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European Court of Auditors

Our activities in 2023



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OF AUDITORS

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Annex – Our sustainability reporting for 2023

European Court of Auditors

Who we are

- the European Union (EU)'s external auditor;
- established by the 1975 Treaty of Brussels, starting work in October 1977;
- a European Institution since 1993 under the Maastricht Treaty;
- a collegiate body of 27 members, one from each EU member state, appointed by the Council after consulting the European Parliament;
- around 950 staff of all EU nationalities.

What we do

- make sure that the EU keeps proper accounts, and correctly applies its financial rules, and that EU policies and programmes achieve their intended objectives and deliver value for money;
- contribute to improving the EU's financial management, and promote accountability and transparency;
- warn of risks, provide assurance, indicate shortcomings and successes, and offer guidance to EU policymakers and legislators;
- present our observations and recommendations to the European Parliament, the Council, national governments and parliaments, and the general public.

President's foreword



Dear reader,

As we reach the midpoint of the 2021-2027 long-term EU budget, it's evident that the challenges faced since its adoption have been both unprecedented and unexpected, placing significant strain on its capacity. While the EU budget begins to adapt its focus in order to address the most pressing issues such as support for Ukraine, migration and surging interest rates related to NextGenerationEU funding, it must continue to deliver on its existing priorities such as research and innovation, investments in climate change and digital transition.

In this environment, like all EU institutions, the European Court of Auditors (ECA) must be reactive and responsive in order to fulfil our role as the EU's independent external auditors. Throughout 2023, we consistently provided impartial assessments of EU policies and programs, evaluating the financial management of EU funds across the Union and beyond, and assessing the value for money provided by various policies and initiatives.

This report offers a comprehensive overview of our activities and publications in 2023, providing information on our management, staff, and audit support functions.

All our annual reports which detail the results of our financial and compliance audit work on the EU budget, the Recovery and Resilience Facility, and the European Development Funds were published within official deadlines. Our published special reports which focus on specific spending and policy areas covered a range of topics including EU's industrial policy on batteries, climate targets, equality for people with disabilities and Recovery Resilience Facility performance.

Moreover, we issued four opinions examining the Commissions legislative proposals. These addressed crucial matters such as the establishment of the Ukraine Facility and another on arrangements for making the new European Union's own financial resources available.

These actions demonstrate our ongoing dedication to prioritising issues that directly affect the welfare of EU citizens.

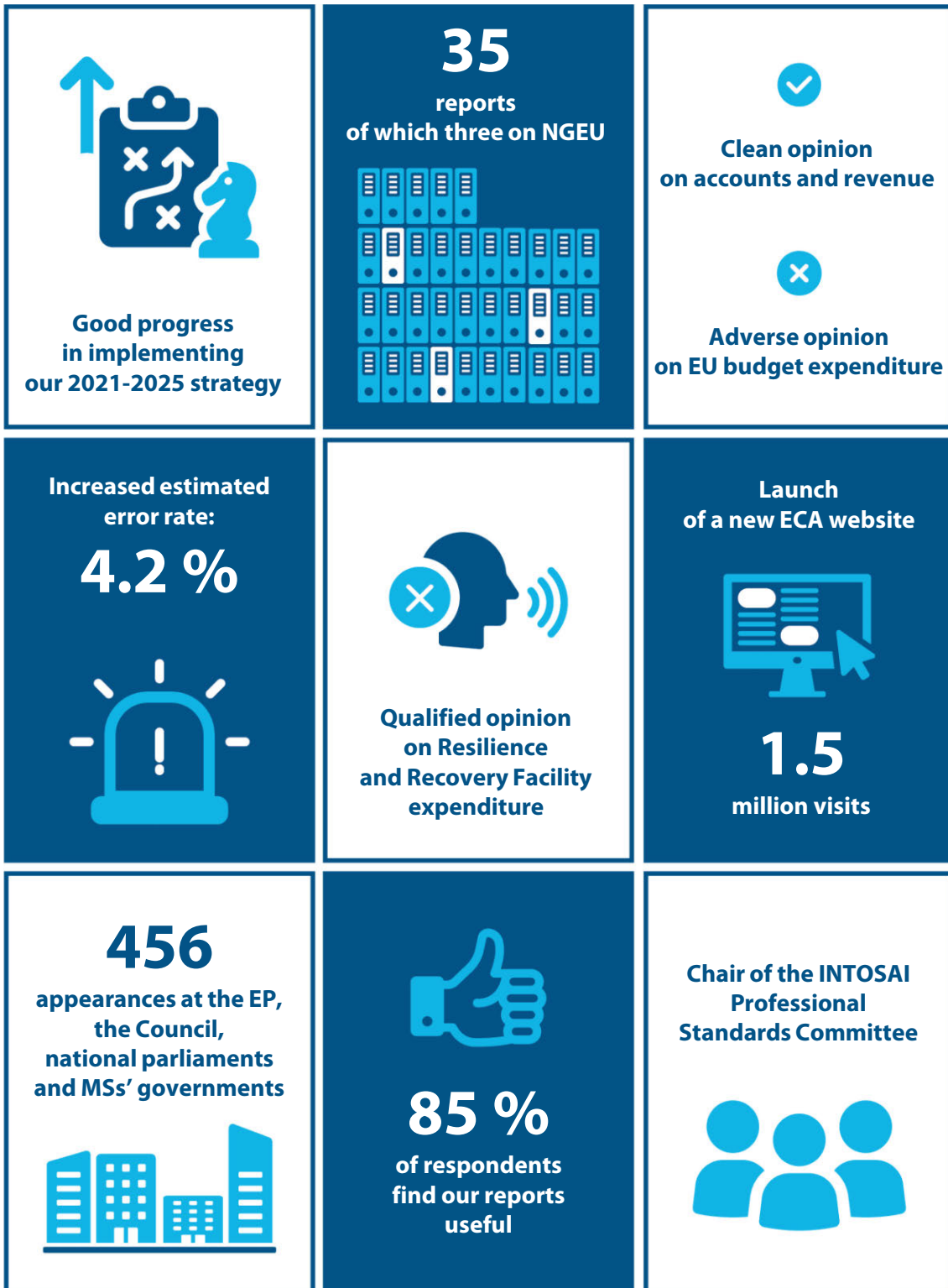
Looking ahead to 2024, it is likely that the EU budget will further evolve and grow to meet emerging challenges. With upcoming elections, we expect changes in the European Parliament and Commission, welcoming the fresh perspectives and opportunities they will bring. Amidst these changes, the ECA remains steadfast in its commitment to accountability and transparency. We will continue to provide independent, objective reports on key issues for the EU's future to EU citizens, institutional stakeholders, and partners at both EU and member state levels.

In the meantime, I invite you to read the detailed overview of our activities and achievements in the past year, and to stay informed about activities yet to come.



Tony Murphy
President

2023 at a glance



Our activities

Our 2021-2025 strategy

We use **multiannual strategies** to guide our audit work, promote organisational change for continuous improvement and remain at the forefront of development in public-sector auditing.



*2023: strategy implementation
– good progress*

At the end of 2023, we completed the third year of our **strategy for 2021-2025**. Our **strategic goals** for this five-year period are to improve accountability, transparency and audit arrangements across all types of EU action; target our audits at the areas and topics where we can add most value; and provide strong audit assurance, in a challenging and changing environment.

To put our strategy into practice, we agreed on **implementation measures** for each goal and objective, assigned responsibilities, and set deadlines. This year we continued making **good progress** in several actions, notably:

- o selecting audit tasks that appropriately cover the strategic areas;
- o carrying out several audits focusing on various aspects of the Recovery and Resilience Facility (RRF), including our second audit opinion on RRF expenditure in line with our strategic approach for the “NextGenerationEU” (NGEU) initiative;
- o formulating an action plan for our interaction with institutional stakeholders;
- o conducting a mid-term review on the progress of the strategy implementation measures.

Auditing performance and regularity of EU actions



Performance, financial and compliance audits

Our audits provide EU citizens and policymakers with independent, objective reports on key issues for the future of the EU, highlighting what works well, drawing attention to what does not and recommending changes.

Our **performance audits** address the economy, efficiency and effectiveness of EU policies and programmes. They focus on topics reflecting the issues the EU is facing, such as:

- Union's economic competitiveness;
- resilience to threats to the Union's security, and respect for the European values of freedom, democracy and the rule of law;
- climate change, the environment and natural resources;
- fiscal policies and public finances of the Union.

These audits aim to help the EU to better meet its policy objectives.

Our **financial and compliance audits** cover the EU budget, the Recovery and Resilience Facility and the budgets of the European Development Funds (EDFs). We provide our **Statement of Assurance** on the reliability of the annual accounts and the legality and regularity of the underlying transactions.

We may also undertake selected compliance audits to examine the state of the EU's budgetary accounting and financial management, or to assess whether the management and control systems for collecting and spending EU funds comply with the applicable EU and national rules.

Lastly, we are the external auditor for a large number of EU agencies, decentralised bodies and Joint Undertakings, and the European Schools.

We carry out all our audits in line with **internationally accepted public-sector auditing standards**.

Work programme



Our 2024+ work programme

Our **2024+ work programme**, published in December 2023, highlights our audit priorities for the coming years and provides details of the **73 special reports and reviews** we intend to publish from 2024 onwards, in addition to our yearly annual reports. It is strongly aligned with the priority areas set in our strategy for 2021-2025.

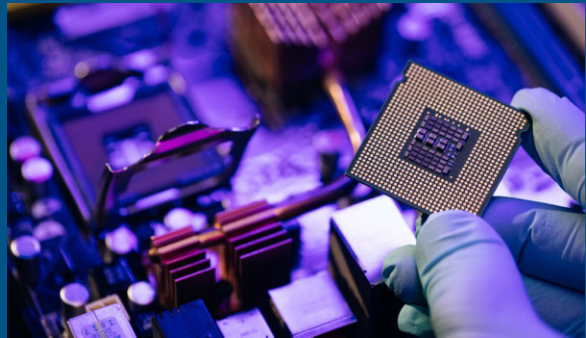
Under “The Union’s economic competitiveness”, we plan to publish reports covering inter alia artificial intelligence, digitalisation transformation, hydrogen industrial policy and microchip industry.

Under “Resilience to threats to the Union’s security, and respect for the European values of freedom, democracy and the rule of law”, we plan to publish reports such as addressing root causes of migration in Africa and military mobility.

Under “Climate change, the environment and natural resources”, we plan to publish reports covering a wide range of topics, among them security of gas supply in the Union, climate adaptation and organic farming.

Under “The fiscal policies and public finances of the Union”, we plan to publish reports such as harmful tax competition, plastic packaging waste based own resources and the European Fund for Strategic Investments.

Across all strategic areas, we also plan to examine the Recovery and Resilience Facility, covering topics such as control systems in member states, and the instrument’s green and digital pillars.



Audit fieldwork

We do most of our audit work on our premises in Luxembourg. Our auditors also make a large number of visits to the **European Commission** – our main auditee – and other EU institutions, as well as to agencies and bodies, national, regional and local authorities in the member states, EU delegations in non-EU countries, and international organisations that handle EU funds.

We also visit recipients of EU funds on the spot, both **within the EU** and **beyond its borders**. Through these checks, we follow the audit trail and obtain direct audit evidence from those involved in managing EU policies and programmes and collecting or paying out EU funds, as well as from the beneficiaries.

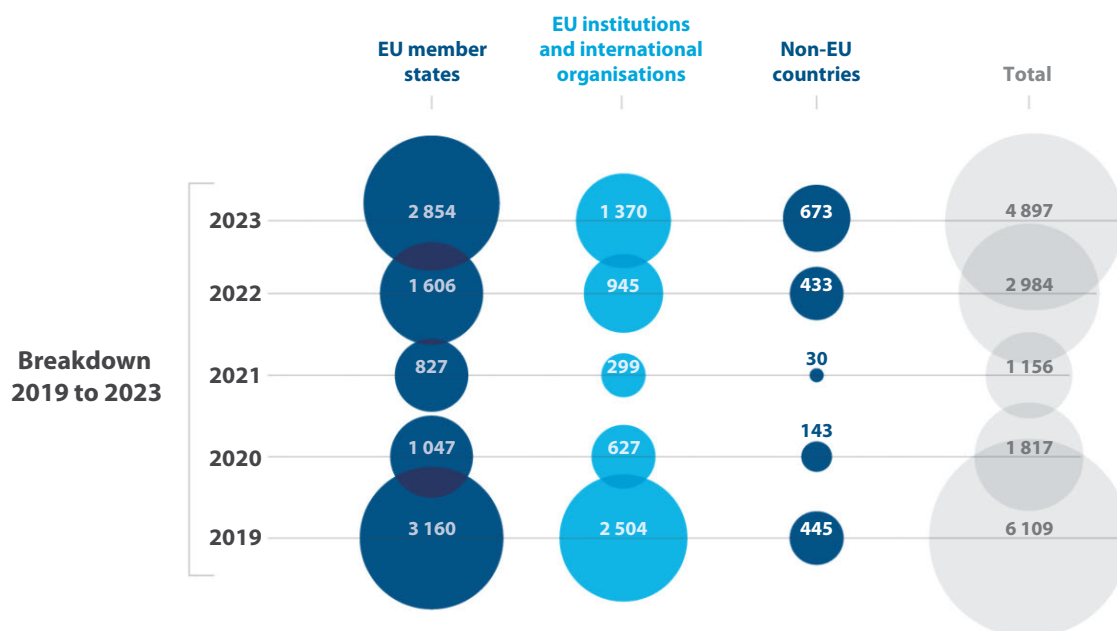


Increased on-the-spot checks

Our **audit teams** generally comprise two or three auditors, while our audit visits range in length from a few days to a couple of weeks. On-the-spot checks remain key for our audit work. Within the EU, they are generally coordinated in liaison with the supreme audit institutions (SAIs) of the member states concerned.

In 2023, we significantly increased our on-the-spot visits compared to the previous three years, where COVID-related travel and public health restrictions were still partly in place. We spent a total of **3 527 days** in **member states** and **outside the EU** compared with 2 039 days in 2022, 857 days in 2021, 1 190 days in 2020 and 3 605 days in 2019. Our auditors also spent **1 370 days** at **EU institutions**, agencies and bodies, as well as various international organisations and private audit firms. The corresponding figures for 2022, 2021, 2020 and 2019 were 945, 299, 627 and 2 504 days, respectively.

