financial impact of such errors cannot be quantified in a manner which is consistent with other errors and should therefore not be added to the financial exposure (amount at risk) nor considered for a potential financial reservation. In fact, even if the contractor should/could have been different, this does not mean that the full value (100%) of the contract is at risk.

| Expenditure | | European Court of Auditors approach |
|---|-------------------|--|
| | Population EUR | Procurement procedural errors (Breach of key principles) EUR |
| Staff expenditure | 512,362,036 | 0 |
| Infrastructures & other operating expenditure | 284,037,156 | 268,323 |
| Security | 87,485,243 | 4,074,364 |
| IT & Telecommunication | 71,995,573 | 350,403 |
| Total | 955,880,008 | 4,693,090 |
| Financial impact | | Not meaningful |
| Assessment of materiality | | 0.49 % |
| Conclusion on potential reservation | | No reputational reservation |

This reputational error was found in 96 transactions. The annualised value of related contracts amounted to EUR 4.7 million. The error rate that would be comparable with the ECA error rate would be 0.49% higher than the one calculated by the EEAS.

¹¹ The ECA has considered as errors serious infringements (namely to the Directive on Public Procurement) which impair the compliance with the principles of open, fair and transparent competition. Although the ECA has quantified this type of errors and included them in the error rate, the Commission has considered that these errors are not necessarily quantifiable (at least not to the same extent as the errors where the amount paid would have been different) and therefore has not added them to the financial exposure but calculates an error rate with a reputational impact instead. The EEAS has been following the same approach as the Commission in this regard.

¹² Instructions for the preparation of the 2019 Annual Activity Reports: ref. Ares(2019)6894467 of 7/11/2019.

3.1.4. Control efficiency and cost-effectiveness

The purpose of ex post control is to help the entities of the EEAS achieve sound financial management in the implementation of the administrative budget of the Institution through the respect of the principles of economy, effectiveness and efficiency, by detecting operational weaknesses in their processes. The principle of economy requires that the resources used by the Institution in the pursuit of its activities shall be made available in due time, in appropriate quantity and quality and at the best price. The principle of efficiency concerns the best relationship between the resources employed and the results achieved. Effectiveness relates to attaining the specific objectives set and achieving the intended results.

The Financial Regulation foresees that control activities shall be assessed on their efficiency and effectiveness and that an overall assessment of the

costs and benefits of controls shall be included in the Annual Activity Report of the Institution. Ex post control is one segment of the control environment. This analysis aims at considering the costs of ex post control in relation to the results achieved over the year.

Ex post controls are by nature performed after events have taken place. Due to this feature, the main element in the assessment of ex post control activities remains qualitative. The main qualitative benefits of ex post controls are their dissuasive character and the fact that it constitutes a support for the management to take informed decisions on how to deal with the operational weaknesses of the Institution.

However, there is also a quantitative element inherent in the implementation of a budget. For this purpose, the cost of ex post control has been estimated over recent years as shown in the following table:

| Estimated Cost of Ex Post Control Operations (1) | | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|-------|----------------|----------------|----------|----------|----------|----------|
| FTE Officials (1) (2) | Count | 8 | 8 | 6.6 | 5.4 | 5.1 | 6 |
| | EUR | €1,094,500 | €1,057,344 | €939,100 | €772,200 | €754,800 | €900,000 |
| FTE Contract Agents (1) (2) | Count | 2 | 2 | 0.7 | 0.7 | 0.9 | 0 |
| | EUR | €140,000 | €140,000 | €52,000 | €51,800 | €69,300 | €0 |
| Expenditure (3) | EUR | €100,179 | €18,951 | Included | Included | Included | Included |
| Total Direct Costs | EUR | €1,334,679 | €1,216,295 | Included | Included | Included | Included |
| Indirect Costs (3) | EUR | €143,377 | €114,071 | Included | Included | Included | Included |
| Overheads Costs (3) | EUR | Not calculated | Not calculated | Included | Included | Included | Included |
| Total Costs on a full-cost basis (3) | EUR | €1,478,056 | €1,330,366 | €991,100 | €824,000 | €824,100 | €900,000 |

Notes: (1) "Guidelines: Minimum set of common central efficiency indicators", European Commission DG BUDG – Central Financial Services. Version January 2018. (2) Based on (1) and DG BUDG's "Preparation of the Legislative Financial Statements" – Overview of average costs updated on 28 November 2019 (3) For 2019, we use DG BUDG's Guidelines in point (2) above, which provide full-cost averages. Historical full cost calculations have been left unchanged.

The following table shows a monitoring of the cost-effectiveness of ex post control operations over recent years based on the value of errors detected through ex post control:

| Assessment of the cost-effectiveness of Ex Post Control Activities | | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|--|------------|------------|------------|------------|-------------|-------------|
| Qualitative Benefits | Main benefits of ex post control: management decision support instrument by nature and dissuasion in their effects | | | | | | |
| Detected Errors available for quantitative assessment | EUR value of material error detected in the sample | €46,428 | €1,981 | €16,319 | €10,804 | € 1,421,760 | € 3,139,310 |
| | Related EUR value of contracts (annualised) related to ECA Reputational Errors | €5,671,370 | €6,453,236 | €4,323,645 | €2,975,443 | € 7,927,705 | € 4,693,090 |
| | Total EUR value of Detected Errors | €5,717,798 | €6,455,217 | €4,339,964 | €2,986,247 | € 9,349,465 | € 7,832,400 |
| Value in EUR of errors detected for each EUR spent on Ex Post Control | | €3.9 | €4.9 | €4.4 | €3.6 | € 11.3 | € 8.7 |
| Cost in EUR of Ex Post Control for every EUR detected | | €0.26 | €0.21 | €0.23 | €0.28 | € 0.09 | € 0.11 |

In 2019, for every Euro spent on ex post control activities, the EEAS detected EUR 8.7 worth of errors. In other words, the EEAS spent 11 EUR cents for every EUR of detected errors.

From a quantitative point of view, ex post controls can therefore be considered cost-efficient. From a qualitative point of view, ex post controls provide the EEAS management with fact-based guidance for future decisions as it identifies and measures the financial impact of operational weaknesses in the execution of the Administrative Budget of the EEAS. It supports the entities, in particular Delegations, by highlighting the identified weaknesses and offering recommendations to improve the management of certain files.

3.1.5. Fraud prevention and detection

The EEAS, together with the Commission's DGs and Services, continued to implement the Commission's "Anti-Fraud Strategy for EU External Relations", focusing on the achievement of better coordination in tackling fraud. The EEAS and the Commission share a number of similar risks related to possible wrongdoings in the management of EU funding in the EU Delegations. The EEAS and the Commission share experiences in order to adopt a common approach on anti-fraud and establish a new Anti-Fraud Action Plan, which will be specific to each entity.

Relations with OLAF

Cooperation with the European Anti-Fraud Office (OLAF) continued fruitfully during the year, with numerous exchanges taking place between the EEAS Focal Point within DG BA.01 and OLAF in the framework of internal and external investigations. The EEAS reported on the implementation of OLAF recommendations. The EEAS is a member of the Fraud and Detection Network chaired by OLAF. In this context, the close coordination continued with the Commission's Investigation and Disciplinary Office (IDOC) as well as with other Commission's Services involved in the follow-up to a number of administrative recommendations.

In 2019, the Commission updated its Anti Fraud

Strategy, in order to prepare for a new generation of spending programmes in the Multiannual Financial Framework (MFF) 2021-2027. In this framework, the EEAS worked together with the Commission's Services focusing on external relations, as both Institutions share a number of similar risks related to possible wrongdoings in the management of EU funding. The aim is to shape a common approach in the drafting of an Anti Fraud Action Plan specific to each Service. This activity, coordinated by OLAF, resulted in the definition of guidelines to be used by the EEAS and the Commission's Services for their own anti fraud initiatives.

Relations with IDOC

The Investigation and Disciplinary Office of the Commission (IDOC) seeks to ensure that all staff members or former staff members comply with their statutory obligations by conducting administrative inquiries, pre-disciplinary proceedings, disciplinary and suspension proceedings, in an impartial, transparent and timely manner.

The EEAS has a Service Level Agreement with IDOC. Under the terms of the SLA, IDOC carries out an equivalent full case handling service as for the Commission, including in particular, administrative inquiries and disciplinary proceedings conducted on the basis of mandates provided by the Appointing Authority. Of the 90 new cases registered in IDOC in 2019, 8 concerned the EEAS.

3.2. Audit results and follow-up of audit recommendations

This section reports and assesses the observations and conclusions reported by auditors, which could have a material impact on the achievement of the internal control objectives, and therefore on assurance, together with any management measures taken in response to audit recommendations.

3.2.1. Audit functions

The internal audit function is shared between the Internal Audit Division of the EEAS and the Internal Auditor of the Commission.

EEAS Internal Audit Division

As foreseen by the Council Decision establishing the organisation and functioning of the EEAS, the Internal Audit Division (IAD) has been set up in the EEAS. The mission of the IAD is to assist senior management with independent, objective assurance and consulting services, mainly to evaluate and improve the effectiveness of governance, risk management and control processes.

The assignments of the IAD cover all the activities of the EEAS in relation to:

- The management and control risks;
- The monitoring of control systems, including financial, operational and management controls and;
- The assessment of the performance.

The IAD operates in accordance with internationally established professional standards (Institute of Internal Auditors - IIA) and best practices. To ensure independence vis-à-vis operational Divisions and Departments, this Division reports directly to the Director for Inter-institutional relations, policy coordination and public diplomacy and to the Secretary-General. The Ex Post Control section, previously part of the Inspection Division, has been merged with the IAD in July 2017. The Ex post audit is one pillar of the new Internal Audit Strategy together with Financial system audits and Operational Audits.

In 2019, the IAD has contributed to the discussions with the relevant services on the setting up of an Audit Progress Committee in the EEAS, which is a new requirement under article 123 of the 2018 Financial Regulation.

Internal Audit Service of the Commission

As set out under the Financial Regulation, the Internal Auditor of the Commission (IAS) assumes the same function for the EEAS. An internal audit charter has been signed for this purpose in

September 2011. Their audit scope includes all the relevant departments in the General Secretariat of the Council and in the Commission, which have been transferred to the EEAS with effect from January 2011. It should be noted that policy-making is outside the scope of the IAS.

European Court of Auditors

The European Court of Auditors (ECA) is the EU's independent external auditor. It enhances the quality of the EU's financial management, fostering accountability and transparency and acts as the "independent guardian of the financial interests of the citizens of the Union".

3.2.2. Results from audits during the reporting year

EEAS Internal Audit Division

According to the multi-annual audit program based on a risk mapping, three audits were launched in 2018, which should have been finalised in 2019. However, their conclusion was delayed to 2020 due to several constraints with the implementation of the new Ex Post Control methodology and the high turnover of staff in the Division, which led to a re-definition of priorities:

The audit on the information flows between the EEAS, DG HR and PMO was however finalised at the end of 2019. The purpose of this audit is to assess the correctness, the effectiveness and efficiency of the information flows, in particular regarding the compliance of the resulting financial transactions with the applicable rules, the control system in place and the sharing of tasks between the institutions designed in a way to respect the sound financial management principle.