In addition to on-the-spot checks, we continued using **remote auditing** and gathering evidence electronically. We used **videoconferencing** tools and **other information technology**, such as secure data and document sharing, to interact with our auditees.



Our reports

Our audit reports, reviews and opinions are an essential element of the **EU's accountability chain**. They help the European Parliament and the Council to monitor and scrutinise the achievement of the EU's policy objectives and to hold to account those responsible for managing the EU funding, particularly in the context of the annual discharge procedure.

Special reports and reviews

In 2023, we **published 35 special reports and reviews** addressing many of the challenges the EU is facing **across the different areas of EU spending and policies**. These included energy union, climate change and development aid, intermodal freight transport, EU industrial policy on batteries, equality for people with disabilities, EU banking supervision, biofuels and conflict of interest in EU cohesion and agricultural spending, to name but a few. Three of the reports were related to the NextGenerationEU recovery initiative: the Commission's control system for the Recovery and Resilience Facility, NGEU debt management at the Commission and the Recovery and Resilience Facility's performance monitoring framework.

In our **special reports**, we examine whether the objectives of selected EU policies and programmes have been met, whether results have been achieved effectively and efficiently, and whether EU action has **added-value** – i.e. whether it has delivered more than could be achieved with actions at national level alone. In these reports, we also make **recommendations**, identifying ways to save money, work better, avoid waste or achieve expected policy objectives more effectively.

Our **reviews** aim to provide scene-setting descriptions and analysis, often from a crosscutting perspective and based on previous audit work or other publicly available information. We may also use them to present our analysis of areas or issues we have not yet audited, or to establish facts about specific topics or problems. In contrast to audits, they do not address evaluative questions or provide assurance.

The following pages provide insights into our work and **examples of special reports from 2023** covering different policy areas.

Sustainable use of natural resources

Special report 18/2023: EU climate and energy targets – 2020 targets achieved, but little indication that actions to reach the 2030 targets will be sufficient



Climate change is a global challenge, one which has a significant effect on EU citizens' lives. Over time, the EU has set itself increasingly ambitious climate and energy targets to respond to it. These include 2020 and 2030 targets for reducing greenhouse gas emissions, increasing the use of renewable energy, and promoting energy efficiency. member states were required to submit National Energy and Climate Plans for the 2021-2030 period, in which they outlined policies aimed at achieving these targets. The EU committed to spending at least 20 % of its 2014-2020 EU budget on climate action. For the 2021-2027 EU budget, this figure has increased to 30 %, about €87 billion per year. This amount is less than 10 % of the total investment needed to reach the 2030 targets, estimated at around €1 trillion per year. It is envisaged that the rest of the investment will come from national and private funds.

We *assessed* whether the EU has built on successful actions to reach its 2030 energy and climate targets.

We *found* that the EU had indeed achieved its 2020 targets. However, this achievement was also due to the contribution of external factors. The Commission has not assessed the extent to which this progress was a result of the policies rather than external factors, such as the financial crisis in 2009 and the exact contribution of the COVID-19 pandemic in 2020. Moreover, it has only a partial overview of the actions that proved successful for achieving the 2020 targets. The EU's greenhouse gas emissions reduction compared well to those of other industrialised countries. However, accounting for the EU's 2020 greenhouse gas emissions does not include emissions occurring as a result of trade, caused by carbon leakage (which, if included, are estimated to increase by about 8 %) and from international aviation and shipping (respectively 3.4 % and 3.6 %). The Commission has identified the sectors which have been successful, i.e. those covered by the EU Emissions Trading System but lacks data on the cost to the EU budget, national budgets and private sector of achieving the EU targets. In addition, the National Energy and Climate Plans also lack data on investment needs and funding sources to assess whether such plans are a sound basis to reach the 2030 targets. Overall, we found little indication so far that the ambitious 2030 EU targets will be translated into sufficient action.

We *recommended* that the Commission should provide more transparency on the performance of the EU and its member states on climate and energy action; account for all greenhouse gas emissions caused by the EU, including emissions embodied in trade and from international aviation and navigation; and support member states' commitment to achieving the 2030 targets.

Investment for cohesion, growth and inclusion

Special report 15/2023: The EU's industrial policy on batteries – New strategic impetus needed



The development and production of batteries has become a strategic imperative for the EU, enabling the clean energy transition. To help the EU become a global leader in sustainable battery production and use, in 2018 the Commission published a strategic action plan on batteries. It covers the different stages of the value chain, identifies strategic goals and proposes a range of tools to achieve them.

We assessed whether the Commission has been effective at promoting a European industrial policy on batteries. We examined the policy objectives and intervention tools set out in the Commission's 2018 action plan as well as the progress in its implementation.

We found that the Commission's promotion of an EU industrial policy on batteries has been effective, despite shortcomings in monitoring, coordination and targeting, and the fact that access to raw materials remains a major strategic challenge for the EU's battery value chain. The Commission largely delivered the most significant actions in its action plan, putting in place key instruments in support of the battery sector. However, it is monitoring the battery value chain in the EU based on limited and often outdated data and did not analyse the EU battery production that is needed to achieve the dual goal of climate neutrality and of maintaining a competitive automotive sector in the EU. This increases the risk that the Commission's zero-emission goal for 2035 will not be reached due to insufficient battery production, or that it will be reached based on imported batteries or electric vehicles. It also increases uncertainty about the security of supply of the raw materials needed to sustain production in the EU. Although the production capacity of lithium-ion battery cells is developing rapidly within the EU-27 and could rise from 44 gigawatt hours in 2020 to approximately 1 200 by 2030, the actual deployment of such capacity is not ensured and may be put at risk by geopolitical and economic factors. In addition, the Commission lacks an overview of the total public support given to the industry, which hinders its ability to ensure adequate coordination and targeting. Finally, the conditions for financial support for Important Projects of Common European Interest depend on their location.

We recommended that the Commission update the strategic action plan on batteries, with a particular focus on securing access to raw materials; strengthen monitoring with regular, up-to-date and comprehensive data; improve the overview of EU funding for the battery value chain; improve the coordination and targeting of EU funding for the battery value chain; and ensure that all participants in Important Projects of Common European Interest on batteries have a level playing field in accessing public financial support.

External action, security and justice

Special report 21/2023: The Spotlight Initiative to end violence against women and girls – Ambitious but so far with limited impact



Violence against women and girls is one of the most systematic and widespread human rights violations. In 2017, the European Union launched the Spotlight Initiative in global strategic partnership with the United Nations (UN). The initiative's main objective is to ensure that all women and girls, especially those who are marginalised and vulnerable, live free from violence and harmful practices. The Spotlight Initiative is financed by the EU with a contribution of €497 million, of which €465 million is managed by the UN on four continents and in more than 26 countries.

We assessed whether the Spotlight Initiative has been an efficient and effective way for the Commission to address violence against women and girls.

We found that, the Spotlight Initiative was an ambitious attempt for the Commission to address violence against women and girls, but its impact as of yet is limited. While the initiative has achieved outputs and has benefited women and girls, it is difficult to assess to which extent it achieved its intended results. We also identified room for greater efficiency and better value for money. The Commission's choice of the implementing partner, the UN, was a political decision aiming to support multilateralism. When selecting the implementing partner, the Commission did not make a thorough comparison of alternative set-ups for implementation and their related costs. We also found that there were good examples of cooperation between the main stakeholders but implementing a harmonised approach in countries with varying contexts proved difficult, and the high number of implementing UN organisations added complexity to the governance. In addition, the Spotlight Initiative lacks an adequate assessment of value for money. The Commission was aware that selecting the UN implied higher costs, but it did not attempt to negotiate lower indirect costs than the maximum set in the framework agreement. Furthermore, the monitoring and reporting arrangements of the Spotlight Initiative do not allow a sound assessment of the programmes' performance. Moreover, while the aim was to make the activities sustainable, no new donors have been found, which poses a risk to the sustainability of activities. Finally, as regards knowledge sharing, we found that it is currently scattered and not easily accessible to interested users.

We recommended that the Commission for future global development initiatives, carry out thorough analysis of implementing options and fully document the justifications for the selected regions and countries and their funding allocations; incorporate lessons learned into future actions building on the Spotlight Initiative; for future development actions, increase the proportion of funding reaching the final beneficiaries and assess cost effectiveness; and strengthen sustainability and knowledge building and sharing for the remainder of the Spotlight Initiative.

Regulation of markets and competitive economy

Special report 26/2023: The Recovery and Resilience Facility's performance monitoring framework – Measuring implementation progress but not sufficient to capture performance



In response to the COVID-19 pandemic, a recovery fund worth more than €800 billion (in current prices) – NextGenerationEU (NGEU) – was set up. Its centrepiece is the Recovery and Resilience Facility (RRF), established in February 2021, with a maximum total value of €723 billion comprising up to €338 billion in grants and up to €385 billion in loans (in 2022 prices).

We assessed whether the RRF's monitoring framework is appropriate for measuring its performance over time. As the regulations governing the RRF do not define the concept of "performance", we used the definition we generally apply in our audit work – a measure of how well an EU-funded action, project or programme has met its objectives and provides value for money.

We found that the RRF monitoring framework measures implementation progress but is not sufficient for measuring the RRF's overall performance. Whilst milestones and targets contribute to measuring progress in implementing the investments and reforms, they vary in ambition and largely focus on outputs rather than results. Furthermore, the common indicators are intended to monitor, and report on progress towards the achievement of the RRF's specific and general objective. However, they do not cover the RRF's six pillars (embedded in the RRF's general objective) fully; nor do they entirely reflect the progress made towards achieving milestones and targets linked to investments and especially reforms. Moreover, similarly to the milestones and targets, only some common indicators measure results, and none refer explicitly to impact. We consider that the RRF's milestones and targets and its common indicators are complementary but do not fully cover all aspects of RRF's performance. We also found that overall, the data reported for milestones and targets is closely monitored and checked but risks to data reliability remain, especially at final recipient level. The data reported on the common indicators is rather limited and largely based on estimates and is only subject to basic plausibility checks by the Commission. Finally, the recovery and resilience scoreboard ("the Scoreboard"), the Commission's tool for reporting on the implementation of the RRF, is user-friendly but is affected by data quality issues and lacks transparency in certain respects.

We recommended that the Commission ensure a comprehensive performance monitoring and evaluation framework; improve the quality of data on the common indicators; improve the transparency and quality of the data reported on the Scoreboard; and ensure more informative and consistent reporting that is aligned with all legal requirements.

Financing and administering the Union

Special report 05/2023: The EU's financial landscape – A patchwork construction requiring further simplification and accountability



The EU's financial landscape has evolved over decades. Its centrepiece is the EU budget and the instruments fully integrated into it, but it also includes instruments outside the EU budget. Such newly created instruments have multiplied over the last 15 years. This was mainly in response to different crises and was also due to legal and practical constraints on using existing instruments.

We *assessed* whether the multiplication and diversity of instruments in the EU's financial landscape are justified. Our audit aimed to provide insight into the design of the current arrangements, and to identify the potential scope for simplifying and streamlining the EU's financial landscape, based on an analysis of selected instruments.

We *found* that, even if there were reasons for creating new types of instruments, the piecemeal approach taken to set up the EU's financial landscape has resulted in a patchwork construction of instruments with different sources of finance and governance arrangements. Most of the instruments did not follow good practice by including clear evidence that the option selected and its design were the most suitable. We also found that not all instruments have adequate public accountability arrangements. The EU has introduced integrated reporting, but not all instruments are covered. Moreover, the ECA does not have the mandate to audit some instruments outside the EU budget. For some of those instruments there is a gap in the audit of their performance and no European Parliament oversight. We also noted the recent progress made on consolidating several instruments. However, the potential for simplification has not yet been fully exploited, in particular for those instruments providing financial assistance.

We *recommended* that the Commission should ensure that any new instrument it proposes contains an assessment of the design and options chosen and share this good practice with the Council; compile and publish information on the EU's overall financial landscape; propose to integrate the Modernisation Fund into the EU budget; and propose the integration and consolidation of existing financial assistance instruments.

Annual and specific annual reports

Annual reports mainly present the results of our **Statement of Assurance** on the European Union budget, the Recovery and Resilience Facility and the budget of the European Development Funds (EDFs), but also cover aspects of performance and budgetary and financial management.

Specific annual reports present our annual audit work on the **EU Agencies and other Union bodies**, **EU Joint Undertakings**, and the **European Schools**.

We also publish a **report on contingent liabilities** arising from the activities undertaken by the Single Resolution Board, the Council or the Commission.



Annual report on the EU budget for the financial year 2022

Every year, we audit **EU revenue and expenditure** to examine whether the annual accounts are reliable and whether the income and expenditure transactions underlying the accounts comply with the financial rules at EU and member state-level.

In addition, we specifically assess **major areas of the EU budget**, based on the (sub-)headings of the multiannual financial framework (MFF) and the Recovery and Resilience Facility. We also analyse why and where errors have occurred, make recommendations for improvement, and examine whether and how our previous recommendations have been implemented.

This extensive work forms the basis for our **Statement of Assurance**, which we are required to provide to the European Parliament and the Council in accordance with our mandate under the Treaty on the Functioning of the European Union.



*EU budget: clean opinion
on accounts and revenue*

For the financial year 2022, we provided a “**clean opinion**” on the accounts and on the EU’s revenue.



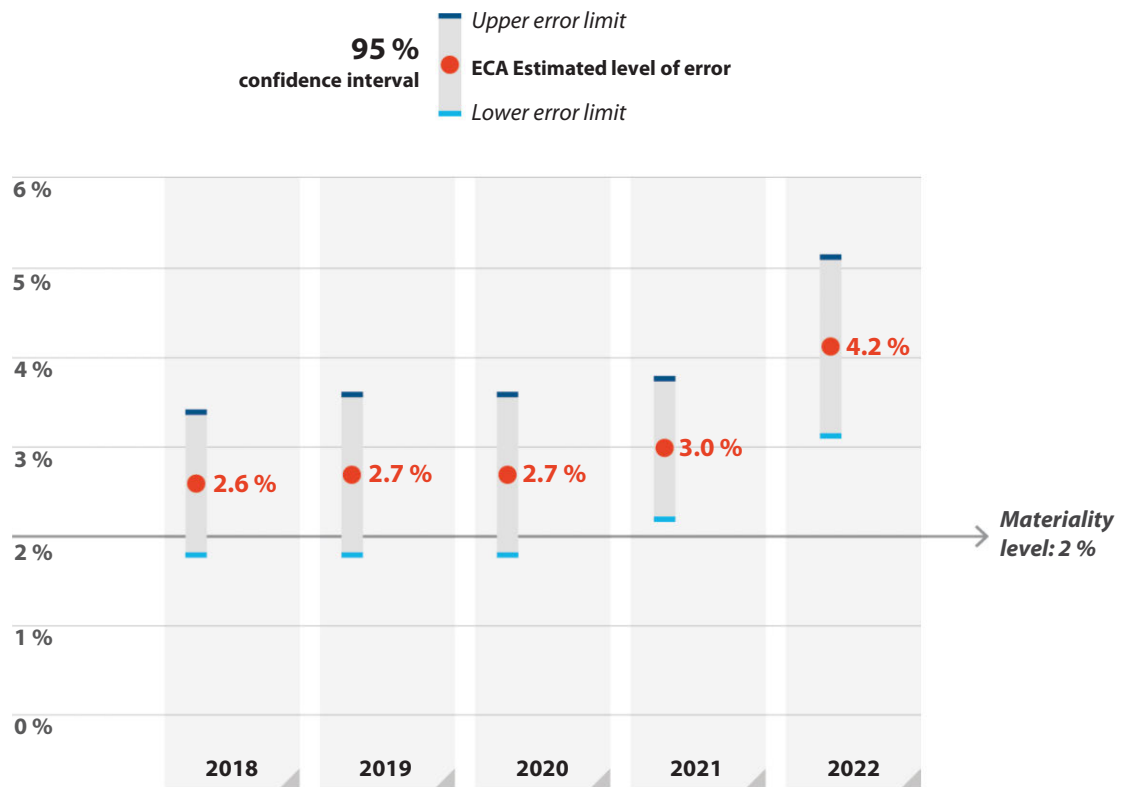
*EU budget: adverse opinion
on expenditure*

In 2022, **EU budget spending** was **€196 billion**, the equivalent of 1.3 % of the combined gross national incomes of the EU-27.

For the financial year 2022, we issued an “**adverse opinion**” on the EU’s expenditure.

**Estimated error 4.2 %
(2022 budget expenditure)**

For the financial year 2022, we estimated the level of error for budget expenditure to be **between 3.1 % and 5.3 %**. The mid-point of this range, known as the “**most likely error**”, has increased compared to last year, from 3.0 % to 4.2 %.





**66 % of EU budget
audit population affected
by material error**

For the financial year 2022, **high-risk expenditure** accounted for **66 % of our audit population**, compared with 63 % last year. The estimated **level of error for high-risk expenditure** was **6.0 %**, compared with 4.7 % for the financial year 2021.

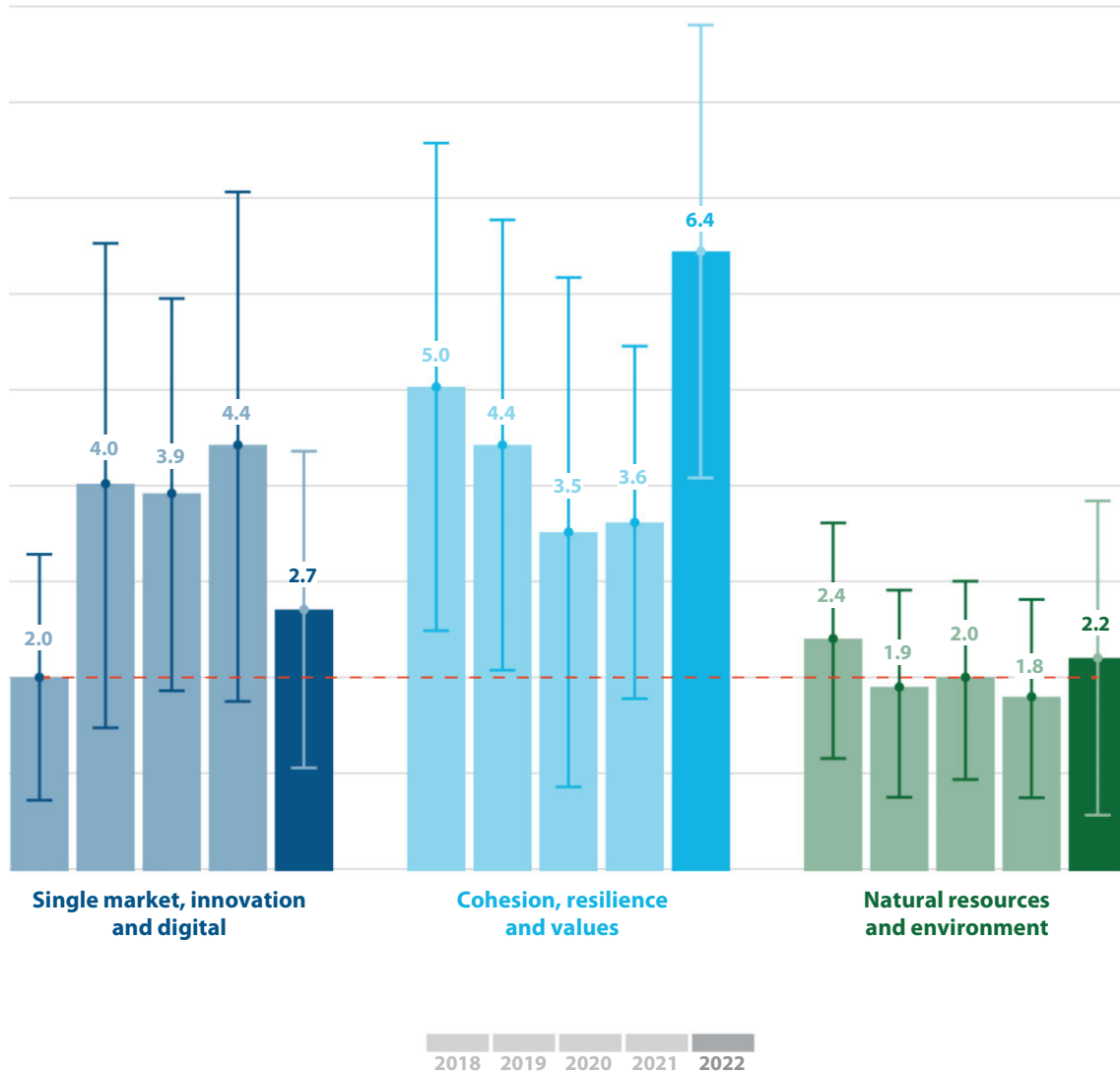
EU spending is characterised by **two types of expenditure** involving distinct patterns of risk:

- **Low-risk expenditure:** Mainly comprises entitlement-based payments, part of administrative expenditure (“Salaries and pensions for EU staff”) and budget support for non-EU countries. Entitlement-based payments include direct aid for farmers (“Natural resources and environment”) and student and other mobility actions (under “Cohesion, resilience and values”).
- **High-risk expenditure, cost reimbursements:** The EU reimburses eligible costs for eligible activities (involving more complex rules). These include research projects (under “Single market, digital and innovation”), investment in regional and rural development (“Cohesion, resilience and values” and “Natural resources and environment”) and development aid projects (“Neighbourhood and the world”).



**Most error-prone MFF headings
“Cohesion, resilience and values”
and “Single market, innovation
and digital”**

For the financial year 2022, **“Cohesion, resilience and values”** was the **most error-prone** MFF sub-heading, followed by **“Single market, digital and innovation”**.





*RRF expenditure:
qualified opinion*

In 2022, for the second time, our work covered the **RRF expenditure** for which we provide a separate opinion. This reflects the fact that the RRF is a temporary instrument delivered and financed in a way that is fundamentally different to normal budget spending under the MFF. Our audit population totalled **€53.7 billion** and comprised all 13 disbursements.

For the financial year 2022, we issued a **qualified opinion** on RRF expenditure. The overall audit evidence from our work shows that 11 out of the 13 RRF payments (and related clearings of pre-financing) were affected by quantitative findings. Six of these payments were affected by material error. We also identified cases of weak design in the milestones or targets and problems with the reliability of information that member states included in their management declaration.



*Cases of suspected fraud
reported to OLAF and EPPO*

As the EU's external auditor, we do not have a mandate to investigate cases of suspected fraud. Therefore, our audits are not specifically designed to detect fraud. However, when our auditors identify cases where we suspect that fraudulent activity may have taken place, we have an obligation to report those cases to the competent authorities.

In 2023, we reported **19 cases of suspected fraud** to the European Anti-Fraud Office (OLAF) following identification during our audit work. **17 of those cases** were also reported to the European Public Prosecutor's Office (EPPO). In 2022, we reported 14 cases of suspected fraud to OLAF and six of those cases also to the EPPO. Our annual report on the EU budget provides additional information on the nature of suspected fraud cases and, where applicable and/or available, on the subsequent financial recoveries recommended by OLAF.

Annual report on the European Development Funds for the financial year 2022



*EDFs: clean opinion
on accounts and revenue;
adverse opinion on expenditure*

The European Development Funds (EDFs), launched in 1959, were the EU's main instruments for providing **development cooperation aid** to African, Caribbean and Pacific countries (ACP) and overseas countries and territories (OCTs). They are funded by the EU member states and managed **outside the EU budget** by the European Commission and the European Investment Bank (EIB). They will continue to be implemented and reported on separately until their closure.

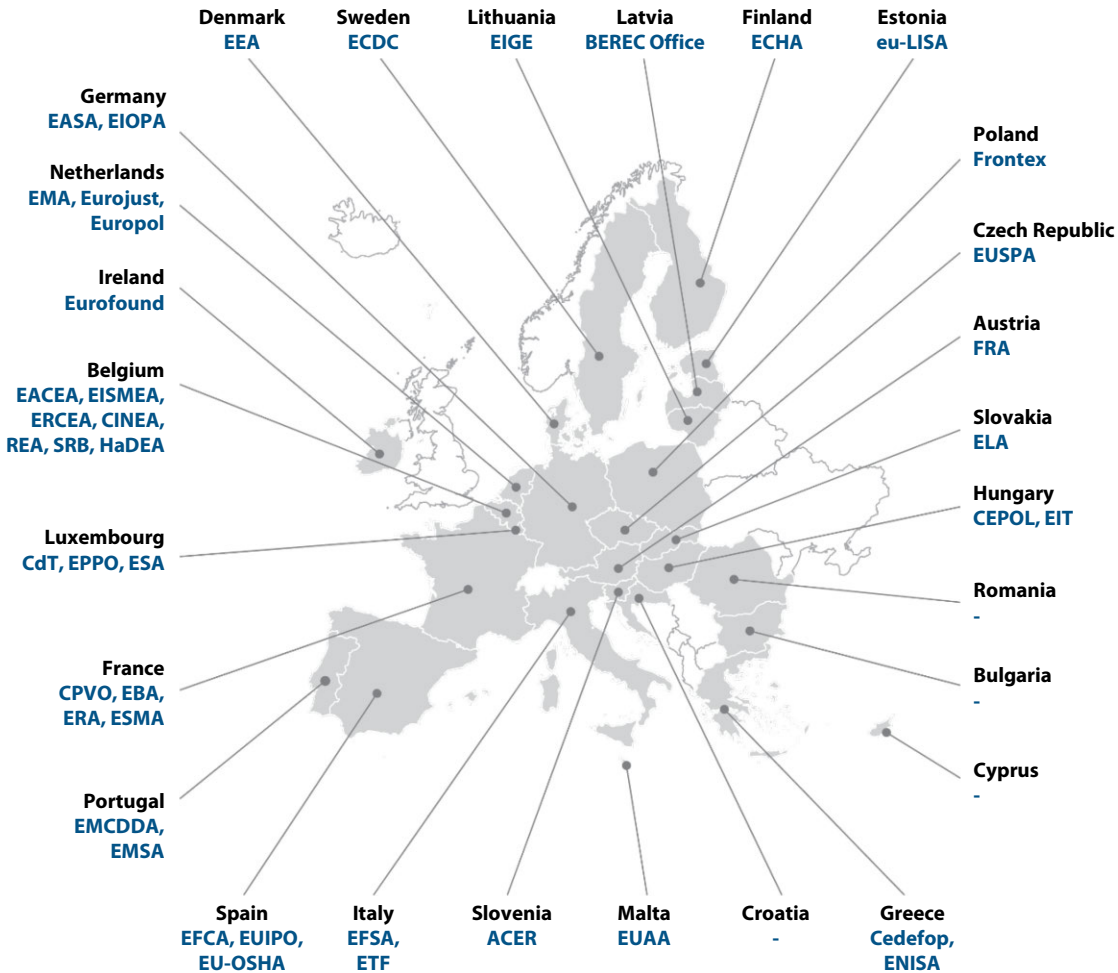
For the 2021-2027 multiannual financial framework, development cooperation aid to the ACP countries and OCTs is funded by the EU budget.

In 2022, **EDFs spending** amounted to **€2.4 billion**.

As in previous years, we issued a **“clean opinion”** both **on the EDF accounts** and on **revenue** but an **“adverse opinion” on EDF expenditure** for the financial year 2022. Our estimated level of error for expenditure is 7.1 % (4.6 % for the financial year 2021).

Specific annual reports on EU agencies

The **EU agencies** are distinct legal entities set up to carry out specific technical, scientific or managerial tasks that help the EU institutions to design and implement policies. In total, there were **43 agencies** in 2022, one less than in 2021 due to the winding down of the Consumers, Health, Agriculture and Food Executive Agency (Chafea).





*EU agencies: clean opinion
for most agencies;
four qualified opinions*

In the financial year 2022, the **total budget of all agencies** under our mandate (excluding the SRB) was **€4.5 billion**, equivalent to 3 % of the 2022 EU general budget. The corresponding figures for the financial year 2021 were €4.1 billion and 2.5 %.