The draft report was communicated to the auditee on February 2020. The conclusions and

recommendations of this audit are currently being discussed with the auditee.

The two other audits regarding the management of local agents should be finalised in the first half 2020:

- Audit on the management of local agents salary: The objective of this audit is to evaluate the compliance with the legal framework, the efficiency and effectiveness of the internal control system in place and the completion and accuracy of the IT tools/ data bases used.
- Audit on the recruitment and management of local agents and equivalent local staff: This audit aims at replying to the following audit issues regarding the compliance of these processes with the applicable rules and the principle of transparency and equal treatment, the efficiency and effectiveness of the control system put in place for recruitment and task assigned to local staff.

Apart from the audit plan and at the request of the management, a financial and operational audit was performed in 2019 on the management of the Delegation to Mali. The audit report was finalised and communicated to the services concerned (Delegation and Headquarters). The management has accepted all the recommendations and an action plan has been set for their implementation.

Internal Audit Service of the Commission

The IAS's work in the EEAS for 2019 was based on an in-depth risk assessment conducted by the IAS in 2015 and on annual light updates of the risk assessment. The IAS also performed a new in-depth risk assessment covering all processes (administrative, financial, operational and IT) to establish the Strategic Internal Audit Plan (SIAP) for the period 2020-2022, which was finalised in July 2019.

The 2020-2022 SIAP includes the following prospective audit topics:

- Information security of EU restricted and non-classified information;
- Controls over procurement and contract monitoring;
- Anti-fraud and ethics management;
- Information management policy.

Depending on the results of the annual risk assessment update and taking into account the main risks faced by the EEAS, as identified by the IAS, the 2020-2022 SIAP will be reviewed annually and may be adapted at that time by either planning additional audit engagements or by replacing one of the prospective audits. Considering the abovementioned high risks, the IAS also identified one reserve audit topic. Furthermore, the IAS can select audit topic considered as horizontal risk in the overall group of the EU Institutions and Bodies that are not included in the 2020-2022 SIAP.

No systemic problems were reported by the IAS in 2019 by the panel set up under Article 143 of the Financial Regulation.

European Court of Auditors

The EEAS actively cooperated with the Court of Auditors in the preparation of the Statement of Assurance for 2019. Numerous sample transactions were examined and did not give rise to any observations.

In 2019, the EEAS addressed recommendations issued by the ECA in two Special Reports and one Review, as an associated service:

- Special Report No 25/2019: Data quality in budget support: weaknesses in some indicators and in the verification of the payment for variable tranches

The report concluded that in the case of disbursements related to budget support variable tranches, one third of the performance indicators reviewed had design weaknesses, which allowed for different interpretations as to whether targets

had been achieved. The ECA made a number of recommendations to improve the formulation of indicators, increase the use of outcome indicators and improve the verification of the performance data used to disburse variable tranches.

- Special report No 09/2019: EU support to Morocco - Limited results so far

The report examined the budget support in the sectors in health, social protection, justice and private sector development. The Commission and the EEAS considered budget support to be the right choice of aid delivery instrument. However, the ECA concluded that its added value and ability to support reforms was hampered by sub-optimal focus, weak implementation and insufficient monitoring. The report included recommendations on focusing support in fewer sectors, improving indicator design, enhancing the control procedures for disbursement and strengthening the policy dialogue.

- Review No 09/2019: European defence

The ECA concluded that contributing to better defence capacity in Europe requires effective implementation of real initiatives, with the aim of supporting a competitive European defence industry and enhancing Member States' military capabilities in full complementarity with NATO. According to ECA, the EU's success and future in the field of defence is fully dependent on the Member States' political will, as they play the central role in Europe's defence architecture.

3.2.3. Follow up of audits from previous years

EEAS Internal Audit Division

The Internal Audit Division sent in January 2020 a reminder to the services concerned in order to receive updated management information regarding their assessment on the status of

implementation of audit recommendations and to ensure that senior management is informed of all open recommendations in due time for the annual reporting.

In the auditor's view, there are 6 audits on which 22 "Very important" and 10 "Important" recommendations in total remain open as at 31 December 2019.

It should be noted that this assessment by the operational management concerned is totally independent from the particular responsibility of the Internal Audit function regarding the monitoring of the implementation of its recommendations.

For that purpose, the internal auditors have to perform a formal audit follow-up within normally on or two years after the report was issued, taking into account the deadlines set for the implementation of the auditee's action plan, as well as progress made by the auditees. If no or insufficient progress is reported, no audit follow-up is possible.

Internal Audit Service of the Commission

In 2019, the IAS assessed the progress made in implementing the remaining open recommendations that resulted from the 2016 IAS audit on procurement of security services in the EEAS. The IAS concluded that the remaining recommendations had been adequately and effectively implemented and closed the audit.

Following the publication of the IAS audit report on EC-EEAS coordination in January 2019, the EEAS has been working together with the Commission's Services (DG DEVCO, DG NEAR, FPI) to address the major audit findings of the report. The IAS's recommendations include the country-level coordination, the working arrangements, the multiannual programming and the role of the EUDEL as the official platform for cooperation, consultation and recommendations on all issues regarding the management of the EU Delegations.

As regards to the 2013 audit on the "Management

of Service Level Agreements (SLA)", the IAS's open recommendations requested a more efficient management of SLAs, better definition of business needs and required service levels, stronger performance monitoring and improvements in the SLA renewal process. In 2019, the EEAS took the first steps to address these recommendations by compiling the SLA inventory and carrying out a thorough evaluation exercise of the SLAs in place, examining areas such as the monitoring of the quality of services provided, the management of incidents, the evolution of the EEAS business needs and the benchmarks with the market. The aim of the evaluation exercise is to provide a consolidated and comprehensive reply on the outstanding recommendations.

Following the 2017 audit on "Information technology (IT) governance", the IAS called the EEAS to establish a systematic risk management approach, including an IT risk register as a monitoring and reporting tool and to assess which IT systems support critical business processes and determine the acceptable recovery time objective for each IT system. The EEAS plans to put in place a full scope IT risk register in the future and it will perform a business impact analysis for all processes supported by an information system and for each of them define a recovery objective. The results will be presented to the ICT Steering Committees and the Business Domain Steering Committees and will be discussed with the relevant Commission Services.

European Court of Auditors

The ECA initiated the work on the follow-up to the Special report No 07/2016: "The European External Action Service's management of its buildings around the world" and to the Special report No 7/2015: "The EU police mission in Afghanistan: mixed results".

PART 4

ASSESSMENT OF THE EFFECTIVENESS OF THE INTERNAL CONTROL SYSTEMS

4. PART 4 –ASSESSMENT OF THE EFFECTIVENESS OF THE INTERNAL CONTROL SYSTEMS

4.1. Financial Circuits in Headquarters

The EEAS, represented by the HR/VP, performs the duties of authorising officer (AO) in accordance with Article 92 of the Financial Regulation.

In accordance with the last Decision on the Internal Rules on the implementation of the Budget of the EEAS the powers of authorisation have been delegated to the Secretary General, who is the Authorising Officer by delegation (AOD) of the EEAS.

The Secretary General sub-delegates powers to the Director General for Budget and Administration, who acts as Principal Authorising Officer by sub-delegation, who in turn sub-delegates to the Managing Directors, Directors, Heads of Delegation and Heads of Division.

In practical terms, the budget is implemented at an operational level by the Heads of Division in Headquarters and by the Heads of Delegations throughout the Delegations network.

For the purpose of budget implementation, the EEAS has adopted the following financial circuits at Headquarters:

- EEAS STANDARD, which is fully decentralised with all operations, including

initiation and verification, taking place within the line manager's services. The operations processed using this circuit are those consisting of provisional commitments/de-commitments for the Delegations, accounting regularisations and payments to members of staff.

- EEAS STANDARD A2, which is also decentralised with all operations, including financial and operational initiation, and operational verification, taking place within the line manager's services. This model also contains an ex-ante verification which is carried out by the ex-ante control function of division EEAS.BA.BS.2 and is used in particular for payments related to public procurement to third parties.
- EEAS EXTRA LIGHT - Used in particular for payment of mission expense claims which have been examined by the PMO (Office for the Administration and Payment of Individual Entitlements) for conformity with the mission guide and for payment of representation expenditure to EEAS staff members.

In Headquarters, the financial circuits are operated entirely by the EEAS.

4.2. Financial Circuits in Delegations

The EEAS, represented by the HR/VP, performs the duties of authorising officer (AO) in accordance with Article 92 of the Financial Regulation. In accordance with the Decision on the Internal Rules on the implementation of the Budget of the EEAS the powers of authorisation have been delegated by

the Director General for Budget and Administration to the Heads of Delegation.

For the purpose of budget implementation, the EEAS has adopted the following financial circuits in the EU-Delegations network:

- DEL_NORM (IA–VA/IAH–AOSD) – this is the standard workflow in application in the delegations. The IA role is normally performed by a local agent (accountant or administrative assistant), the VA/IAH is performed by the Head of Administration / Imprest Account Holder, the AOSD role is performed by the Head of Delegation or another AD official of the EEAS;
- DEL_SMALL (IA/IAH –VA–AOSD) – This 2nd workflow permits the signature by the same AOSD, of both the VA and AOSD roles. It is used in case of unavailability of actors.

The responsible authorising officer shall define the framework for the use of this financial workflows.

In Delegations, where a large proportion of the personnel are Commission staff members, the role

of Initiating Agent (IA) both financial and operational is at times performed by Commission staff working in the administrative sections of the Delegations. The roles of financial and operational verification are restricted to EEAS staff. The function of subdelegated authorising officer is performed by the Head of Delegation who is an EEAS staff member or by another EEAS staff member in the category AD (with the exception of the Regional Centre Europe (RCE) where also senior-AST officials are allowed to receive a sub-delegation). It should be noted that the RCE based in Brussels is providing services for 27 Delegations. The RCE can intervene directly in the financial workflows of the relevant delegations.

These circuits are considered the most appropriate taking into account the nature of the transactions to be authorised (entirely administrative expenditure) and the resources available to the EEAS.

4.3. Internal Control Principles at the EEAS

In 2019, the EEAS made use of the new Internal Control Framework, adopted in 2018 and based on the internal control principles of the European Commission, which in turn are founded on COSO's (Committee of Sponsoring Organisations of the Treadway Commission) 2013 revision of its Internal Control–Integrated Framework.

The new framework is based on best practice accumulated internationally and reflects the influence of factors such as changes in technology and their associated risks, an increased focus on risk assessment, an expanded demand for new forms of reporting on organisational performance.

There are 17 principles: each principle is described by "points of focus" which describe important characteristics of each principle. The 17 principles place even more emphasis than before on individual competence and on holding individuals accountable for their role in materialising controls.

The risk of fraud is particularly emphasised in internal controls, both in relation to management of financial assets, compliance and operations.

The new framework reasserts the importance of competent and effective governance, and fosters the role of controls in building trust with stakeholders, such as Member States, the European public at large and the global partners of the EU.