Overall, our audit of the agencies confirmed the positive results reported in previous years. We issued “**clean opinions**” on the 43 agencies’ accounts and on the revenues. We signed off the payments underlying all the agencies’ accounts, except for the Translation Centre for the Bodies of the European Union (CdT), European Union Agency for Law Enforcement Training (CEPOL), European Centre for Disease Prevention and Control (ECDC) and European Union Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (EU-LISA). For **these four agencies**, we issued a **qualified opinion**, mainly due to irregularities in procurement procedures, absence of delegated authority to enter legal commitments or ineligible VAT.

Specific annual report on Joint Undertakings for the financial year 2022

Joint Undertakings (JUs) are partnerships between the European Commission, industry and – in some cases – research, intergovernmental organisations and participating states. Their main mission is to foster the transformation of scientific knowledge into marketable breakthrough innovations within a strategic vision that the partners share.

In 2021, the Council adopted new regulations setting up **eleven JUs** to implement actions under Horizon Europe and Digital Europe programmes, the multiannual research and innovation programmes for the 2021-2027 financial period. These JUs implement their specific research and innovation agendas in the areas of transport, energy, health, bio-based industries, key digital technologies, supercomputing, smart network systems and cyber security.

Eight of the eleven JUs were already operating under the previous programme (Horizon 2020), and will continue under the new programmes as new legal entities, with new names and revised remits. In addition to the JUs, which are already operating, **three new ones** have been established: the Smart Networks and Services JU, the Global Health JU, which obtained their financial autonomy in October 2023, and the European Cybersecurity Competence Centre, which will obtain its financial autonomy in 2024. The ECA will audit the two JUs that obtained their financial autonomy in 2023.

In addition, there is one other JU, “Fusion for Energy”, which is funded by Euratom and its member states. It is responsible for providing Europe’s contribution to the International Thermonuclear Experimental Reactor (ITER).



*Joint Undertakings:
clean opinion on all JUs*

For the financial year 2022, we issued **“clean opinions”** on the accounts, revenue and payments for the eight JUs that continued to operate under the new research programmes, and for **“Fusion for Energy” (F4E)**. However, we expressed concern about the impact that managing multiple overlapping projects could have on staff and on project results. We point to several JUs that have carried projects over from the previous to the current budget cycle, and urge them to wrap up such legacy projects as soon as possible.

As in previous years, our clean audit opinion on the 2022 accounts of the **“Fusion for Energy” (F4E) JU** included an **“emphasis of matter”**. This was mainly to draw attention to the fact that the current estimate of €19 billion of EU funding is based on 2016 milestones and cost assumptions, which will be subject to significant revision, expected by the end 2024.

Specific annual reports on European schools and contingent liabilities of the Single Resolution Board

For the financial year 2022, we issued our yearly report on the review of the consolidated annual accounts of the 13 **European schools**. Our review did not reveal any material errors in the accounts.

We also report annually on the contingent liabilities of the Single Resolution Board (SRB), the Council and the Commission, arising from the performance of their tasks under the **Single Resolution Mechanism Regulation**. In our report on the financial year 2022, we conclude that nothing has come to our attention that causes us to believe that the contingent liabilities arising from the performance of their resolution tasks of the SRB, the Commission and the Council are materially misstated.

Opinions



Examining the Commissions' legislative proposals

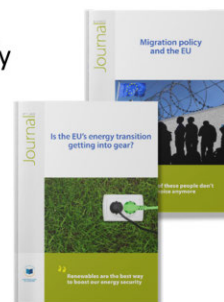
As the EU's independent external auditor, we contribute to improving financial management by issuing opinions on the **Commission's proposals for new or revised legislation**. Where these legislative proposals entail a significant financial impact, EU law requires us to be consulted. Other institutions can also ask us to issue opinions on other specific issues. All our opinions are submitted to the European Parliament and the Council.

In 2023, we published **four such opinions**. These mainly concerned the Commission's legislative proposals for establishing the Ukraine Facility, laying down measures to strengthen solidarity and capacities in the EU to detect, prepare for and respond to cybersecurity threats and incidents (the "EU Cyber Solidarity Act") and amending the regulation on the arrangements for making the new European Union's own financial resources available.

ECA journal

Each edition of the ECA Journal features **articles on a specific theme**, mostly from an audit perspective, from contributors working within and outside the EU institutions.

In 2023, we issued **two editions**, addressing "Is the EU's energy transition getting into gear?" and "Migration policy and the EU".



Conferences and seminars

In 2023, we also organised the following conferences and seminars, which were open to interested parties:

- seminar on the upcoming reform of the EU’s economic governance framework;
- online conference on the future of official statistics: independence and accountability in the age of big data;
- conference and art exhibition “The Limits of our world”;
- conference “Social justice and equality for all? Challenges, support and inclusion for LGBTIQ+ community in the EU and the EU institutions”;
- conference on the implementation of the RRF – risks, challenges and opportunities;
- “Cohesion Conference 2023 – Evaluating EU Cohesion policy – challenges and opportunities”;
- ECA-OLAF annual workshop 2023;
- joint ECA-OLAF-EPPO workshop on combating fraud in public procurement.



**2023 ECA seminar
on the EU’s strategic outlook
and EU open strategic autonomy**

Once a year, our members, the Secretary-General and the directors go on a **two-day seminar** to discuss important issues relating to the ECA’s long-term strategy, work and organisation.

During this year’s **ECA Seminar** held in Brussels, the members discussed the following key topics:

- the EU’s strategic outlook, and how future EU priorities may impact the ECA’s long-term work;
- EU open strategic autonomy, focusing in particular on energy dependency;
- the 2024+ work programme.

Institutional relations

We work closely with the **European Parliament**, the **Council**, **national/regional parliaments** and **member state governments**, as the impact of our work depends largely on the use they make of our audit findings and recommendations.

European Parliament

In 2023, the European Parliament (EP) continued the regular physical participation to the plenary and committee meetings by other institutions and bodies. The total number of ECA appearances increased to 164, compared to 134 in 2022.

EP committees and bodies, particularly the Committee on Budgetary Control (CONT), regularly invite **ECA members and audit teams** to present the results of our work at their meetings.



Overall, in 2023, our members presented **13 special reports and two reviews** to CONT. They also participated in **16 CONT public hearings on the 2022 discharge**, including the presentation of our 2022 annual report by ECA President Tony Murphy.

In addition, the members gave **27 presentations on special reports and reviews** to 16 other EP committees, some in joint meetings with other interested committees.

In February 2023, the **Conference of Committee Chairs** invited the ECA President for an exchange of views on our 2023+ work programme and on the consultation on the 2024+ work programme. In May, **ECA President Tony Murphy** participated to the **EP plenary related to the 2021 discharge**. In October, he met with the **EP President Roberta Metsola** and **presented the 2022 annual report to the EP plenary**. Chamber I members also met with the AGRI coordinators in June to discuss further cooperation and CONT Committee visited the ECA in October to have an exchange of views with the college.

Council of the European Union

In 2023, the total number of ECA appearances remained stable to 81 compared to 2022 (82).

As a rule, the Council's preparatory bodies deal with all our special reports soon after publication, but not necessarily all reviews and opinions. In 2023, we presented **29 special reports, one review and one opinion** to 22 different Council committees and working parties.

In 2023, ECA representatives attended also 23 meetings dedicated to discharge of the EU budget for financial years 2021 and 2022.



*Council Presidency
Sweden: January – June 2023
Spain: July – December 2023*

ECA President Tony Murphy together with Eva Lindström, the member for Institutional Relations, met with the Swedish finance minister in November 2022. In June 2023, the President together with ECA member Baudilio Tomé Muguruza met with the vice president of the Spanish government, secretary of state and finance minister to discuss the Council Presidency priorities. In November, the President met together with ECA member Annemie Turtelboom, key representatives of the Belgian government and parliament in advance of their Council Presidency in 2024. He further met together with ECA member for the annual report Jan Gregor, the Belgian finance minister, before the presentation of the 2022 annual report to the ECOFIN Council also in November. In addition, ECA members and management participated in 15 meetings with representatives of Permanent Representations to the EU in 2023.

National/regional parliaments and member state governments



*Meetings with
national/regional parliaments*

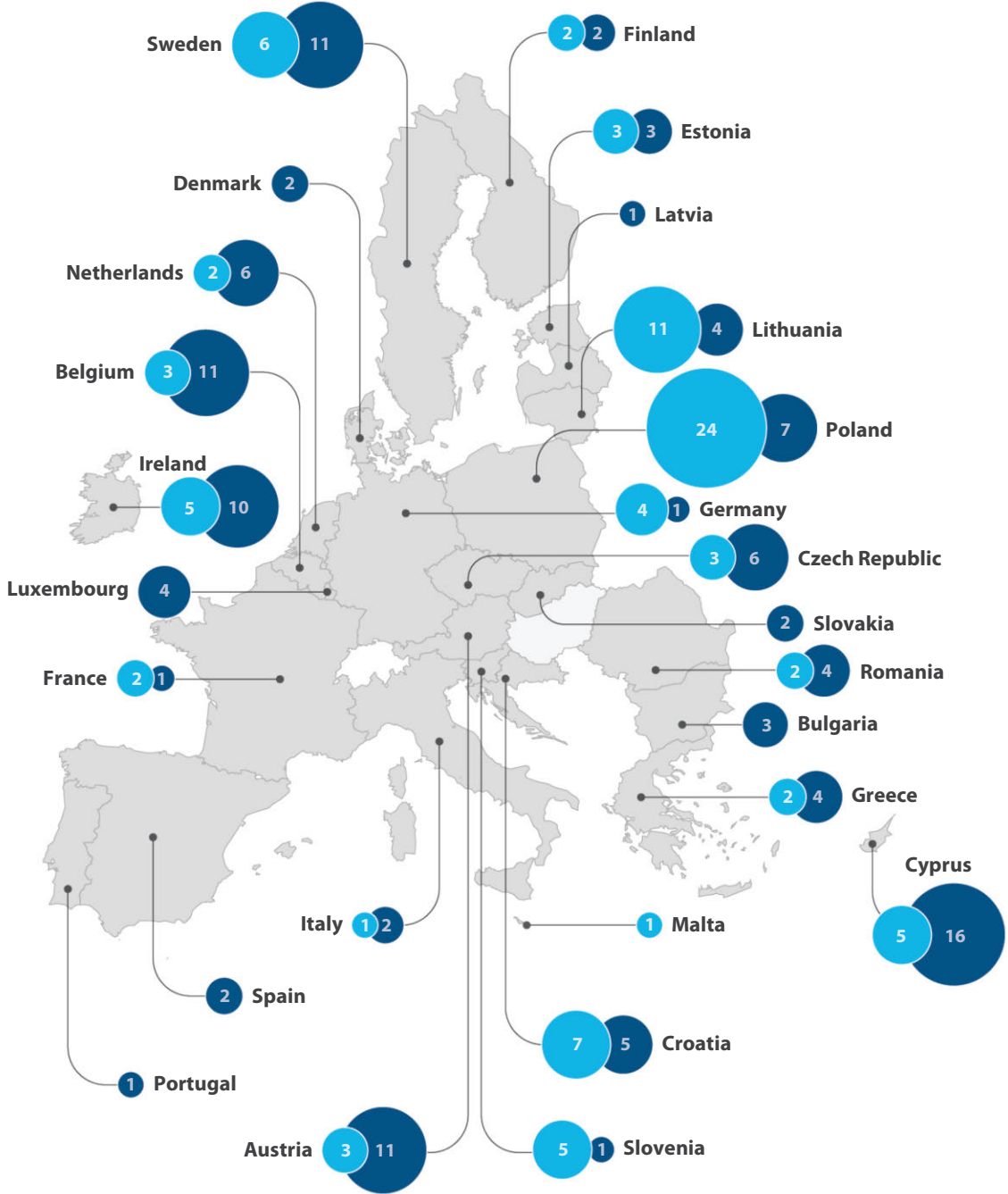
In 2023, our members and staff presented our work at **91 meetings with national/regional parliaments in 19 member states**. Most meetings took place with committees dealing with budget, financial affairs and/or audit and EU affairs.



*Meetings with
member state governments*

Our members and management presented our work at **120 meetings with member state governments and government bodies in 25 member states** in 2023. Most meetings took place with ministers/ministries of finance.

● National/regional parliaments ● Member state governments



European Commission

ECA members and Commissioners have regular bilateral contacts over planned and ongoing audit/review tasks.

For years, it has also been a well-established practice for our members to hold an **annual meeting** with their counterparts at the European Commission. These meetings provide an opportunity to take stock, and to reflect on how to further strengthen our cooperation.



In November 2023, this tradition continued when both colleges met in Brussels. The members of the ECA and the Commissioners discussed how the EU budget contributes to the achievement of the Union's green and digital priorities, and how the EU budget is driving European economic recovery after the COVID-19 pandemic. They also reaffirmed their shared commitment to ensuring that European Union funds are managed in accordance

with the highest standards of accountability, transparency and sound financial management. Furthermore, they reiterated the importance of common efforts in safeguarding the financial interests of the EU.

Cooperation with other supreme audit institutions

Contact Committee of the EU supreme audit institutions

Our cooperation with the supreme audit institutions (SAIs) of the 27 member states mainly takes place within the framework of the **Contact Committee of the EU Supreme Audit Institutions**. This forum facilitates dialogue and exchange between the SAIs of EU member states and the ECA.

At the end of 2023, we closed the EU Network Audit on COVID-19. As main outputs, we published one Audit Compendium on COVID-19 (covering audit work of EU SAIs in 2020) and around 70 online factsheets by the end of 2023 covering COVID-related audit work from the period 2020-2023.

We also continued with our cooperation activity on auditing the implementation of the Recovery and Resilience Facility (RRF), for which we organised an on-site auditor exchange in October 2023 at our premises. It included a series of workshops and resulted in six preliminary audit concepts covering several aspects of the RRF implementation.

Furthermore, we initiated the EU Network Audit (EUNA) on Energy. Representatives of 19 EU SAIs participated in November in the kick-off meeting in The Hague.