In 2019, the EEAS developed an online training on Internal Controls, in order to enhance the practice of the new approach to controls within the EEAS both in Headquarters and in Delegation, and with a view to supporting the development of an administrative culture, which recognises the importance of risk assessment and the fight against fraud.

4.3.1. Compliance with Internal Control Principles

Following the adoption of the new control framework in 2018, the EEAS, in agreement with DG DEVCO and DG NEAR modified the structure of the Declaration of Assurance (DAS) process in 2019, introducing a more detailed online questionnaire with regard to controls. The aim of

the questionnaire was to better contextualise the judgement on the application of the principles, and to verify the application of controls in Delegations. The same online questionnaire has been submitted to Authorising Officers by sub-Delegation AOSDs in Headquarters.

Respondents were asked to assess the state of implementation of the 17 Internal Control principles in the EEAS with four possible replies: "positive", "mostly positive", "somewhat negative" and "negative". Answers of "positive" or "mostly positive" account for at least 90 % of the replies for almost all of the 17 principles. The exception is Principle 11 (control activities over technology) where the figure for "positive" or "mostly positive" replies is 86.7%. This Principle does however show an improvement of 10 percentage points compared to the 2018 results (76.7%).

4.3.2. Effectiveness of Internal Control Principles

As part of the annual Declaration of Assurance exercise, and in order to demonstrate the EEAS's commitment to good governance, the EU Delegations were asked to complete the annual Internal Control Framework survey for 2019. All Delegations have submitted their replies to the survey and analysis of the replies has yielded the following key findings:

- All the questions related to the assessment of the state of the implementation of the principles show signs of improvement.
- The principles chosen as EEAS 2019 results objectives¹³ have all improved, with significant improvements for principles 1, 8, 10, 14.
- 40% of the Delegations reported having issues producing measurable policy and diplomatic objectives;
- 35.7% of the Delegations declared

themselves exposed to risks related to lack of expertise. The survey reveals areas where there is a recognised need for expertise: cyber, security/defence, public finance management, finance and contracts, interpretation (non-European languages).

- Despite concerted efforts to improve the feedback from Headquarters to Delegations regarding their Annual Management Plans (AMP), the percentage of Delegations declaring that they have not received feedback on their AMP has risen from 40.5% in 2018 to 47.1% in 2019.
- The number of Delegations who do not manage to mitigate IT risks locally has increased: 30.7% in 2019 compared to 22.4% in 2018.
- 12% of Delegations state having detected changes with regard to fraud risk (more negative signals than positive ones).
- There is growing demand for training on fraud detection (45.7% of the Delegations), but 90.7% of the respondents considered that instructions on this are adequate for.

At EEAS Headquarters, as part of the annual Declaration of Assurance exercise, Authorising Officers by Sub-Delegation (AOSD) were asked to complete the annual Internal Control Framework survey for 2019. AOSD's submitted their replies to the survey and analysis of the replies has yielded the following key findings:

- The replies related to the assessment of the state of the implementation of the principles show a mixed account: many are very similar to 2018, some have improved but equally some have declined.
- For the principles chosen as EEAS objectives in 2019, results have either improved with a higher number of positive replies or have a wider spread of replies with more positive and more negative replies and fewer in the middle scale. Significant improvements were

¹³ 1: Commitment to ethical values 7: Risk identification 8: Consideration for the Risk of Fraud 10: Control Activities for the mitigation of risks 14: Communicating internally information on controls, objectives and responsibilities.

registered for principles 1 and 14.

- 29% of the Divisions mentioned having issues producing measurable policy or diplomatic objectives.
- 59% said they were exposed to lack-of-expertise related risks. The survey reveals areas where there is a recognised need for expertise notably: finance and contracts, security and defence, cyber.
- Principle 11, regarding control activities over technology, which had the worst figures in 2018, has improved significantly with 53% of respondents giving a positive reply (compared to 25% in 2018). The number of Divisions who do not manage to mitigate IT risks locally has declined: 29.5% in 2019 compared to 38.5% in 2018.
- On perception of fraud risk, 18% of Divisions noted a change since the last survey with 12% perceiving less risk of fraud and 6% seeing more risk.
- There is still significant demand for training to help detect fraud (35% of the Divisions surveyed), but 70.6% of the respondents consider instructions are adequate.

PART 5

MANAGEMENT ASSURANCE

5. PART 5 – MANAGEMENT ASSURANCE

5.1. Review of the assessment by Management at Headquarters – synthesis of the AOSD reports

In accordance with the Charter of tasks and responsibilities of Authorising Officers by Delegation (AOD), the AOD is assisted by the Authorising Officers by Sub-Delegation (AOSD) for the drafting of the Annual Activity Report. For this purpose, all AOSD's were requested to submit a report for the financial year 2019 based on a common template, with a view to consolidating the results and providing an overall assessment for the EEAS 2019 Annual Activity Report.

The analysis of these reports lead to the following conclusions:

- All Authorising Officers by Sub-Delegation provided a positive assurance with regard to the management of the administrative budget entrusted to them.
- The material error rate detected was below the 2% threshold.

- Structural understaffing and the lack of specialist resources remain key risks for several AOSDs; understaffing also hampers business continuity.
- There is a difficulty in recruiting officials and contractual agents with a sufficient level of specialist knowledge and expertise that fits with the EEAS via the existing recruitment channels.
- Several AOSDs highlighted that the EEAS lacks direct control on a number of expenditures regarding the Service Level Agreements (SLAs) signed with the Commission. The EEAS depends on the SLAs for a number of functions and has limited possibilities to influence the cost or price-setting of the SLAs, as there is no realistic alternative to much larger Commission offers.

5.2. Review of the assurance in Delegations – synthesis of the DAS of the Delegations

As part of the annual reporting of the administrative budget of the EU Delegation, the Heads of Delegation in their role of AOSD provide a Statement of Assurance each year. The 2019 exercise was launched in November 2019 via the electronic application e-DAS, which also encompasses the Internal Control Principles survey.

Only two Delegations (Syria and Djibouti) expressed reservations on the management of administrative expenditures in the Delegations. The reservations

do not deter from the possibility of giving a positive Declaration of Assurance of the EEAS overall. The reservation in Djibouti relates to many weaknesses identified on the management of the administrative budget, including lack of procurement procedures, lack of individual commitments for Press and Information activities, and lack of register of exceptions. The EEAS Headquarters have been working together with the Delegation to develop an action plan with the aim of resolving the administrative weaknesses, in a very challenging

local environment.

The declarations and the accompanying information are available to the different Divisions in Headquarters to assist the Delegations in their

controls. They form a basis for the Declaration of Assurance of the Authorising Officer and provide collectively an overview of the financial functioning of the administrative budget in the EU Delegations.

5.3. Follow up of previous years' reservations

The reservation in Syria in 2018 and in 2019 relates to the impossibility of concluding a tender for security in the current climate, to problems replenishing the local bank accounts and with the income tax and remuneration of local agents. Should the ongoing political situation and related matters improve significantly, a tendering procedure for security could be envisaged, as well as solutions to the local bank accounts and tax issues.

In 2018, the Head of Delegation to the Council of Europe (Strasbourg) expressed a reservation in relation to contracts, which were put in force by the former Head of Delegation. These concerns were successfully addressed in 2019, due to the support of the Regional Centre Europe, which conducted a review of all contracts as a corrective measure to ensure the compliance with the financial rules.

5.4. Overall conclusions on the combined elements on the Declaration as a whole

On the basis of the results of the internal controls, the ex-ante and ex-post control as well as specific audits and declarations by the AOSDs, the Authorising Officer by Delegation's estimate of the risk relating to the legality and regularity for the expenditures authorised during the reporting year is below 2%.

On the basis of the analyses of the internal control system of the EEAS as well as the control results, it is concluded that the internal control system implemented by the EEAS is providing sufficient assurance to adequately manage the risks relating to legality and regularity of the underlying transactions.

PART 6

DECLARATION OF ASSURANCE

6. PART 6 – DECLARATION OF ASSURANCE

I, the undersigned, Secretary General of the EEAS, 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 on the information at my disposal, such as the results of the self-assessment, ex-post controls, the work of the internal audit capability, the observations of the Internal Audit Service and the lessons learnt from the reports of the Court of Auditors for years prior to the year of this declaration.

Confirm that I am not aware of anything not reported here which could harm the interests of the Institution.



Helga Maria Schmid

29 June 2020

Brussels

PART 7

ANNEXES

7. PART 7 – ANNEXES

Annex 1: Statement of the EEAS Director-General for Budget and Administration

Annex 2: EEAS HQ Organisation chart - 1 December 2019

Annex 3: Human resources

Annex 4: Financial reports and annual accounts

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Table 13: Contracts declared secret

Annex 5: List of acronyms

7.1. Annex 1: Statement of the EEAS Director-General for Budget and Administration

I declare that in accordance with the EEAS Decision on the Internal Control Framework¹⁴, I have reported my advice and recommendation to the Secretary-General on the overall state of internal controls in the EEAS.

Based on the 2019 reports of the Authorising Officers by sub-delegation, I hereby certify that the information provided in the present Annual Activity Report and in its annexes is, to the best of my knowledge, accurate and exhaustive.

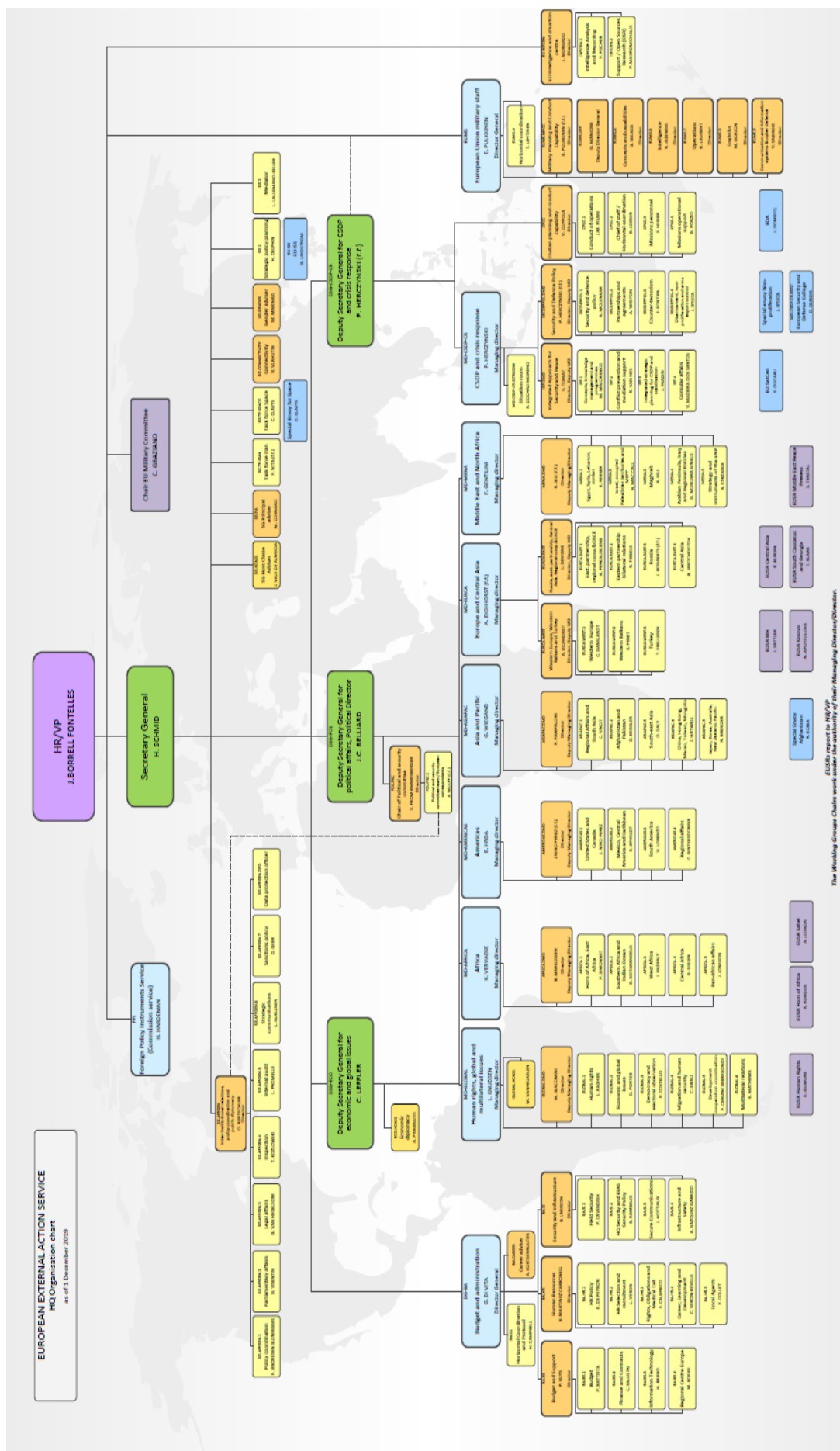


Gianmarco Di Vita

10 June 2020
Brussels

¹⁴ Ref. ADMIN(2018)26: Ares(2018)4833111 - 20/09/2018

7.2. Annex 2: EEAS HQ Organisation chart - 1 December 2019



7.3. Annex 3: Human Resources

| Posts occupied 31/12/2019 | Officials | | Temporary Agents | | Seconded National Experts | Junior Professionals in Delegations | Contract Agents | Local Agents | Total |
|------------------------------|-----------|-----|------------------|-----|---------------------------|-------------------------------------|-----------------|--------------|-------|
| | AD | AST | AD | AST | | | | | |
| Headquarters | 398 | 428 | 155 | 5 | 397 | | 259 | | 1642 |
| Delegations | 234 | 192 | 172 | 1 | 64 | 43 | 238 | 1058 | 2002 |
| Total | 632 | 620 | 327 | 6 | 461 | 43 | 497 | 1058 | 3644 |

7.4. Annex 4: Financial reports and annual accounts

Table 1: Outturn on Commitment appropriations in 2019

| TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2019 (in Million Euros) for EEAS | | | | | |
|---|----|---|--------------------------------------|------------------|----------|
| | | | Commitment appropriations authorised | Commitments made | % |
| | | | 1 | 2 | 3=2/1 |
| Title 1 Staff expenditure | | | | | |
| 1 | 11 | REMUNERATION AND OTHER ENTITLEMENTS RELATING TO STATUTORY STAFF | 130.35 | 130.35 | 100.00 % |
| | 12 | REMUNERATION AND OTHER ENTITLEMENTS RELATING TO EXTERNAL STAFF | 30.08 | 27.66 | 91.98 % |
| | 13 | OTHER EXPENDITURE RELATING TO STAFF MANAGEMENT | 2.48 | 2.47 | 99.44 % |
| | 14 | MISSIONS | 9.22 | 8.73 | 94.76 % |
| | 15 | MEASURES TO ASSIST STAFF | 2.09 | 2.09 | 99.87 % |
| Total Title 1 | | | 174.22 | 171.31 | 98.33 % |
| Title 2 Building, equipment and miscellaneous operating expenditure | | | | | |
| 2 | 20 | BUILDINGS AND ASSOCIATED COSTS | 36.66 | 35.25 | 96.15 % |
| | 21 | COMPUTER SYSTEMS, EQUIPMENT AND FURNITURE | 38.65 | 38.55 | 99.75 % |
| | 22 | Strategic Communication Capacity | 10.44 | 10.40 | 99.68 % |
| Total Title 2 | | | 85.75 | 84.21 | 98.20 % |
| Title 3 Operational expenditure | | | | | |
| 3 | 30 | DELEGATIONS | 735.88 | 684.81 | 93.06 % |
| Total Title 3 | | | 734.44 | 684.81 | 93.24 % |
| Total DG EEAS | | | 995.85 | 940.33 | 94.42 % |

* Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).

% Outturn on Commitment Appropriations in 2019 for DG EEAS

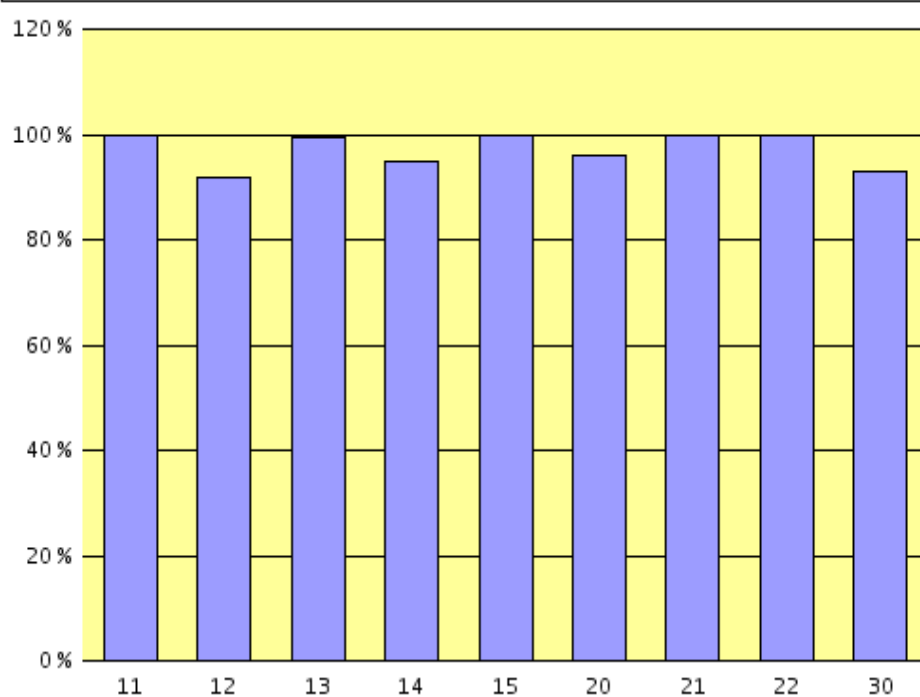


Table 2: Outturn on Payment appropriations in 2019

| TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS in 2019 (in Million Euros) for EEAS | | | | | |
|--|----|---|-------------------------------------|---------------|----------|
| | | | Payment appropriations authorised * | Payments made | % |
| | | | 1 | 2 | 3=2/1 |
| Title 1 Staff expenditure | | | | | |
| 1 | 11 | REMUNERATION AND OTHER ENTITLEMENTS RELATING TO STATUTORY STAFF | 130.35 | 130.35 | 100.00 % |
| | 12 | REMUNERATION AND OTHER ENTITLEMENTS RELATING TO EXTERNAL STAFF | 31.19 | 27.33 | 87.61 % |
| | 13 | OTHER EXPENDITURE RELATING TO STAFF MANAGEMENT | 3.35 | 2.81 | 83.88 % |
| | 14 | MISSIONS | 11.63 | 8.70 | 74.80 % |
| | 15 | MEASURES TO ASSIST STAFF | 2.21 | 2.08 | 93.87 % |
| Total Title 1 | | | 178.74 | 171.27 | 95.82% |
| Title 2 Building, equipment and miscellaneous operating expenditure | | | | | |
| 2 | 20 | BUILDINGS AND ASSOCIATED COSTS | 40.43 | 33.79 | 83.57 % |
| | 21 | COMPUTER SYSTEMS, EQUIPMENT AND FURNITURE | 58.41 | 36.92 | 63.21 % |
| | 22 | Strategic Communication Capacity | 13.12 | 8.82 | 67.23 % |
| Total Title 2 | | | 111.96 | 79.53 | 71.03% |
| Title 3 Operational expenditure | | | | | |
| 3 | 30 | DELEGATIONS | 852.73 | 705.08 | 82.69 % |
| Total Title 3 | | | 852.73 | 705.08 | 82.69% |
| Total DG EEAS | | | 1,143.42 | 955.88 | 83.60 % |

* Payment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous payment appropriations for the period (e.g. internal and external assigned revenue).