2023 annual meeting

In June 2023, the Contact Committee **annual meeting** of the heads of the EU SAIs took place in Lisbon. The main discussions focused on the theme “Energy – how EU SAIs can contribute to a better and resilient implementation of the 2030 targets”. The event also revisited the implementation of the Recovery and Resilience Facility, which was the main theme of the 2022 Contact Committee meeting.



SAIs of EU candidate and potential candidate countries

We also support the **SAIs of EU candidate** (Albania, Bosnia and Herzegovina, Georgia, Moldova, Montenegro, North Macedonia, Serbia, Türkiye and Ukraine) **and potential candidate countries** (Kosovo¹).

In the second half of 2023, we assisted in the revision of the Network’s cooperation framework, adopted in December 2023.

¹ This designation is without prejudice to positions on status, and is in line with Security Council Resolution 1244 (1999) on the situation relating Kosovo ([UNSCR 1244/1999](#)) and the International Court of Justice (ICJ) [Advisory Opinion on the question of the “Accordance with international law of the unilateral declaration of independence in respect of Kosovo”](#) of 22 July 2010.

INTOSAI

In 2023, we continued our active involvement in the activities of the **International Organisation of Supreme Audit Institutions (INTOSAI)**. As Chair of the Professional Standards Committee (PSC), we organised two steering committee meetings that resulted in the adoption of documents changing current working practices, recruitment for the Forum of INTOSAI Professional Pronouncements and the committee's Strategic Development Plan (SDP) for 2023-2028. The implementation of the 2023-2028 SDP involves several measures to improve the clarity of and digitalise the INTOSAI pronouncements.

We also participated in the PSC subcommittees and the activities and projects of other **INTOSAI working bodies**, such as on environmental auditing, financial and economic stability, evaluation of public policies and big data.

EUROSAI

We were also actively involved in the activities of the **European Organisation of Supreme Audit Institutions (EUROSAI)**, the European regional group of INTOSAI, in particular its working groups on environmental auditing and information technologies, as well as in projects in the fields of emerging issues, artificial intelligence and audit methodology.

Our management

Members

The ECA operates as a **collegiate body** of members, one from each member state. After consulting the European Parliament, the Council appoints each member once their respective national governments have nominated them. We have no role in the process of nominating or appointing our members.

Our members serve a **renewable term of six years**. They perform their duties in **complete independence** and in the general interest of the EU. Upon taking office, they give a solemn undertaking to that effect before the European Court of Justice.

In 2023, the Council appointed a new Estonian member, Keit Pentus-Rosimannus (as of 1 January), and a new Slovak member, Katarína Kaszasová (as of 16 October). In addition, the Council renewed the mandate of the Hungarian member, Ildikó Gáll-Pelcz, for a further period of six years (as of 1 September).

Following her appointment as new Bulgarian Commissioner, Iliana Ivanova resigned as ECA member with effect from 19 September 2023.

The nomination procedures concerning the appointment of a new Portuguese and a new Bulgarian member were still ongoing at the end of 2023.

24 college meetings took place in 2023. The attendance rate at these meetings was 88 %. Members also participated in chamber and committee meetings (see also [Audit chambers and committees](#)).

President

The President is in charge of the institution's strategy, planning and performance management, communication and media relations, institutional liaison, legal matters and internal audit. The President also represents the ECA in its external relations.

Our members elect one from among their number as **President** for a renewable period of three years. The elected person then assumes the role of first among equals (*primus inter pares*), chairs the college's meetings and ensures that its decisions are implemented.

Tony Murphy was elected President in October 2022.



President

Tony
MURPHY

Chamber I

Sustainable use
of natural
resources



(Dean)
Joëlle
ELVINGER



Pietro
RUSSO



Nikolaos
MILIONIS



Klaus-Heiner
LEHNE



Keit PENTUS-
ROSIMANNUS

Chamber II

Investment for
cohesion, growth
and inclusion



(Dean)
Annemie
TURTELBOOM



Eva
LINDSTRÖM



Helga
BERGER



Stef
BLOK



George Marius
HYZLER

Chamber III

External action,
security and justice



(Dean)
Bettina
JAKOBSEN



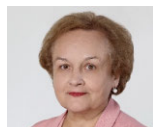
Hannu
TAKKULA



Viorel
ȘTEFAN



Marek
OPIOŁA



Laima Liucija
ANDRIKIENĖ

Chamber IV

Regulation
of markets
and competitive
economy



(Dean)
Mihails
KOZLOVS



Ildikó
GÁLL-PELCZ



Ivana
MALETIĆ



François-Roger
CAZALA

Chamber V

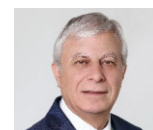
Financing
and administering
the Union



(Dean)
Jan
GREGOR



Jorg Kristijan
PETROVIČ



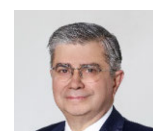
Lefteris
CHRISTOFOROU



Katarína
KASZASOVÁ

Member for

Audit Quality Control



Baudilio
TOMÉ
MUGURUZA

Note: As at February 2024.

Audit chambers and committees

Members are assigned to one of **five audit chambers**, where most of our audit reports, reviews and opinions are adopted. Audit chambers allocate their tasks among their members. Each member is accountable to the chamber, and to the college, for their own audit tasks. Professional auditors working for the audit chamber directorates carry out the audit work.

The members for each audit chamber elect a Dean for a renewable period of two years. In 2023, the **Deans of our five audit chambers** were Joëlle Elvinger, Annemie Turtelboom, Bettina Jakobsen, Mihails Kozlovs and Jan Gregor.

The **Audit Quality Control Committee (AQCC)** deals with the ECA's audit policies, standards and methodology, audit support and development, and audit quality control. It is composed of one member from each audit chamber and chaired, as of 28 September 2023, by Baudilio Tomé Muguruza.

The Administrative Committee (AC) and, where appropriate, the college of members, both of which are chaired by the President, take decisions on broader strategic and administrative issues. The Administrative Committee is made up of the President, the Deans of the chambers, the chair of the AQCC, and the member for Institutional Relations (Eva Lindström).

In 2023, there were 103 chamber, 15 AC and 11 AQCC meetings. The **attendance rate** at these meetings was 92 %, 88 % and 88 %, respectively.

Other committees include the **Ethics Committee** (chaired by George Marius Hyzler, as of 4 July 2023), the **Internal Audit Committee** (chaired by Hannu Takkula), and the **Foresight Advisory Panel** (chaired by Helga Berger).

Our senior management comprises the **Secretary-General** and **directors**. In total, there are 10 directorates, with five attached to audit chambers, one to the AQCC, one to the Presidency and three to the Secretariat-General.



**Mariusz
POMIŃSKI**
Director
Chamber I



**Martin
WEBER**
Director
Chamber II



**Gerhard
ROSS**
Director
Presidency



**Pilar
CALVO FUENTES**
Director
Language and
Editorial Directorate



**Bertrand
ALBUGUES**
Director
Chamber III



**Veronica
ARDELEAN**
Director
Human Resources, Finance
and General Services



**Zacharias
KOLIAS**
Secretary-General



**Ioanna
METAXOPOULOU**
Director
Chamber IV



**Geoffrey
SIMPSON**
Director
Audit Quality
Control Committee



**José
CARRASCOSA MORENO**
Acting Director
Information,
Workplace and Innovation



**Alejandro
BALLESTER
GALLARDO**
Director
Chamber V

Note: As at January 2024.

Measuring performance

We apply a set of **key performance indicators** (KPIs) to inform our management about progress made towards achieving our strategic goals, support decision-making, and provide our institutional stakeholders with information on our performance. We updated the KPIs to support our 2021-2025 strategy. The following set of KPIs provides a broad overview of how we are performing as an organisation as regards the dissemination, impact and perception of our work:

- number of reports published;
- media presence;
- impact and perception of our work (stakeholder feedback);
- our appearances before other institutions, national/regional parliaments and member state governments, and international activities;
- implementation of ECA recommendations.



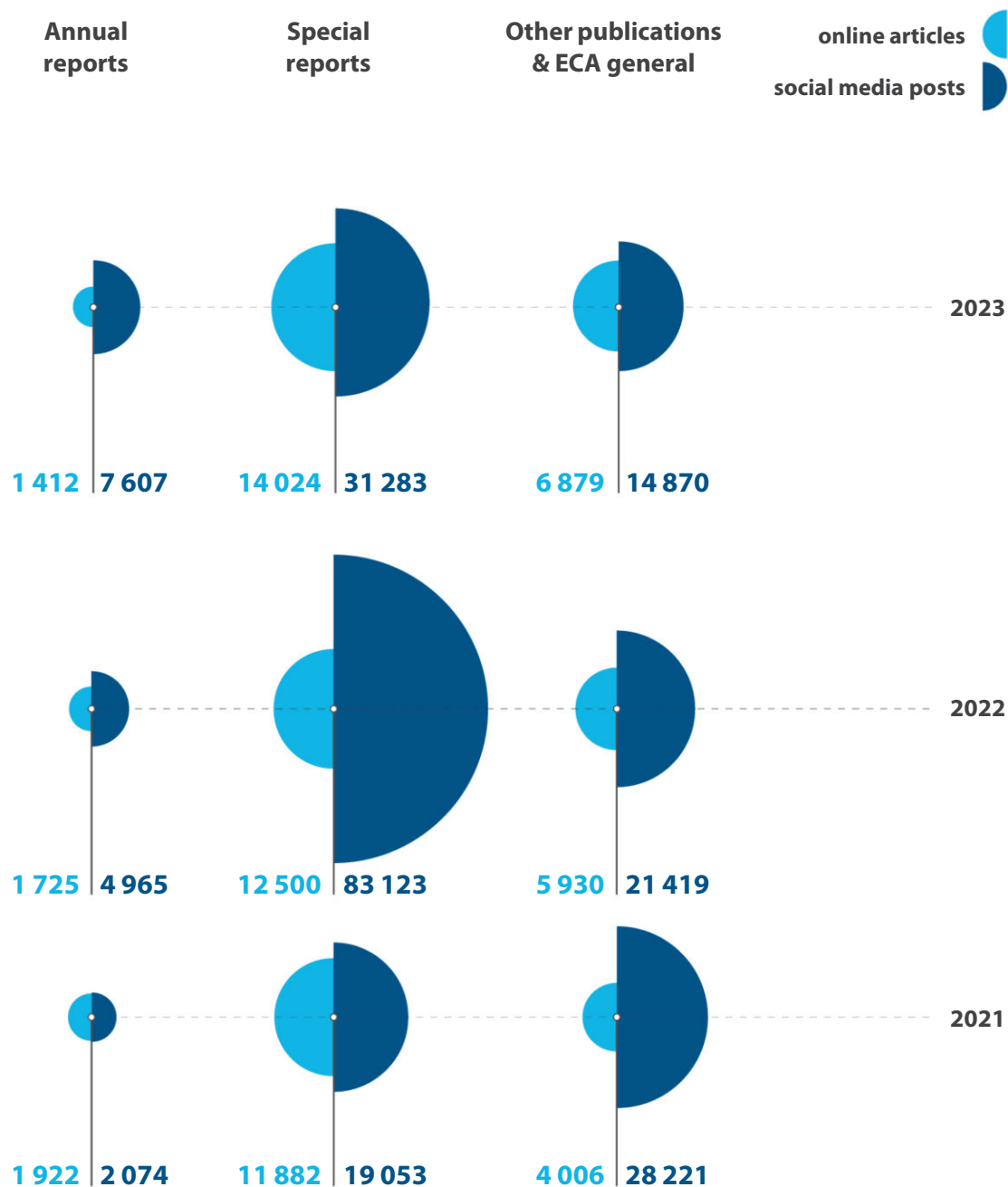
We published 35 reports in 2023. These comprised 29 special reports and six reviews. The number of reports published in 2023 is higher than last two years (2022: 29 reports and 2021: 32 reports).

Media presence



In 2023, we recorded more than **22 000 press articles** (published online) related to our audit reports, other publications or the ECA in general, thus confirming the upward trend in coverage observed over the recent years (2022: 20 000; 2021: 18 000). Nearly **54 000 posts in social media** show the continuation of an organic growth, numbers for 2022 being an outlier² (2022: 110 000; 2021: 49 000).

² In 2022 we observed a flood of identical social media posts generated through tendentious networks (apparently also using bots). These were mostly triggered by our special reports on COVID-19 vaccine procurement and grand corruption in Ukraine.



Media coverage can vary substantially depending on the subject and the complexity of a report. External factors, such as an important event or policy development, may also influence media interest in our publications. Moreover, during emergencies, such as the pandemic or the Russian war of aggression in Ukraine, media attention is particularly focused on crisis-relevant material.



Growing interaction with press

Since 2020, we have promoted our publications virtually, which has enabled us to increase contacts with journalists of national media outlets in the EU member states.

In 2023, we issued **45 press releases** in 24 EU languages, as well as various information notes, media advisories and (ready-to-use) audio-statements in certain languages. We also gave a number of **interviews** with major media outlets throughout Europe, covering radio, TV and the written press. Furthermore, we held **21 online press briefings** and 6 additional country-specific press briefings for the annual report. Altogether, our briefings attracted 590 journalists, most representing major national media outlets in EU member states.