% Outturn on Payment Appropriations in 2019 for DG EEAS

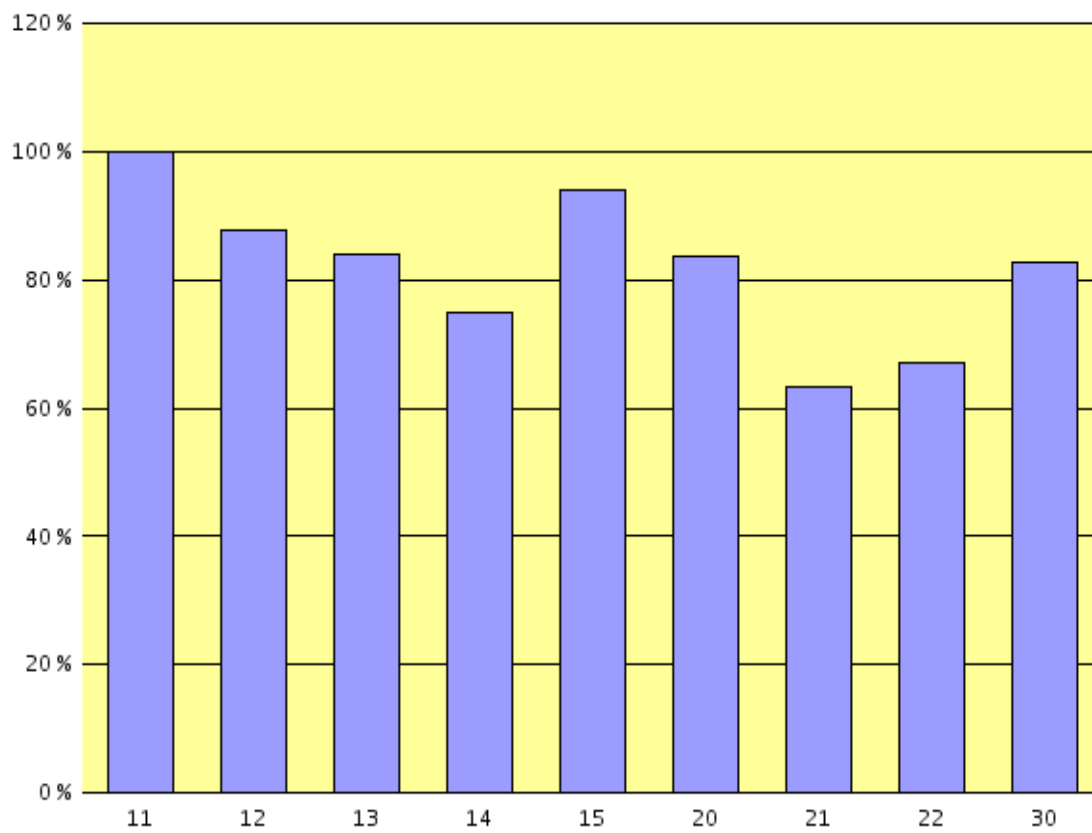


Table 3: Breakdown of Commitments to be settled at 31.12.2019

| TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2019 (in Million Euros) for EEAS | | | | | | | | | |
|--|----|---|---------------------------|----------|-------|-----------------|---|--|--|
| Chapter | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2018 | Total of commitments to be settled at end of financial year 2019 | Total of commitments to be settled at end of financial year 2018 |
| | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |
| 1 | 11 | REMUNERATION AND OTHER ENTITLEMENTS RELATING TO STATUTORY STAFF | 130.35 | 130.35 | 0.00 | 0.00% | 0.00 | 0.00 | 0.00 |
| | 12 | REMUNERATION AND OTHER ENTITLEMENTS RELATING TO EXTERNAL STAFF | 27.66 | 26.26 | 1.41 | 5.08% | 0.00 | 1.41 | 1.12 |
| | 13 | OTHER EXPENDITURE RELATING TO STAFF MANAGEMENT | 2.47 | 2.02 | 0.45 | 18.24% | 0.00 | 0.45 | 0.87 |
| | 14 | MISSIONS | 8.73 | 6.49 | 2.24 | 25.66% | 0.00 | 2.24 | 2.41 |
| | 15 | MEASURES TO ASSIST STAFF | 2.09 | 1.96 | 0.13 | 6.34% | 0.00 | 0.13 | 0.12 |
| Total Title 1 | | | 171.31 | 167.08 | 4.23 | 2.47% | 0.00 | 4.23 | 4.52 |

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2019 (in Million Euros) for EEAS

| | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2018 | Total of commitments to be settled at end of financial year 2019 | Total of commitments to be settled at end of financial year 2018 |
|---------------|----|---|---------------------------|----------|-------|-----------------|---|--|--|
| Chapter | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |
| 2 | 20 | BUILDINGS AND ASSOCIATED COSTS | 35.25 | 30.98 | 4.28 | 12.13% | 0.01 | 4.28 | 3.77 |
| | 21 | COMPUTER SYSTEMS, EQUIPMENT AND FURNITURE | 38.55 | 18.09 | 20.46 | 53.07% | 0.04 | 20.50 | 19.76 |
| | 22 | Strategic Communication Capacity | 10.40 | 6.57 | 3.83 | 36.82% | 0.20 | 4.03 | 2.68 |
| Total Title 2 | | | 84.21 | 55.65 | 28.57 | 33.92% | 0.24 | 28.81 | 26.20 |

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2019 (in Million Euros) for EEAS

| | | | Commitments to be settled | | | | Commitments to be settled from financial years previous to 2018 | Total of commitments to be settled at end of financial year 2019 | Total of commitments to be settled at end of financial year 2018 |
|-------------------|----|-------------|---------------------------|----------|--------|-----------------|---|--|--|
| Chapter | | | Commitments | Payments | RAL | % to be settled | | | |
| | | | 1 | 2 | 3=1-2 | 4=1-2/1 | 5 | 6=3+5 | 7 |
| 3 | 30 | DELEGATIONS | 684.81 | 596.00 | 88.81 | 12.97% | 0.91 | 89.72 | 118.28 |
| Total Title 3 | | | 684.81 | 596.00 | 88.81 | 12.97% | 0.91 | 89.72 | 118.28 |
| Total for DG EEAS | | | 940.33 | 818.73 | 121.60 | 12.93 % | 1.16 | 122.76 | 149.01 |

Breakdown of Commitments Remaining to be Settled (in Mio EUR) at 31/12/2019 for DG EEAS

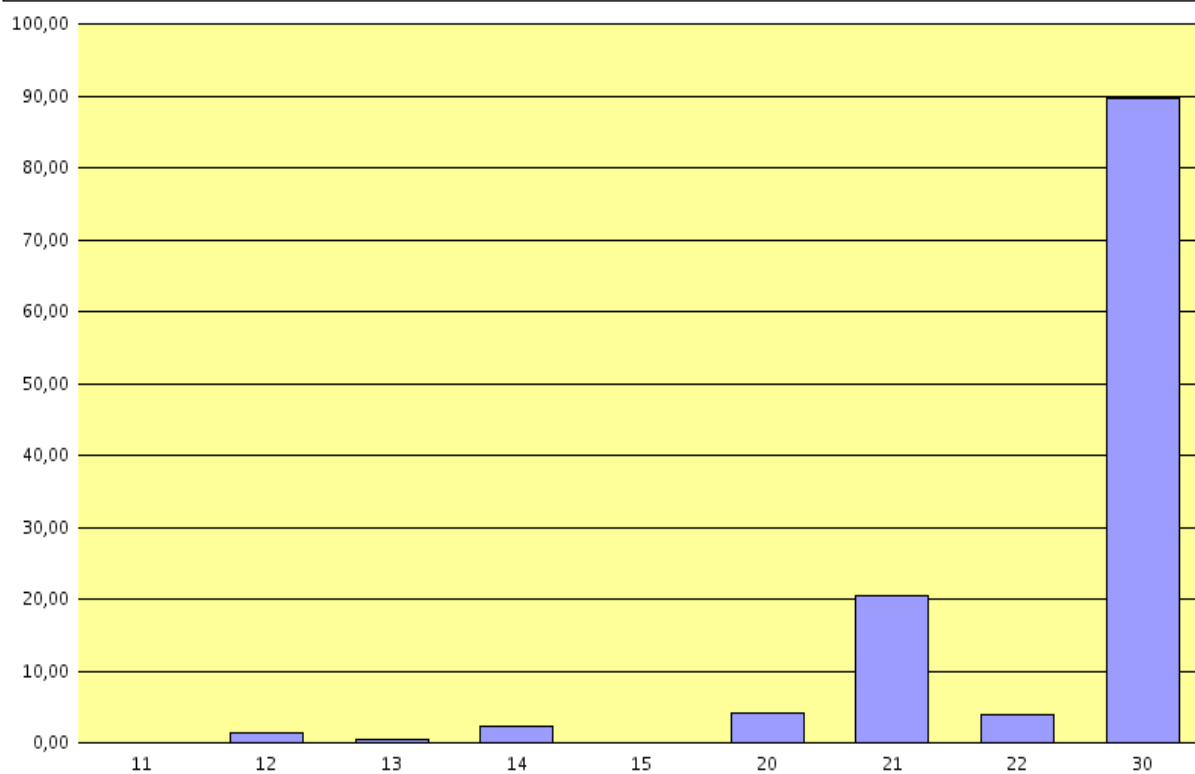


Table 4: Balance Sheet

| TABLE 4 : BALANCE SHEET for DG EEAS | | |
|--|-----------------|-----------------|
| BALANCE SHEET | 2019 | 2018 |
| A.I. NON CURRENT ASSETS | 389,270,739.10 | 391,233,531.78 |
| A.I.1. Intangible Assets | 74,641.55 | 42,195.39 |
| A.I.2. Property, Plant and Equipment | 385,553,983.50 | 313,183,495.23 |
| A.I.4. Non-Current Financial Assets | 0.00 | |
| A.I.6. Non-Cur Exch Receiv & Non-Ex Recoverab | 3,642,114.05 | 78,007,841.16 |
| A.I.7. OLD LT Pre-Financing | 0.00 | 0.00 |
| A.II. CURRENT ASSETS | 189,753,256.48 | 81,178,465.53 |
| A.II.1. Current Financial Assets | 74,672,345.09 | 0.00 |
| A.II.2. Current Pre-Financing | 201,088.97 | 139,403.46 |
| A.II.3. Curr Exch Receiv & Non-Ex Recoverables | 34,019,873.90 | 27,018,153.66 |
| A.II.6. Cash and Cash Equivalents | 80,859,948.52 | 54,020,908.41 |
| ASSETS | 579,023,995.58 | 472,411,997.31 |
| P.I. NON CURRENT LIABILITIES | -359,099,343.20 | -278,597,683.19 |
| P.I.3. Non-Current Financial Liabilities | -359,099,343.20 | -278,597,683.19 |
| P.II. CURRENT LIABILITIES | -96,539,580.68 | -93,533,363.06 |
| P.II.2. Current Provisions | -80,000.00 | -320,000.00 |
| P.II.3. Current Financial Liabilities | -3,393,115.77 | -1,203,417.84 |
| P.II.4. Current Payables | -58,782,567.25 | -62,406,018.91 |
| P.II.5. Current Accrued Charges & Defrd Income | -34,283,897.66 | -29,603,926.31 |
| LIABILITIES | -455,638,923.88 | -372,131,046.25 |
| NET ASSETS (ASSETS less LIABILITIES) | 123,385,071.70 | 100,280,951.06 |
| P.III.1. Reserves | 303,100.81 | |
| P.III.2. Accumulated Surplus/Deficit | -100,280,951.09 | -125,947,638.58 |
| Non-allocated central (surplus)/deficit* | -23,407,221.42 | 25,666,687.52 |
| TOTAL EEAS | 0.00 | 0.00 |

It should be noted that the balance sheet and statement of financial performance presented in this Annual Activity Report, represent only the assets, liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and statement of financial performance they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Table 5: Statement of financial performance

| TABLE 5a: STATEMENT OF FINANCIAL PERFORMANCE for EEAS | | |
|---|------------------------|------------------------|
| STATEMENT OF FINANCIAL PERFORMANCE | 2019 | 2018 |
| II.1 REVENUES | -963,343,623.31 | -883,707,301.38 |
| II.1.1. NON-EXCHANGE REVENUES | -956,735,258.23 | -852,518,145.71 |
| II.1.1.6. OTHER NON-EXCHANGE REVENUES | -956,735,258.23 | -852,518,145.71 |
| II.1.2. EXCHANGE REVENUES | -6,608,365.08 | -31,189,155.67 |
| II.1.2.1. FINANCIAL INCOME | -134,299.57 | -116,361.74 |
| II.1.2.2. OTHER EXCHANGE REVENUE | -6,474,065.51 | -31,072,793.93 |
| II.2. EXPENSES | 939,936,401.89 | 909,373,988.87 |
| II.2. EXPENSES | 939,936,401.89 | 909,373,988.87 |
| II.2.10. OTHER EXPENSES | 457,386,106.56 | 445,822,828.49 |
| II.2.6. STAFF AND PENSION COSTS | 475,896,375.30 | 456,983,911.86 |
| II.2.8. FINANCE COSTS | 6,653,920.03 | 6,567,248.52 |
| STATEMENT OF FINANCIAL PERFORMANCE | -23,407,221.42 | 25,666,687.49 |

| TABLE 5b : OFF BALANCE SHEET for EEAS | | |
|--|------------------------|------------------------|
| OFF BALANCE | 2019 | 2018 |
| OB.1. Contingent Assets | 2,942,067.88 | 12,499,239.35 |
| GR for performance | 1,850,743.45 | 1,707,105.97 |
| GR for pre-financing | 1,091,324.43 | 10,792,133.38 |
| OB.2. Contingent Liabilities | -2,739,901.00 | -1,249,700.00 |
| OB.2.7. CL Legal cases OTHER | -2,739,901.00 | -1,249,700.00 |
| OB.3. Other Significant Disclosures | -474,705,059.63 | -589,473,658.56 |
| OB.3.2. Comm against app. not yet consumed | -55,995,803.13 | -94,803,204.62 |
| OB.3.3.7. Other contractual commitments | -73,442,262.55 | -79,526,387.99 |
| OB.3.5. Operating lease commitments | -345,266,993.95 | -415,144,065.95 |
| OB.4. Balancing Accounts | 474,502,892.75 | 578,224,119.21 |
| OB.4. Balancing Accounts | 474,502,892.75 | 578,224,119.21 |
| OFF BALANCE | 0.00 | 0.00 |

It should be noted that the balance sheet and statement of financial performance presented in this Annual Activity Report, represent only the assets, liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and statement of financial performance they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Table 6: Average payment times for 2019

TABLE 6: AVERAGE PAYMENT TIMES in 2019 for EEAS

| Legal Times | | | | | | | |
|-----------------------------|--------------------------|-----------------------------------|------------|------------------------------|----------------------|------------|------------------------------|
| Maximum Payment Time (Days) | Total Number of Payments | Nbr of Payments within Time Limit | Percentage | Average Payment Times (Days) | Nbr of Late Payments | Percentage | Average Payment Times (Days) |
| 3 | 1 | | | | 1 | 100.00 % | 16.00 |
| 5 | 31 | 27 | 87.10 % | 4.44 | 4 | 12.90 % | 21.25 |
| 6 | 1 | | | | 1 | 100.00 % | 22.00 |
| 7 | 13 | 1 | 7.69 % | 7.00 | 12 | 92.31 % | 21.41 |
| 8 | 29 | 18 | 62.07 % | 7.50 | 11 | 37.93 % | 16.27 |
| 10 | 52 | 22 | 42.31 % | 8.45 | 30 | 57.69 % | 24.30 |
| 14 | 2 | | | | 2 | 100.00 % | 22.50 |
| 15 | 37 | 21 | 56.76 % | 10.00 | 16 | 43.24 % | 31.00 |
| 17 | 5 | 3 | 60.00 % | 7.33 | 2 | 40.00 % | 25.00 |
| 18 | 3 | | | | 3 | 100.00 % | 54.00 |
| 21 | 1 | | | | 1 | 100.00 % | 37.00 |
| 30 | 184,902 | 152,825 | 82.65 % | 14.64 | 32,077 | 17.35 % | 47.12 |
| 35 | 1 | | | | 1 | 100.00 % | 80.00 |
| 40 | 2 | 2 | 100.00 % | 23.50 | | | |
| 45 | 46 | 45 | 97.83 % | 12.76 | 1 | 2.17 % | 51.00 |
| 55 | 12 | 12 | 100.00 % | 26.92 | | | |
| 60 | 795 | 772 | 97.11 % | 19.43 | 23 | 2.89 % | 139.46 |
| 90 | 68 | 68 | 100.00 % | 17.64 | | | |
| Total Number of Payments | 186,001 | 153,816 | 82.70 % | | 32,185 | 17.30 % | |
| Average Net Payment Time | 20.28 | | | 14.66 | | | 47.13 |
| Average Gross Payment Time | 20.37 | | | 14.74 | | | 47.29 |

| Suspensions | | | | | | | |
|---|--|------------------------------------|----------------------|--------------------------------|------------------------------------|----------------------|----------------------|
| Average Report Approval Suspension Days | Average Payment Suspension Days | Number of Suspended Payments | % of Total Number | Total Number of Payments | Amount of Suspended Payments | % of Total Amount | Total Paid Amount |
| 0 | 30 | 132 | 0.07 % | 186001 | 24,278,313.07 | 2.25 % | 1,076,655,343.22 |

| Late Interest paid in 2019 | | | |
|----------------------------|---------------|---|--------------|
| DG | GL Account | Description | Amount (Eur) |
| EEAS | 65010000 | Interest expense on late payment of charges | 7.32 |
| EEAS | 65010100 | Interest on late payment of charges New FR | 56 675.38 |
| | | | 56 682.70 |

Table 7: Situation on Revenue and Income in 2019

| TABLE 7 : SITUATION ON REVENUE AND INCOME in 2019 for EEAS | | | | | | | | |
|--|--|-------------------------------|-----------------|----------------|--------------------------------|-----------------|----------------|--------------|
| Chapter | | Revenue and income recognized | | | Revenue and income cashed from | | | Outstanding |
| | | Current year RO | Carried over RO | Total | Current Year RO | Carried over RO | Total | balance |
| | | 1 | 2 | 3=1+2 | 4 | 5 | 6=4+5 | 7=3-6 |
| 40 | Deductions from staff remuneration | 26,282,647.18 | | 26,282,647.18 | 26,282,647.18 | | 26,282,647.18 | 0.00 |
| 41 | Contributions to the pension scheme | 18,836,037.07 | | 18,836,037.07 | 18,836,037.07 | | 18,836,037.07 | 0.00 |
| 50 | Proceeds from the sale of movable and immovable property | 2,276,833.40 | 38,085.72 | 2,314,919.12 | 2,231,600.10 | 38,085.72 | 2,269,685.82 | 45,233.30 |
| 51 | Proceeds from letting and hiring | 10,497,768.83 | 156,934.56 | 10,654,703.39 | 9,125,842.86 | 153,678.89 | 9,279,521.75 | 1,375,181.64 |
| 52 | Revenue from investments or loans granted, bank and other interest | 170,870.54 | | 170,870.54 | 170,870.54 | | 170,870.54 | 0.00 |
| 55 | Revenue from the proceeds of services supplied and work carried out | 34,173,518.98 | 149,896.83 | 34,323,415.81 | 34,000,395.84 | 149,896.83 | 34,150,292.67 | 173,123.14 |
| 57 | Other contributions and refunds in connection with the administrative operation of the institution | 197,392,406.05 | 207,152.65 | 197,599,558.70 | 197,323,264.92 | 199,879.67 | 197,523,144.59 | 76,414.11 |
| 59 | Other revenue arising from administrative management | 106,751.27 | 3,657.34 | 110,408.61 | 106,751.27 | 3,657.34 | 110,408.61 | 0.00 |
| 70 | Interest on late payments | 2,583.99 | 0.00 | 2,583.99 | 2,583.99 | 0.00 | 2,583.99 | 0.00 |
| Total DG EEAS | | 289,739,417.31 | 555,727.10 | 290,295,144.41 | 288,079,993.77 | 545,198.45 | 288,625,192.22 | 1,669,952.19 |

Table 8: Recovery of payments

TABLE 8 : RECOVERY OF PAYMENTS in 2019 for DG EEAS
(Number of Recovery Contexts and corresponding Transaction Amount)

| INCOME BUDGET RECOVERY ORDERS ISSUED IN 2019 | Irregularity | | Total undue payments recovered | | Total transactions in recovery context (incl. non-qualified) | | % Qualified/Total RC | |
|--|--------------|------------|--------------------------------|------------|--|----------------|----------------------|-----------|
| | Nbr | RO Amount | Nbr | RO Amount | Nbr | RO Amount | Nbr | RO Amount |
| 2013 | 1 | 3,715.94 | 1 | 3,715.94 | 1 | 3,715.94 | 100.00% | 100.00% |
| 2014 | 1 | 6,703.04 | 1 | 6,703.04 | 1 | 6,703.04 | 100.00% | 100.00% |
| 2016 | 2 | 9,373.57 | 2 | 9,373.57 | 2 | 9,373.57 | 100.00% | 100.00% |
| 2017 | 2 | 1,200.70 | 2 | 1,200.70 | 4 | 1,207.90 | 50.00% | 99.40% |
| 2018 | 1 | 698.12 | 1 | 698.12 | 4 | 51,556.71 | 25.00% | 1.35% |
| 2019 | 1 | 8,649.00 | 1 | 8,649.00 | 7 | 14,079.31 | 14.29% | 61.43% |
| No Link | 2 | 202,648.28 | 2 | 202,648.28 | 153 | 175,399,923.08 | 1.31% | 0.12% |
| Sub-Total | 10 | 232,988.65 | 10 | 232,988.65 | 172 | 175,486,559.55 | 5.81% | 0.13% |

| EXPENSES BUDGET | Irregularity | | OLAF Notified | | Total undue payments recovered | | Total transactions in recovery context (incl. non-qualified) | | % Qualified/Total RC | |
|-----------------------------------|--------------|--------------|---------------|--------|--------------------------------|--------------|--|----------------|----------------------|--------|
| | Nbr | Amount | Nbr | Amount | Nbr | Amount | Nbr | Amount | Nbr | Amount |
| INCOME LINES IN INVOICES | | | | | | | 25 | 49,755,465.03 | | |
| NON ELIGIBLE IN COST CLAIMS | | | | | | | | | | |
| CREDIT NOTES | 40 | 1,308,025.02 | | | 40 | 1,308,025.02 | 89 | 1,384,525.27 | 44.94% | 94.47% |
| Sub-Total | 40 | 1,308,025.02 | | | 40 | 1,308,025.02 | 114 | 51,139,990.30 | 35.09% | 2.56% |
| GRAND TOTAL | 50 | 1,541,013.67 | | | 50 | 1,541,013.67 | 286 | 226,626,549.85 | 17.48% | 0.68% |

Table 9: Ageing balance of Recovery Orders at 31.12.2019

| TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2019 for DG EEAS | | | | | | |
|--|---------------------|----------------------|-----------|--------------------------------|---------------------------------|-----------|
| | Number at 1/01/2019 | Number at 31/12/2019 | Evolution | Open Amount (Eur) at 1/01/2019 | Open Amount (Eur) at 31/12/2019 | Evolution |
| 2012 | 1 | 1 | 0.00 % | 7,085.98 | 7,085.98 | 0.00 % |
| 2015 | 2 | 2 | 0.00 % | 9,577.09 | 9,577.09 | 0.00 % |
| 2017 | 1 | 1 | 0.00 % | 3,255.67 | 3,255.67 | 0.00 % |
| 2018 | 28 | | -100.00 % | 686,545.57 | | -100.00 % |
| 2019 | | 32 | | | 1,738,883.23 | |
| | 32 | 36 | 12.50 % | 706,464.31 | 1,758,801.97 | 148.96 % |