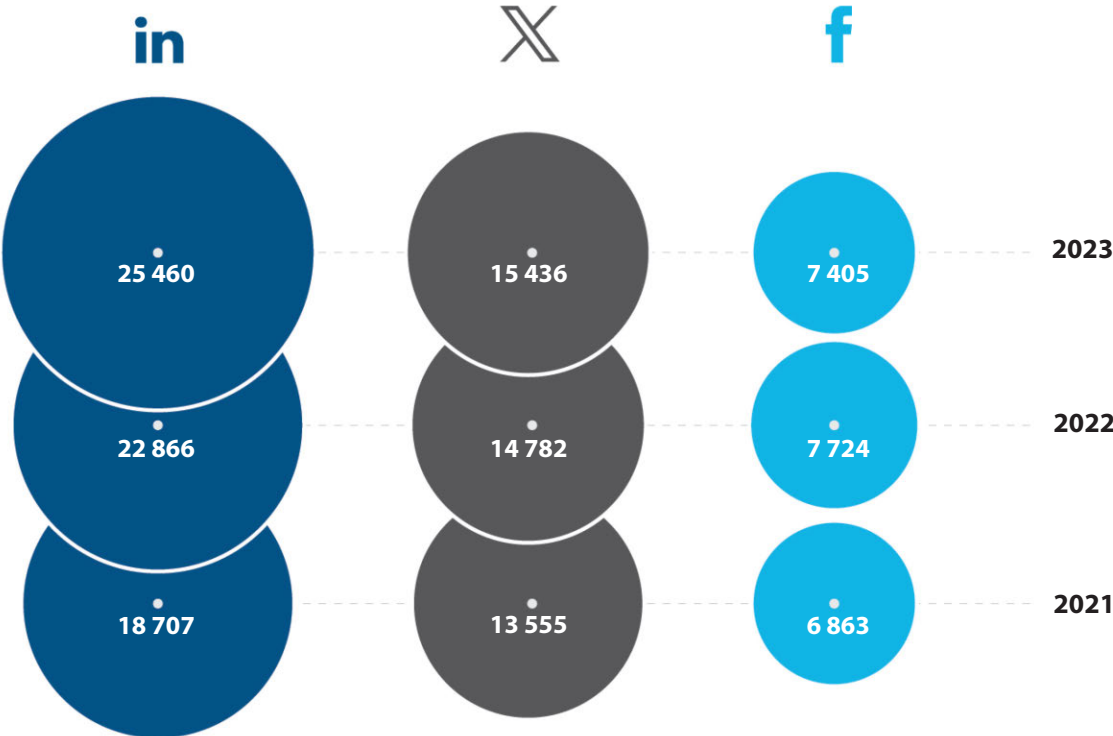
One and half million visits to ECA website

In 2023, we launched our new [ECA website](#). We achieved over **one and half million** visits to our website, with around **700 000** unique visitors, which represents an increase by more than 14 % compared to 2022.



2023: number of followers on social media continued to rise

By the end of 2023, our three main social media accounts (X (ex-Twitter), LinkedIn, Facebook) had attracted over **48 000 followers**, up from 45 000 in 2022 and 39 000 in 2021.



Impact and perception of our work

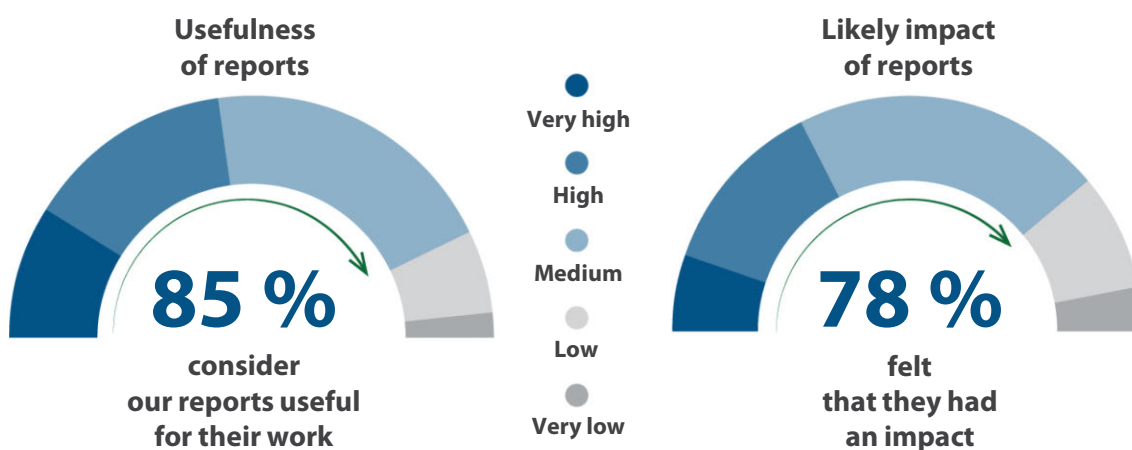


*85 % of respondents
to our surveys find our reports
useful for their work*

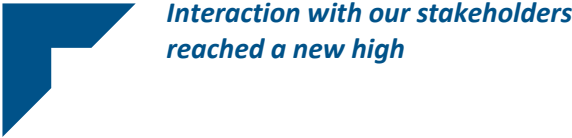
We assess the **likely impact and usefulness of our work**, as perceived by the readers of our reports at the European Parliament, Council, Commission, EU agencies, member states' permanent representations, member states' agencies and SAIs, NGOs, academia, the media and other parties.

Since 2018, we have carried out anonymised electronic surveys to ask our readers to provide **qualitative feedback on selected reports** and make general suggestions for our work.

In 2023, **85 % of around 1 060 respondents** considered our reports useful for their work, and **78 %** felt that they had an impact. This is similar to last year's result (2022: 82 % and 78 %, respectively).

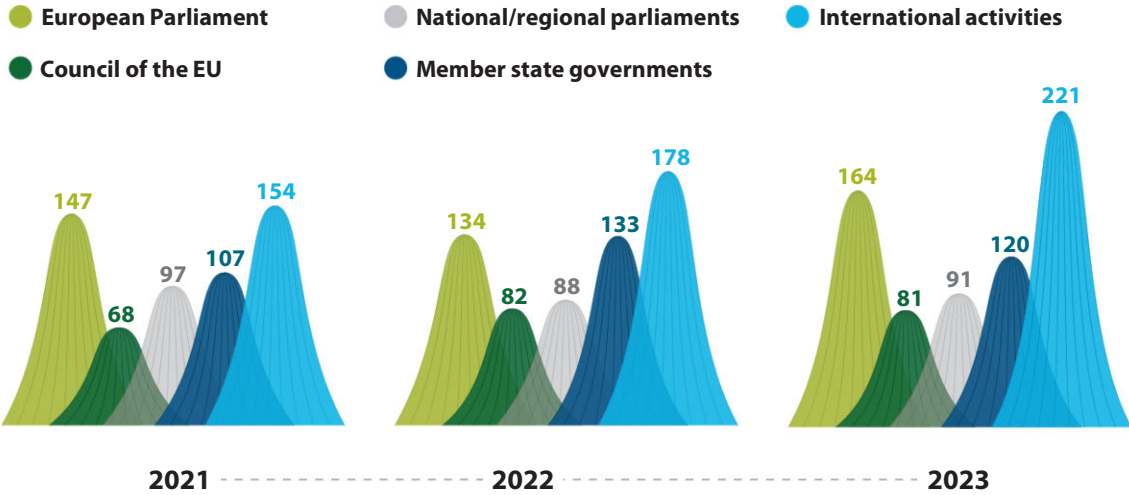


Our appearances before other institutions, national/regional parliaments, and member state governments, and international activities



Overall, in 2023, our interaction with our European and international stakeholders reached a new high. We presented the results of our work on **456 occasions** before European Parliament committees, Council preparatory bodies, national/regional parliaments, and member state governments (2022: 437; 2021: 419).

Furthermore, we participated in **221 international activities**. These included the activities of international public audit organisations, in particular INTOSAI and EUROSAI, as well as bilateral events with other SAIs, conferences, meetings, and activities targeting a wider audience (2022: 178; 2021: 154).

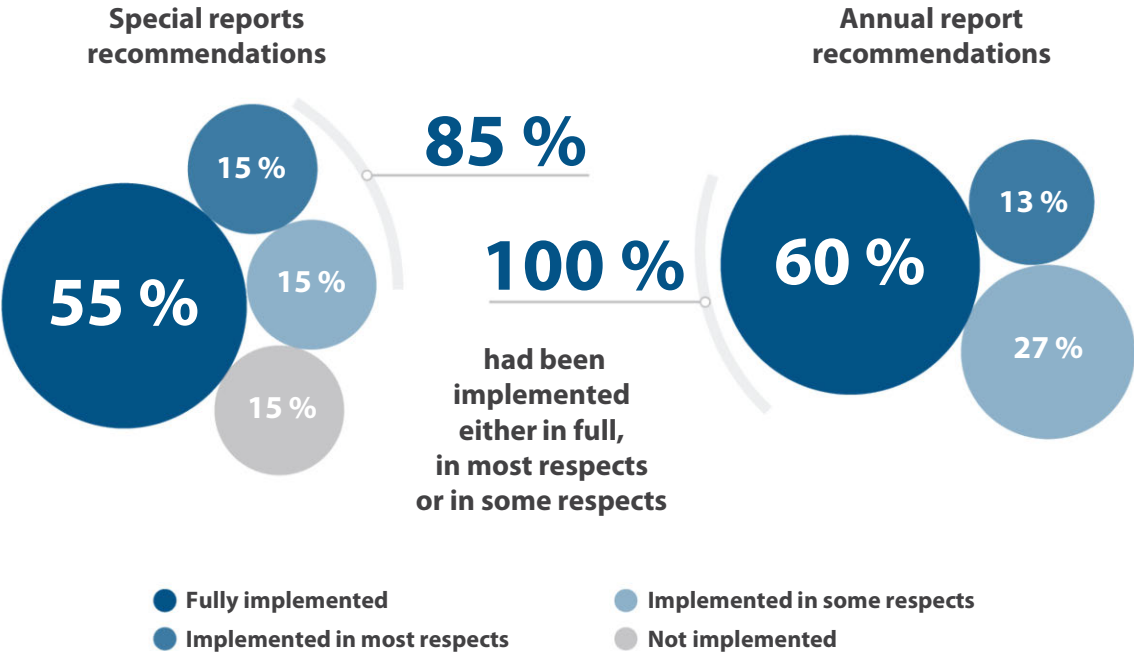


Implementation of ECA recommendations

*Nearly all
our 2019 recommendations
implemented at least to some extent*

We measure the implementation of our recommendations based on the **follow-up carried out by our auditors**. For 2023, we analysed the recommendations addressed to the Commission and other institutions in our 2019 reports.

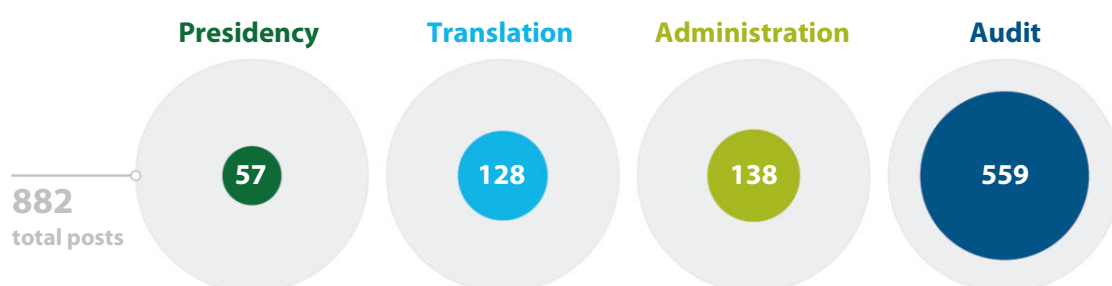
The analysis showed that of the **recommendations** followed up **100 %** of the **15** made in our **2019 annual report** and **85 %** of the **208** in our **2019 special reports** had been implemented either in full, or in some or most respects.



Our staff

Staff allocation

At the end of 2023, we had **882 permanent and temporary posts**³ (873 in 2022). The nine additional posts were granted by the budgetary authority on a temporary basis for the audit of the NGEU initiative. 559 posts were in audit chambers, including 104 posts in members' offices. The Presidency includes the President and his private office, the directorate of the presidency, the legal service and the internal audit service.



In addition, we had **86 contract staff** and **26 seconded national experts** working for us at year-end (2022: 91 and 33 respectively).

Recruitment

Our recruitment policy follows the general principles and employment conditions of the EU institutions, and our staff have a **broad range of academic and professional backgrounds**.

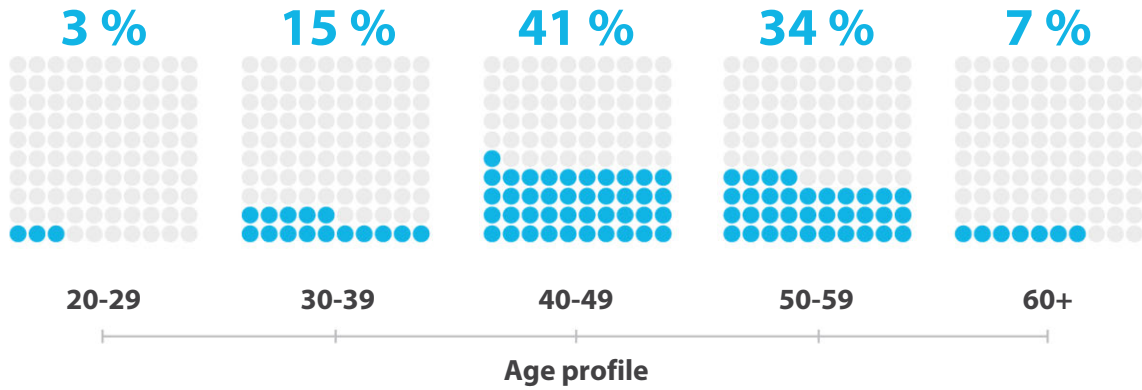
In 2023, we recruited **95 new employees** (2022: 107): 27 officials, 47 temporary staff, 17 contract staff and four seconded national experts. In the spirit of solidarity, mutual learning and cooperation, the secondment of the five **Ukrainian national experts** who joined the ECA in 2022 was extended for one additional year, from July 2023 until July 2024. We also provided **64 traineeships** (2022: 60) for university graduates, lasting three to five months. Out of the 64 trainees, 62 were paid by the ECA and two received remuneration from their member state.

The **ASPIRE integration (onboarding) programme** for auditors has been designed to enable the ECA to recruit and welcome new auditors at ECA-level, to allow them to take part in targeted training activities and to acquire on-the-job experience in both compliance/financial and performance audit in their first three years.