Table 10: Recovery Orders waivers in 2019

| TABLE 10 :Recovery Order Waivers >= 60 000 € in 2019 for DG EEAS | | | | | |
|--|-----------------------|--------------------------|------------------|---------------------|----------|
| Waiver Central Key | Linked RO Central Key | RO Accepted Amount (Eur) | LE Account Group | Commission Decision | Comments |
| Total DG EEAS | | 0 | | | |
| Number of RO waivers | | 0 | | | |

Table 11: Census of negotiated procedures (excluding building contracts)

Internal Procedures > € 60,000

| Negotiated Procedure Legal base | Number of Procedures | Amount (€) |
|--|----------------------|--------------|
| Annex 1 - 11.1 (a) - Follow-up of an open/restricted procedure where no (or no suitable) tenders/requests to participate have been submitted | 1 | 127,769.84 |
| Annex 1 - 11.1 (b) - Artistic/technical reasons or exclusive rights or technical monopoly/captive market | 5 | 829,881.79 |
| Annex 1 - 11.1 (c) - Extreme urgency caused by unforeseeable events not attributable to the contracting authority | 3 | 2,202,145.74 |
| Annex 1 - 11.1 (e) - New services/works consisting in the repetition of similar services/works | 2 | 274,801.24 |
| Art. 134.1(b) (Without prior publication) Technical or artistic reasons, or reasons connected with the protection of exclusive rights | 1 | 183,479.56 |
| Total | 12 | 3,618,078.17 |

Table 12: Building contracts signed in 2019

The EEAS did not sign any building contracts for Headquarters in 2019. The table below include the contracts signed in 2019 for the EU Delegations.

| Delegation | Town | Contract Type | Annual Lease Cost | Lease Currency |
|--------------------------|----------------|--------------------------|-------------------|----------------|
| ANGOLA | Luanda | Accommodation | 93,600.00 | EUR |
| ANGOLA | Luanda | Accommodation | 169,548.00 | EUR |
| ARGENTINA | Buenos Aires | Residence lease contract | 138,000.00 | USD |
| AU | Addis Ababa | Accommodation | 42,000.00 | USD |
| AU | Addis Ababa | Accommodation | 43,200.00 | USD |
| AU | Addis Ababa | Accommodation | 43,200.00 | USD |
| AU | Addis Ababa | Accommodation | 43,200.00 | USD |
| AU | Addis Ababa | Accommodation | 48,000.00 | USD |
| AU | Addis Ababa | Accommodation | 49,200.00 | USD |
| BANGLADESH | Gulshan, Dhaka | Residence lease contract | 146,016.00 | EUR |
| BELIZE | Belmopan | Office lease contract | 48,000.00 | USD |
| BENIN | Cotonou | Residence lease contract | 40,800,000.00 | XOF |
| BOLIVIA | La Paz | Residence lease contract | 42,894.78 | EUR |
| BURMA/MYANMAR | Yangon | Office lease contract | 695,772.00 | USD |
| BURUNDI | Bujumbura | Accommodation | 19,200.00 | EUR |
| CABO VERDE | Praia | Accommodation | 1,560,000.00 | CVE |
| CABO VERDE | Praia | Residence lease contract | 4,500,000.00 | CVE |
| CAMEROON | Douala | Accommodation | 17,400,000.00 | XAF |
| CENTRAL AFRICAN REPUBLIC | Bangui | Accommodation | 27,440.82 | EUR |
| CENTRAL AFRICAN REPUBLIC | Bangui | Accommodation | 27,440.82 | EUR |
| CENTRAL AFRICAN REPUBLIC | Bangui | Accommodation | 27,440.82 | EUR |
| CENTRAL AFRICAN REPUBLIC | Bangui | Accommodation | 27,440.82 | EUR |
| CENTRAL AFRICAN REPUBLIC | Bangui | Accommodation | 27,440.82 | EUR |
| CENTRAL AFRICAN REPUBLIC | Bangui | Accommodation | 27,440.82 | EUR |
| CENTRAL AFRICAN REPUBLIC | Bangui | Accommodation | 27,440.82 | EUR |
| CENTRAL AFRICAN REPUBLIC | Bangui | Accommodation | 27,440.82 | EUR |
| CENTRAL AFRICAN REPUBLIC | Bangui | Accommodation | 30,000.72 | EUR |
| CHAD | N'DJAMENA | Accommodation | 32,928.90 | EUR |
| CHAD | NDJAMENA | Accommodation | 32,928.96 | EUR |
| CHAD | NDJAMENA | Accommodation | 32,928.98 | EUR |
| CHAD | NDJAMENA | Accommodation | 32,928.98 | EUR |
| CHAD | NDJAMENA | Accommodation | 32,928.98 | EUR |
| CHAD | NDJAMENA | Accommodation | 32,928.98 | EUR |
| CHAD | NDJAMENA | Accommodation | 21,600,000.00 | XAF |
| CHAD | NDJAMENA | Accommodation | 21,600,000.00 | XAF |
| CHAD | NDJAMENA | Accommodation | 21,600,000.00 | XAF |
| CHAD | NDJAMENA | Accommodation | 21,600,000.00 | XAF |
| CHAD | NDJAMENA | Office lease contract | 237,821.00 | EUR |
| CONGO | Brazzaville | Accommodation | 36,587.76 | EUR |
| CONGO | Brazzaville | Accommodation | 40,886.83 | EUR |

| | | | | |
|------------------------|---------------------|--------------------------|------------|-----|
| CONGO | Brazzaville | Accomodation | 42,075.93 | EUR |
| CONGO | Brazzaville | Accomodation | 42,075.93 | EUR |
| CONGO | Brazzaville | Accomodation | 49,393.44 | EUR |
| CONGO | Brazzaville | Accomodation | 49,393.48 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa - Ngaliema | Accomodation | 43,800.00 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa / Ngaliema | Accomodation | 54,600.00 | USD |
| CONGO, DEMOCRATIC REP. | Kinshasa / Gombe | Accomodation | 48,000.00 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa - Ngaliema | Accomodation | 51,660.00 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa - Ngaliema | Accomodation | 52,751.88 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa | Accomodation | 52,800.00 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa - Ngaliema | Accomodation | 52,866.48 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa - Ngaliema | Accomodation | 54,522.60 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa - Ngaliema | Accomodation | 54,522.60 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa | Accomodation | 55,212.00 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa | Accomodation | 55,440.00 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa - Ngaliema | Accomodation | 56,103.84 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa / Gombe | Accomodation | 56,400.00 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa | Accomodation | 56,400.00 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa - Ngaliema | Accomodation | 56,700.00 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa - Ngaliema | Accomodation | 56,700.00 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa/Ngaliema | Accomodation | 57,267.00 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa/Ngaliemea | Accomodation | 57,267.00 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa | Accomodation | 57,600.00 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa - Gombe | Accomodation | 57,600.00 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa | Accomodation | 66,000.00 | USD |
| CONGO, DEMOCRATIC REP. | Kinshasa - Ngaliema | Accomodation | 63,600.00 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa | Accomodation | 69,993.00 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa | Accomodation | 89,760.00 | USD |
| CONGO, DEMOCRATIC REP. | Kinshasa | Residence lease contract | 97,205.28 | EUR |
| CONGO, DEMOCRATIC REP. | Kinshasa | Accomodation | 110,400.00 | USD |
| ERITREA | Asmara | Accomodation | 13,200.00 | USD |
| ETHIOPIA | Addis Ababa | Accomodation | 31,499.00 | EUR |
| ETHIOPIA | Addis Ababa | Accomodation | 48,000.00 | USD |
| FIJI | Suva | Accomodation | 42,504.00 | FJD |
| FIJI | Suva | Accomodation | 45,780.00 | FJD |
| FIJI | Suva | Accomodation | 58,860.00 | FJD |
| FIJI | Suva | Accomodation | 60,000.00 | FJD |
| FIJI | Suva | Accomodation | 71,280.00 | FJD |
| FIJI | Suva | Accomodation | 71,280.00 | FJD |
| FIJI | Suva | Accomodation | 72,000.00 | FJD |
| FIJI | Suva | Accomodation | 104,400.00 | FJD |
| FIJI | Suva | Residence lease contract | 144,000.00 | FJD |
| FIJI | SUVA | Residence lease contract | 216,000.00 | FJD |
| FIJI | Suva | Office lease contract | 617,682.84 | FJD |
| GHANA | Accra | Office lease contract | 143,429.00 | EUR |
| GUINEA | Conakry | Accomodation | 19,200.00 | EUR |
| GUINEA | Conakry | Accomodation | 19,200.00 | EUR |

| | | | | |
|---------------|--------------|--------------------------|---------------|-----|
| GUINEA | Conakry | Accomodation | 22,200.00 | EUR |
| GUINEA | Conakry | Accomodation | 23,400.00 | EUR |
| GUINEA | Conakry | Accomodation | 23,400.00 | EUR |
| GUINEA | Conakry | Accomodation | 23,400.00 | EUR |
| GUINEA | Conakry | Accomodation | 24,600.00 | EUR |
| GUINEA | Conakry | Accomodation | 42,000.00 | EUR |
| GUINEA-BISSAU | Bissau | Accomodation | 11,040,000.00 | XOF |
| GUINEA-BISSAU | Bissau | Accomodation | 11,807,232.00 | XOF |
| GUINEA-BISSAU | Bissau | Accomodation | 14,400,000.00 | XOF |
| GUINEA-BISSAU | Bissau | Accomodation | 14,400,000.00 | XOF |
| GUINEA-BISSAU | Bissau | Accomodation | 15,000,000.00 | XOF |
| INDIA | New Delhi | Residence lease contract | 25,796,460.00 | INR |
| IRAQ | Erbil | Accomodation | 21,600.00 | USD |
| IRAQ | Erbil | Office lease contract | 27,600.00 | USD |
| JAMAICA | BELMOPAN, | Accomodation | 48,000.00 | BZD |
| JAMAICA | Kingston | Accomodation | 25,200.00 | USD |
| JAMAICA | BELMOPAN, BZ | Accomodation | 72,000.00 | BZD |
| KAZAKHSTAN | Astana | Residence lease contract | 96,000.00 | EUR |
| KENYA | Nairobi | Accomodation | 2,700,000.00 | KES |
| KENYA | Nairobi | Accomodation | 2,700,000.00 | KES |
| KENYA | Nairobi | Accomodation | 2,700,000.00 | KES |
| KENYA | Nairobi | Accomodation | 3,048,000.00 | KES |
| KENYA | Nairobi | Accomodation | 31,200.00 | USD |
| KENYA | Nairobi | Accomodation | 31,200.00 | USD |
| KENYA | Nairobi | Accomodation | 3,120,000.00 | KES |
| KENYA | Nairobi | Accomodation | 3,600,000.00 | KES |
| KENYA | Nairobi | Accomodation | 3,600,000.00 | KES |
| KENYA | Nairobi | Accomodation | 4,080,000.00 | KES |
| KENYA | Nairobi | Accomodation | 4,080,000.00 | KES |
| KENYA | Nairobi | Accomodation | 4,080,000.00 | KES |
| KENYA | Nairobi | Accomodation | 4,080,000.00 | KES |
| KENYA | Nairobi | Accomodation | 39,600.00 | USD |
| KUWAIT | Kuwait City | Office lease contract | 44,277.00 | KWD |
| KYRGYZSTAN | Bishkek | Residence lease contract | 84,000.00 | USD |
| LIBERIA | Monrovia | Accomodation | 39,600.00 | USD |
| LIBERIA | Monrovia | Accomodation | 43,000.08 | USD |
| LIBERIA | Monrovia | Accomodation | 43,000.08 | USD |
| LIBERIA | Monrovia | Accomodation | 48,000.00 | USD |
| LIBERIA | Monrovia | Accomodation | 48,000.00 | USD |
| LIBERIA | Monrovia | Accomodation | 48,000.00 | USD |
| LIBERIA | Monrovia | Accomodation | 52,000.08 | USD |
| LIBERIA | Monrovia | Office lease contract | 75,000.00 | USD |
| LIBYA | TUNIS | Accomodation | 28,752.62 | EUR |
| LIBYA | TUNIS | Office lease contract | 62,838.15 | EUR |
| LIBYA | TUNIS | Office lease contract | 107,328.02 | EUR |
| MALAYSIA | Kuala Lumpur | Office lease contract | 607,392.00 | MYR |
| MONTENEGRO | Podgorica | Residence lease contract | 54,000.00 | EUR |