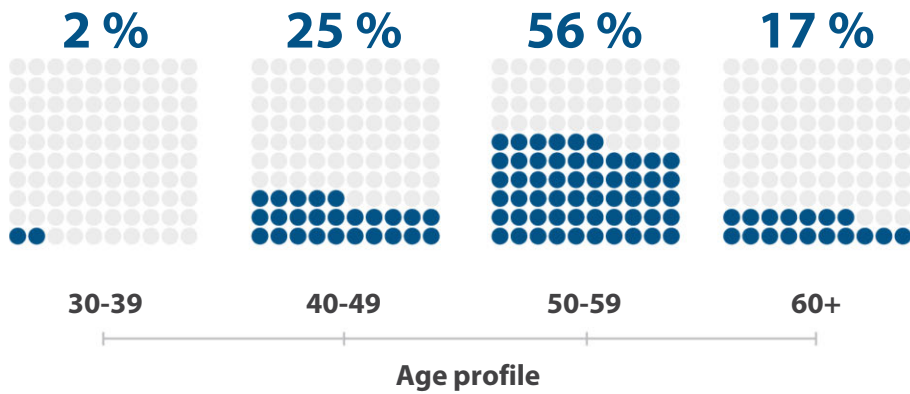
³ Including temporarily vacant posts.

Age profile

Three quarters (75 %) of our staff in active service at the end of 2023 were aged 40 to 59, which is the same as in 2022.

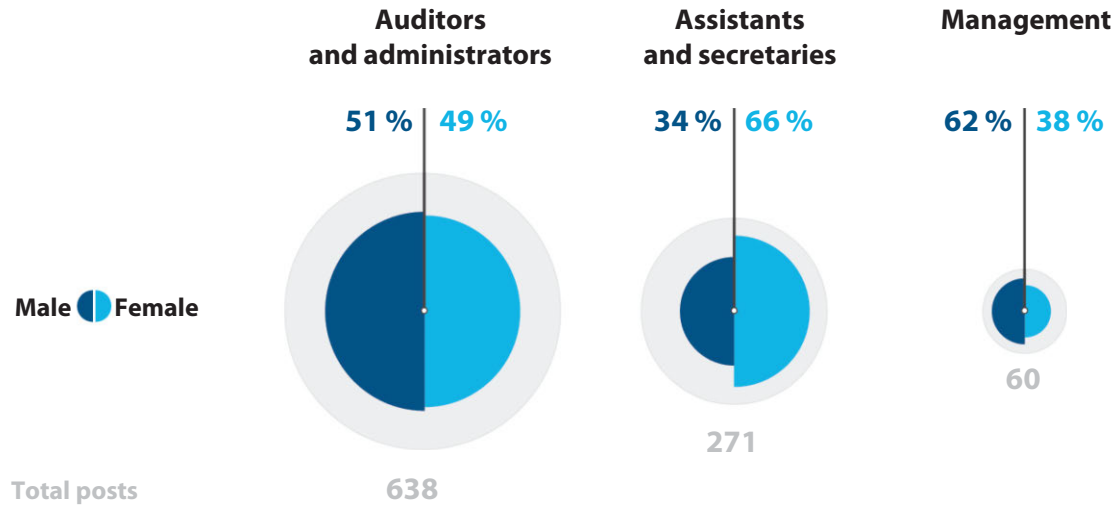


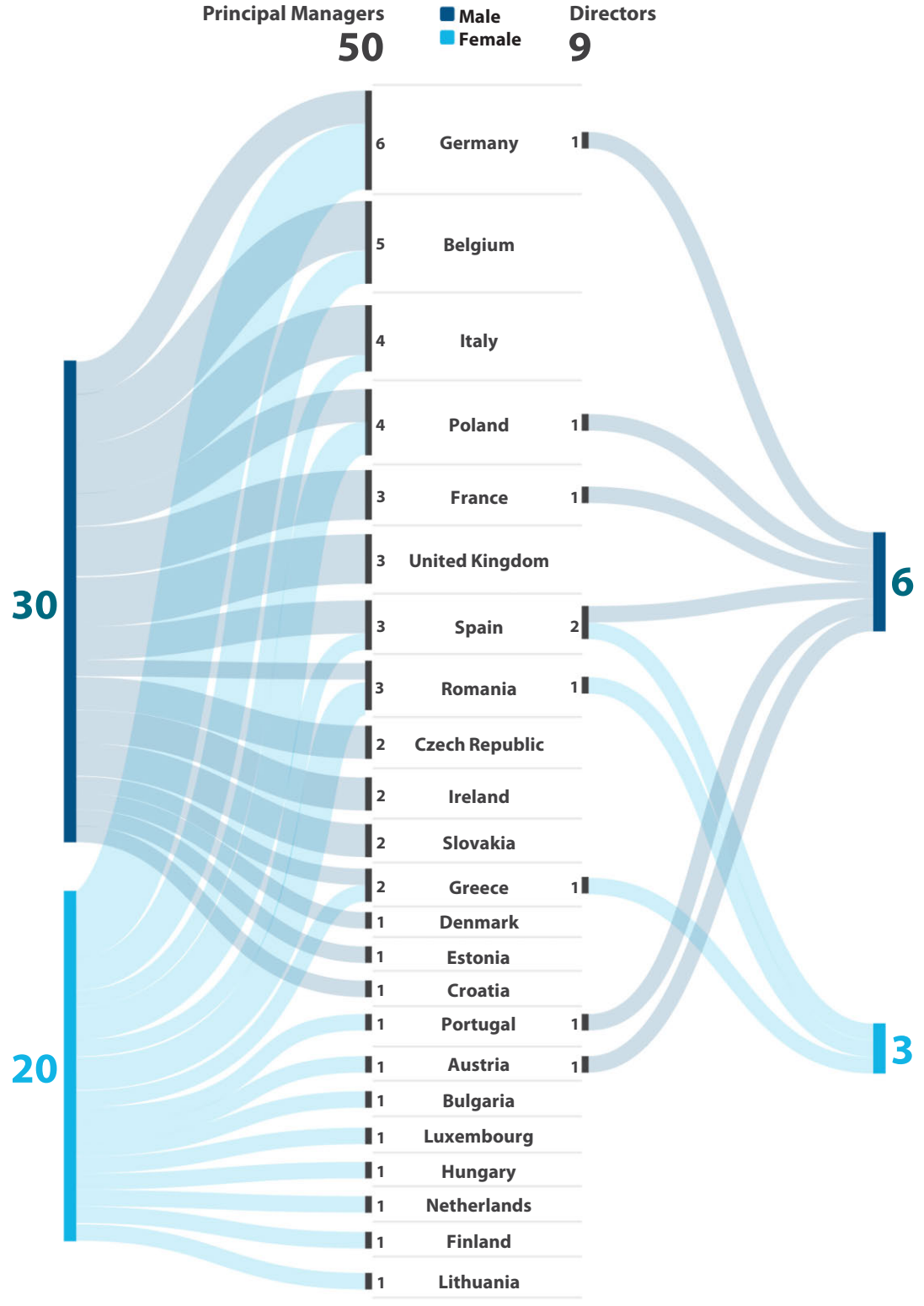
73 % of our managers are aged 50 or over (2022: 72 %). This will lead to a renewal of a substantial part of our management over the next five to 10 years.



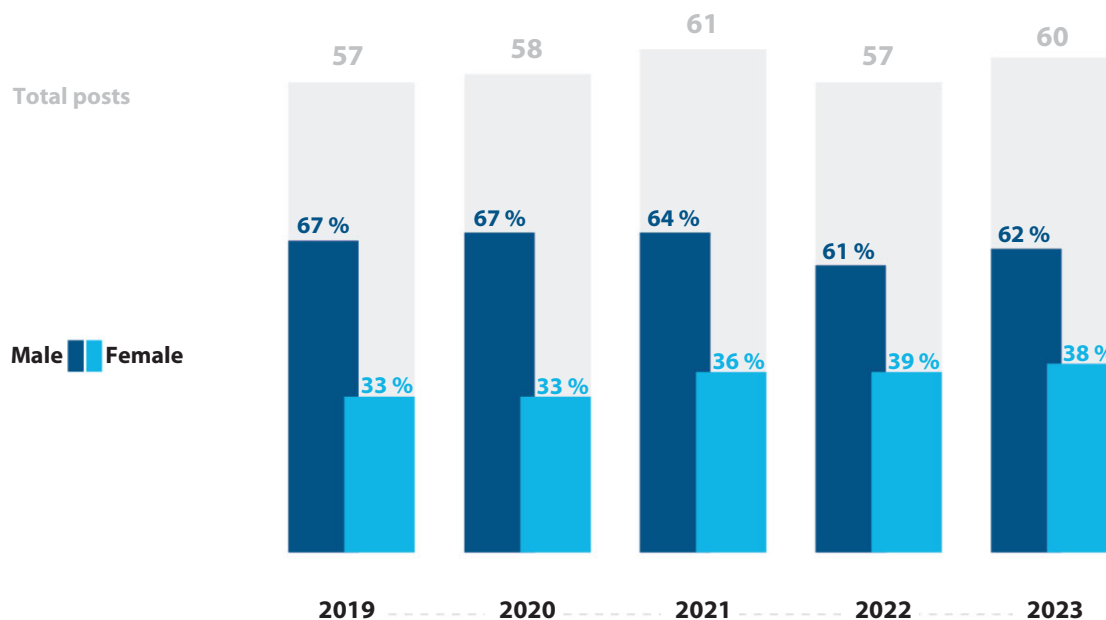
Equal opportunities

Overall, we employ equal proportions of women and men in our workforce.





We are committed to offering **equal career opportunities** for our staff at all levels of the organisation. We employ equal proportions of women and men, and our share of female directors and principal managers increased in recent years from 33 % in 2019 to 38 % in 2023.



The proportion of female principal managers in audit at the ECA reached **50 %** (41.4 % in 2022), which is above the 2027 target of 40 %. In line with the ECA's [Diversity and Inclusion Action plan \(2021-2025\)](#), we published in 2023 the second annual D&I report (for 2022).

Similarly, we remain committed to **geographical balance in our management**.

Following the adoption in December 2022 of Decision No 50-2022 on the European Court of Auditors' policy for ensuring a respectful and harassment-free workplace, we undertook several actions (e.g. appointment of internal mediators and confidential counsellors, compulsory training for managers, creation of a dedicated webpage on the ECA's intranet site) to implement the decision.

Furthermore, in 2023, an external audit on the physical accessibility of the ECA's buildings took place for the first time. It resulted in a study with recommendations and potential actions to make the ECA buildings more accessible for everyone, including people with disabilities. We will start the implementation of agreed actions in 2024 by commissioning a plan to improve accessibility-related signage across ECA's buildings. Moreover, we will cooperate with other EU institutions to create a harmonised way to measure progress and report on the recruitment of persons with disabilities, as recommended by the [special report 20/2023](#) titled "Supporting persons with disabilities: Practical impact of EU action is limited".

Ethics

The ECA's ethical guidelines are based on the **values** of independence, integrity, objectivity, transparency and professionalism. The ECA endorses the requirements set out in the [INTOSAI Code of Ethics](#) (ISSAI 130) and has included them in its [ethical guidelines](#), which are applicable to all ECA members and staff.

The ECA reaffirmed its commitment to transparency by revising its decision on **public access to documents**. The purpose was to reflect the evolution of European case law, and to simplify the procedure for replying to access to documents requests and confirmatory requests. The new decision was published in the [Official Journal](#) in September 2023.

As part of a recent overhaul of our ethical framework, we updated the **internal rules on reporting serious irregularities** (whistleblowing), in order to make them clearer, more detailed, and provide more information to staff. To underscore the importance we place on whistle blowers' protection, the new set of rules are set out in a college decision.

The ECA Ethics Committee reviews relevant ethical matters, including members' external activities, to uphold the ECA's standards. It consists of three members appointed by the college, including two ECA members and one external member chosen based on their abilities and professional qualities. The committee met five times in 2023.

Audit support

Digital transformation of audit

The ECA continues to improve the efficiency of its audit processes by enhancing the integration and interoperability of its existing systems. In parallel, it has implemented IT audit, advanced data science and automation activities as part of its development plan for better use of technology for audit. It also continued its innovation activities aimed at identifying emerging technology that can be used in novel ways to support audit work.



Digitally engaging with stakeholders

In 2023, the new **ECA studio** was extensively used for delivering online press briefings, stakeholder meetings, hybrid conferences and promotional videos by ECA members on ECA products as well as internal ECA awareness raising and informational videos.

More specifically, it delivered 23 press briefings, nine video reports, six ECA work updates, four stakeholder meetings, two TV interviews, one event video and one online conference. It has also produced six videos on Luxembourg attractivity and 10 internal videos.



Digital integration and automation

The integration of **audit information systems** continued with the objective of improving interoperability between the existing systems and offering a smoother user experience. This includes our main audit documentation system ASSYST, the audit management system AMS. A new document approval workflow management system (PASS) has been launched, which is integrating with EU Sign enabling qualified electronic signature. Tools to facilitate and accelerate document review have also been put in place. The use of the ECA Data Warehouse has been extended with more reports allowing interactive data visualisation and monitoring.



*Advanced data science services
and IT audit*

The **DATA team** (Data and Technology for Audit) established in 2021 continued working on the implementation of the development plan for better use of technology in support of ECA audit objectives.

The DATA team members worked closely with audit teams to understand their specific processes and needs. Depending on the complexity of the need, work varied from short-term involvement to full-scale participation in audit tasks, both for data scientists and IT auditors.

The DATA team led, or participated in multiple ECA-wide projects:

- a pilot project to assess how to make effective use of the European Commission's eProcurement platform;
- involvement of data experts for the NGEU task force;
- developing a prototype tool with advanced text mining and semantic search functionalities for the ECA own production; and
- supporting auditors in choosing the best options from those available in the "data science infrastructure" set-up in 2022, allowing for data processing and advanced analysis and visualisation.

Following the rapid acceleration in the development of Artificial Intelligence (AI), in particular in the realm of generative AI, the DATA team prepared an analysis of AI's opportunities and challenges for the ECA and for our audit work. As a follow on they started to develop a proposal for a strategy on the use of AI in the audit process.

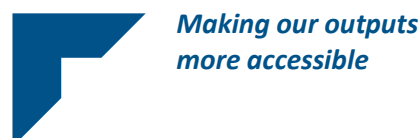


A new approach to innovation has been launched which relies on a new type of “**Short Innovation Projects**” (SIPs) and on the creation of innovation lab which will be focusing on testing new technologies. The SIPs are typically triggered by users who wish to try hands-on a new tool or technology, while the IT assigns a project manager to accompany the user taking care of the technological and IT governance aspects. The first SIPs include the use of drones for audit and testing commercial audit management tools that could replace ASSYST and the use of generative AI.