| | | | | |
|----------------------|-------------------|--------------------------|---------------|-----|
| NEPAL | Kathmandu | Accommodation | 22,200.00 | USD |
| NEW CALEDONIA | Nouméa | Office lease contract | 7,215,540.00 | XPF |
| NIGER | NIAMEY | Accommodation | 10,200,000.00 | XOF |
| NIGER | NIAMEY | Accommodation | 12,000,000.00 | XOF |
| NIGER | NIAMEY | Accommodation | 12,000,000.00 | XOF |
| NIGER | NIAMEY | Residence lease contract | 21,600,000.00 | XOF |
| NIGERIA | Abuja | Accommodation | 44,400.00 | USD |
| NIGERIA | Abuja | Accommodation | 47,232.00 | USD |
| NIGERIA | Abuja | Accommodation | 47,232.00 | USD |
| NIGERIA | Abuja | Accommodation | 47,232.00 | USD |
| NIGERIA | Abuja | Accommodation | 47,232.00 | USD |
| NIGERIA | Abuja | Accommodation | 47,232.00 | USD |
| NIGERIA | Abuja | Accommodation | 59,400.00 | USD |
| NIGERIA | Abuja | Accommodation | 66,960.00 | EUR |
| NIGERIA | Abuja | Accommodation | 77,760.00 | EUR |
| NIGERIA | Abuja | Accommodation | 77,760.00 | EUR |
| PARAGUAY | ASUNCION | Residence lease contract | 84,000.00 | EUR |
| PARAGUAY | ASUNCION | Office lease contract | 232,849.92 | USD |
| PERU | Lima | Residence lease contract | 157,059.72 | USD |
| RUSSIA | Moscow | Accommodation | 1,944,000.00 | RUB |
| RUSSIA | Moscow | Accommodation | 2,534,052.00 | RUB |
| SAUDI ARABIA | Riyadh | Accommodation | 247,000.00 | SAR |
| SENEGAL | DAKAR | Residence lease contract | 91,470.00 | EUR |
| SENEGAL | Dakar | Office lease contract | 486,492.00 | EUR |
| SIERRA LEONE | Freetown | Residence lease contract | 108,000.00 | EUR |
| SOUTH AFRICA | PRETORIA | Accommodation | 273,107.16 | ZAR |
| SUDAN | Khartoum | Accommodation | 36,420.00 | EUR |
| SUDAN | Khartoum | Accommodation | 37,933.50 | EUR |
| SUDAN | Khartoum | Accommodation | 47,426.66 | EUR |
| SUDAN | Khartoum | Residence lease contract | 84,000.00 | USD |
| SUDAN | Khartoum | Accommodation | 83,401.09 | EUR |
| SWITZERLAND | BERN | Residence lease contract | 180,000.00 | CHF |
| TAIWAN | Taipei | Residence lease contract | 6,474,000.00 | TWD |
| TIMOR-LESTE | DILI | Residence lease contract | 118,620.00 | USD |
| TIMOR-LESTE | Dili | Office lease contract | 179,520.00 | USD |
| TRINIDAD AND TOBAGO | Port of Spain | Office lease contract | 136,416.00 | EUR |
| TUNISIA | Les Berges du Lac | Office lease contract | 416,647.99 | TND |
| TURKEY | Ashgabat | Accommodation | 36,000.00 | USD |
| TURKEY | Ashgabat | Accommodation | 36,000.00 | USD |
| TURKEY | Ankara | Office lease contract | 182,183.40 | EUR |
| TURKEY | Ankara | Office lease contract | 996,000.00 | EUR |
| UKRAINE | Kyiv | Residence lease contract | 132,000.00 | USD |
| UN/NY | New York | Accommodation | 123,900.00 | USD |
| UN/NY | New York | Accommodation | 142,140.00 | USD |
| UNITED ARAB EMIRATES | Abu Dhabi | Accommodation | 185,000.00 | AED |
| UNITED ARAB EMIRATES | Abu Dhabi | Accommodation | 210,000.00 | AED |
| UZBEKISTAN | Tashkent | Accommodation | 27,540.00 | EUR |

| | | | | |
|--------------------------|----------|--------------------------|------------|-----|
| UZBEKISTAN | Tashkent | Accommodation | 31,200.00 | USD |
| UZBEKISTAN | Tashkent | Accommodation | 39,600.00 | USD |
| UZBEKISTAN | Tashkent | Accommodation | 40,800.00 | USD |
| VENEZUELA | Caracas | Accommodation | 42,000.00 | USD |
| VENEZUELA | Caracas | Accommodation | 42,000.00 | USD |
| VENEZUELA | Caracas | Accommodation | 60,000.00 | USD |
| VENEZUELA | Caracas | Office lease contract | 219,000.00 | USD |
| WEST BANK AND GAZA STRIP | GAZA | Office lease contract | 18,000.00 | EUR |
| WTO | Chambésy | Residence lease contract | 264,000.00 | CHF |
| ZIMBABWE | Harare | Accommodation | 18,908.28 | EUR |
| ZIMBABWE | Harare | Accommodation | 21,600.00 | USD |
| ZIMBABWE | Harare | Accommodation | 24,000.00 | USD |

Table 13: Contracts declared secret

| Total Number of Contracts | Total Amount (€) |
|---------------------------|------------------|
| 4 | €132,184.70 |

7.5. Annex 5

Acronyms

| | |
|-----------------|---|
| ABAC | Accrual Based Accounting |
| AD | Administrator |
| AO | Authorising Officer |
| AOD | Authorising Officer by Delegation |
| AOSD | Authorising Officer by Sub-Delegation |
| ASEAN | Association of Southeast Asian Nations |
| ASEM | Asia-Europe Meeting |
| AST | Assistant |
| CAR | Central African Republic |
| CARD | Coordinated Annual Review on Defence |
| CFSP | Common Foreign and Security Policy |
| CGSE | Commissioners Group for a Stronger Europe in the World |
| COP25 | 2019 United Nations Climate Change Conference |
| Coreper | Committee of the Permanent Representatives of the Governments of the Member States to the EU |
| CPCC | Civilian Planning and Conduct Capability |
| CSDP | Common Security and Defence Policy |
| CWP2020 | European Commission's Work Programme for 2020 |
| DAS | Annual Declaration of Assurance |
| DG | Directorate General |
| DG BA | Directorate General for Budget and Administration |
| DPRK | Democratic People's Republic of Korea |
| ECA | European Court of Auditors |
| ECOWAS | Economic Community of West African States |
| EDF | European Development Fund |
| EDF | European Defence Fund |
| EEAS | European External Action Service |
| EFMs | Election Follow-up Missions |
| ENP | European Neighbourhood Policy |
| EOM(s) | Election Observation Missions |
| EP | European Parliament |
| EPCA | Enhanced Partnership and Cooperation Agreement |
| ESPAS | European Strategy and Policy Analysis System |
| EU | European Union |
| EUMS | EU Military Staff |
| EUNAVFOR | European Union Naval Force Operation |
| EUROLAT | Euro-Latin American Parliamentary Assembly |
| EUSR | European Union Special Representative |
| EXCO | Group for External Coordination |
| FAC | Foreign Affairs Council |
| Frontex | European Border and Coast Guard Agency |
| HQ | Headquarters |
| HR/VP | High Representative of the European Union for Foreign Affairs and Security Policy and Vice President of the European Commission |
| HRC | United Nations Human Rights Council |
| HRDs | Human Rights Defenders |
| IA | Initiating Agent |
| IAH | Imprest Account Holder |
| IAS | Internal Audit Service |

| | |
|--------------------|--|
| IFA | Institutional Framework Agreement |
| INTCEN | Intelligence and Situation Centre |
| IOM | International Organization for Migration |
| ISP | Integrated Approach for Security and Peace Directorate |
| JCPOA | Joint Comprehensive Plan of Action |
| LAC | Latin America and Caribbean |
| MD | Managing Directorate |
| MD Africa | Managing Directorate for Africa |
| MD Americas | Managing Directorate for the Americas |
| MD Asiapac | Managing Directorate for Asia and the Pacific |
| MD CSDP-CR | Managing Directorate for Common Security and Defence Policy and Crisis Response Services |
| MD Eurca | Managing Directorate for Europe and Central Asia |
| MD Global | Managing Directorate for Human Rights, Global and Multilateral Issues |
| MD Mena | Managing Directorate for the Middle East and North Africa |
| MFF | Multiannual Financial Framework |
| MPCC | Military Planning and Conduct Capability |
| NATO | North Atlantic Treaty Organization |
| NDICI | Neighbourhood, Development and International Cooperation Instrument |
| OAS | Organization of American States |
| ODIHR | Office for Democratic Institutions and Human Rights |
| OLAF | European Anti-fraud Office |
| OSCE | Organization for Security and Co-operation in Europe |
| PESCO | Permanent Structured Cooperation |
| PMO | Office for the Administration and Payment of Individual Entitlements / Paymaster Office |
| PQ | Parliamentary Questions |
| PSC | Political and Security Committee |
| RAS | Rapid Alert System |
| RO | Recovery Order |
| RoK | Republic of Korea |
| SADC | Southern African Development Community |
| SDG | Sustainable Development Goals |
| SECDEFPOL | Security and Defence Policy Directorate |
| SLA | Service Level Agreement |
| SNE | Seconded National Expert |
| UfM | Union for the Mediterranean |
| UK | United Kingdom of Great Britain and Northern Ireland |
| UN | United Nations |
| UNEP | United Nations Environment Programme |
| UNESCO | United Nations Educational, Scientific and Cultural Organization |
| UNGA | General Assembly of the United Nations |
| UNHCR | United Nations High Commissioner for Refugees |
| UNODC | United Nations Office on Drugs and Crime |
| US | United States of America |
| VA | Verifying Agent |
| WTO | World Trade Organization |