In parallel, the work for the establishment of a multidisciplinary Competence Centre on Artificial Intelligence has been launched to support the above-mentioned ECA strategy on AI.

The ECA continued being actively involved in the Emerging technology group of the Interinstitutional Committee for Digital Transformation, focusing on the work on artificial intelligence in 2023.

Visual communication



The use of compelling visuals and data visualisation has become more and more important in the context of interacting with our stakeholders and reaching out to EU citizens. In 2023, the graphic design team in the ECA communication department continued to give direct support to the audit teams, providing them with infographics and illustrations tailored to their needs and in line with the ECA’s visual identity.

Using visuals in our communication can make the results of our audit work more visible, better understandable, and thus more accessible to citizens and stakeholders, in order to give greater value to our audit work and enhance the impact of our reports. The launch of a new website in April 2023 further reinforces this effort, with its more modern look and improved functionalities.

Audit methodology



AWARE

Our internal digital platform **AWARE (Accessible Web-based Audit Resource)** describes our audit methodology and guidance. It is available on our [website](#). This provides a **single point of access** for the public to our audit methodology.



Professional training



2023: professional training targets exceeded

In 2023, we again exceeded the **professional training target** of five days of non-language training per year for auditors, in line with the International Federation of Accountants' recommendations, and two days for non-audit staff.

Our auditors attended an average of **6.7 non-language training days** (6.9 in 2022 and 8.5 in 2021), of which **4.5 days** were core-business (audit-related) training. Our non-audit staff attended **3.0 training days** on average (3.6 in 2022 and 4.2 in 2021). As in 2022, the slight year-to-year decrease in both indicators can be explained by the gradual return to classroom/face-to-face training, which provides a better learning experience, but has by definition lower capacity than the online alternatives.



Tailor-made auditortraining

The Professional training team is constantly striving to deliver high-quality training for our staff, with particular attention to **core-business (audit-related) training**. One of the key priorities is to build and enhance the **knowledge of our audit fields/EU policy areas**, in cooperation with our audit chambers. In 2023, we organised several policy-area training sessions for all the audit chambers covering priority topics identified at the beginning of the year.

We also continued to train our staff on the **NextGenerationEU (NGEU)**, and the **Recovery and Resilience Facility (RRF)**. This included our flagship two-day training course on the RRF, which we deliver in cooperation with European Institute of Public Administration. In addition, we organised sessions on RRF risks, challenges, and opportunities and RRF talks where external experts presented their views on RRF-related topics.

In June 2023, we updated our **training programme on the use of data and technology in audit**. A pilot session on the introduction to Artificial Intelligence took place at the end of November and will be followed by more sessions in 2024.



New competency framework for auditors

In February 2023, we launched a project to define a **new competency framework for our auditors**. This framework will outline the competencies of the ECA financial, compliance and performance auditors, which are fundamental to complete their tasks successfully. It builds upon the INTOSAI guidance and the input we received from consulting 15 Supreme Audit Institutions. The project is in its final stage, expected to be completed in the first half of 2024. It will provide the basis for assessing learning and development needs and structure the ECA core-business training offer based on key competencies.

Translation

In 2023, we translated and revised over **208 000 pages** (2022: 203 700), including 12 900 pages of outsourced work. Language teams use both computer-aided tools and machine translation technologies to streamline the translation process. We prepared 52 publications applying and controlling ECA editorial and visual identity standards. Our translators also participated in our audit activities, offering **language assistance** during audit visits, online or hybrid meetings as well as **report writing** to ensure clarity of language. In addition, they were involved in **communication work**, giving language advice and improving quality by tailoring messages to the target audience, for example through cultural adaptation.

Cybersecurity



*Cybersecurity:
ever-increasing threats*

The ECA IT security team is entasked with keeping our IT services secured. They achieve this with the support of the Interinstitutional Computer Emergency Response Team, the CERT-EU. This support proved to be particularly helpful in handling the cyber-incident which occurred in July 2023. The security of one of our gateways could no longer be guaranteed. However, further investigations did not reveal any data breach nor any other compromised systems.

The implementation of the **2022-2024 cybersecurity plan** progressed with numerous of actions already completed or ongoing. One of the most relevant actions implemented was the replacement of the VPN solution via Zero-Trust remote access technology.

Phishing continued to be the prevalent cyber-threat. The ECA reinforced the email security solutions to better cope with malicious emails.

Several **phishing campaigns** took place in 2023, including a campaign conducted at interinstitutional level led by the ECA. We recorded an increase in the number of ECA staff who identified and reported the phishing messages, while we also started using a new tool enabling us to conduct targeted phishing campaigns.

Raising cyber awareness among the ECA staff remained one of the main focuses of the ISO team. In addition to the traditional form of communication such as training sessions and newsletters, several videos in an interview format were published, as they proved to be an effective and modern communication technique.

The ECA also completed the onboarding to SECABC, a system hosted by the European Commission, to facilitate the exchange of encrypted emails among EU institutions, bodies and agencies.

Further actions also include the activation of the “do not forward” option in Outlook and the banning of the TikTok application.

Finally, the ECA has been active in the preparation of the new interinstitutional cybersecurity regulation and already applies many of its provisions.

Buildings

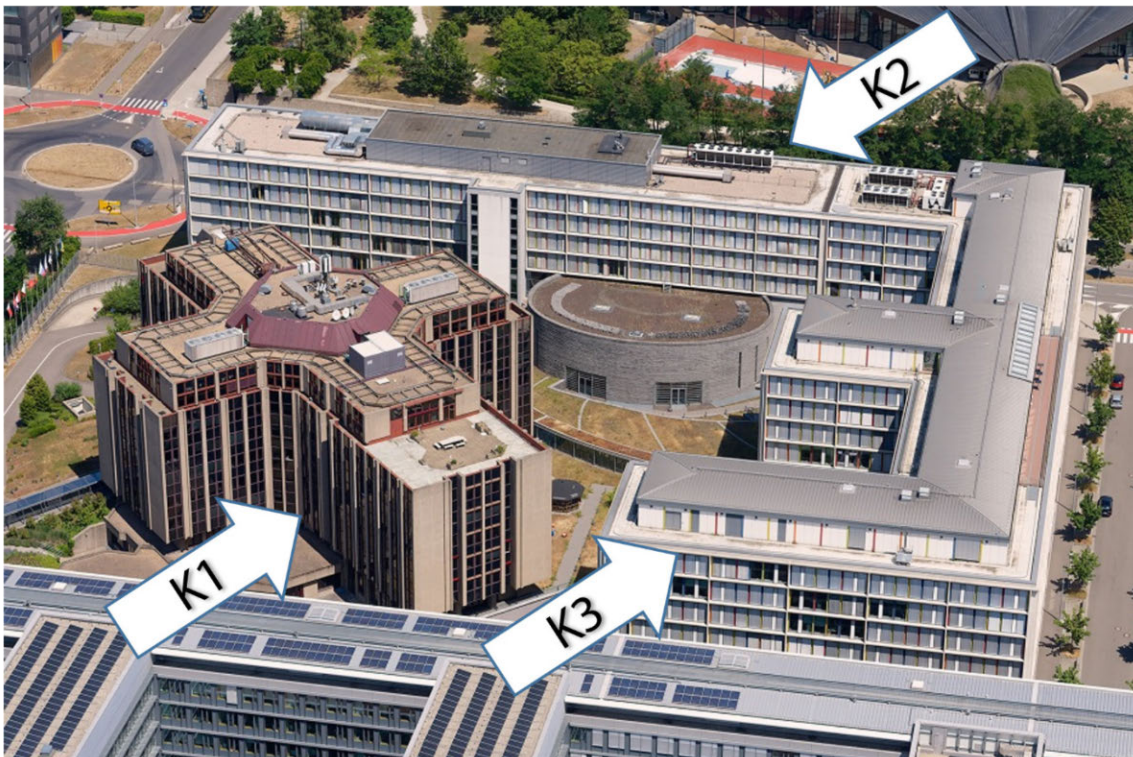


*An inclusive, secure
and environmentally friendly
workplace*

We firmly believe that a good workplace is key to achieving strategic ECA goals. The direct impact on staff well-being contributes to making ECA an attractive workplace.

Our vision is to provide a sustainable workplace with a collaborative, well-being-oriented, secure, inclusive and environmentally friendly work environment for all employees.

We currently own **three buildings** in Luxembourg Kirchberg district (buildings “K1”, “K2” and “K3”), which operate as a single, integrated technical entity. We also rent office space for our disaster recovery centre in Luxembourg.



Environmental management

As an EU institution, we have a duty to apply the principle of sound environmental management in all our activities. We are therefore committed to **continuously reducing our environmental impact**. Every year, we monitor and analyse the greenhouse gas emissions generated by our activities.

The ECA is proud of its Eco-Management and Audit Scheme (EMAS) **certification**. We successfully operate **an EMAS compliant environmental management system** and we fully comply with the ISO 14001:2015 certification requirements.

Following the successful EMAS renewing of the certification until 2025, the EMAS yearly external verification audit took place in October 2023. The results were successful, no nonconformities were found, and many good practices were identified.

Finally, a new EMAS action plan 2023-2025 was approved.



Dealing with the energy crisis

The ECA took several measures to deal with the energy crisis following the Commission and Council plan “Save Gas for a Safe Winter”. We reached a reduction of 21 % for 2022-2023 compared to the average consumption over the previous five years.

The ECA continues taking into account the recommendation from the Luxembourg government on limiting the temperature of buildings operated by public authorities to 20°C.

After the energy audit of the ECA’s buildings in 2022, we took the steps required to reduce energy consumption in the buildings, such as the implementation of several measures during the summer of 2023: we increased the temperature in air-conditioned areas, we switched off ventilation and cooling systems in some areas of the buildings and we reduced lighting in K1 and K2 corridors and stairwells to the minimum-security lighting.



Roadmap for reducing emissions by 2030

In 2022, a study was carried out on the potential to reduce the ECA's greenhouse gas emissions. The potential emission reductions were assessed based on annual carbon footprint calculations and ideas gathered during the consultation of all ECA departments and staff in spring 2022. The operational teams identified and evaluated 371 ideas for reducing emissions, leading to three roadmaps. Based on this reflection, we adopted a **new environmental programme for 2023-2025**.



Sustainability reporting

In 2023, we published our second **ECA sustainability report**, corresponding to the year 2022. Sustainability reporting is the exercise of evaluating, measuring, and reporting how the organisation addresses and manages its material impacts on the economy, the society, and the environment. The sustainability report provides an overview of the impacts of our operations. It also reports how we examine in our audits whether EU funds are supporting sustainable and inclusive growth in Europe and across the globe. It also provides information about the impact of our structure and the ways in which we operate administratively in order to pursue this mission.

Our sustainability reporting for the year 2023 is attached as an **Annex** to this report.

EN

Annex

**Our
sustainability
reporting
for 2023**



EUROPEAN
COURT
OF AUDITORS



Introduction

01 This annex describes our ongoing efforts to be a sustainable institution. When selecting content, we have taken inspiration from the Global Reporting Initiative¹ (GRI) standards, adapting them to our context and characteristics as a public institution. The annex describes how we address the economic, social and environmental impacts of our work, both internally and externally.

02 This is the third time that we have reported on sustainability. The first report on 2021 is available [here](#), and the second, on 2022, can be found [here](#). We invite you to consult the two previous reports in order to complement the 2023 report.

03 When this document was being prepared, certain data – in particular on resource consumption – were not yet available. Where this was the case, we have used the figures for 2022.

04 For further information on the activities and audit reports of the European Court of Auditors (ECA), please visit our website: www.eca.europa.eu. You can also:

- Follow us on [X](#) (formerly known as Twitter)
- Check our pages on [LinkedIn](#) and [Facebook](#)
- Watch our videos on [YouTube](#)

¹ The Global Reporting Initiative is an international not-for-profit organisation. The GRI produces free Sustainability Reporting Guidelines to enable companies and organisations to report their economic, environmental, social and governance performance. The GRI's framework for sustainability reporting helps companies identify, gather, and report this information in a clear and comparable manner.

Economic standards

Economic performance

05 The financial provisions governing the ECA are laid down in the [Treaty on the Functioning of the EU](#)². In 2023, our budget was €175.1 million (€162.1 million in 2022), with an execution rate of 98 % (98.5 % in 2022 and 97 % in 2021). Our budget represents around 1.5 % of the EU's total administrative spending (less than 0.1 % of total EU spending).

06 Our annual accounts are drawn up by the ECA's Accounting Officer, and are audited annually by an external auditor. The audited annual accounts, together with the external auditor's reports, are sent to the European Commission for consolidation purposes, and to the European Parliament and the Council.

07 We provide an overview of the implementation of our budget, and explain events which have had a significant impact on our work in our annual [Report on budgetary and financial management](#). The report is sent to the European Commission, the European Parliament, and the Council.

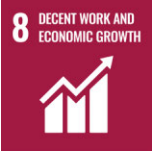








The UN's sustainable development goals in an EU context

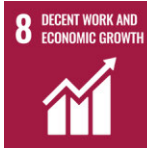



08 As a supreme audit institution, the ECA has a valuable contribution to make, through its audits, to achieving the 17 [sustainable development goals](#) (SDGs) of the United Nations (UN). Consistent with our mandate and priorities, we monitor implementation, track progress, and identify improvements across all SDGs.


09 While we have not conducted any audits specifically focusing on SDG implementation, we have published a number of reports on topics relevant to one or more SDGs. In 2023, we published 35 special reports and reviews. 89 % of these reports (62 % in 2022) covered topics which are relevant for achieving the UN' SDGs. The table below gives an overview of the link between our reports and the SDGs. Regularly updated information on this topic is available [here](#).





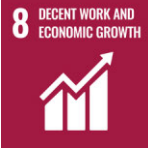


² Articles 310 to 325.

Table 1 – Relevant UN SDG content in the ECA’s 2023 reports

Report	Related SDG
Special report 01/2023: “Tools facilitating travel within the EU during the COVID-19 pandemic – Relevant initiatives with impact ranging from success to limited use”.	N/A
Special report 02/2023: “Adapting cohesion policy rules to respond to COVID-19 – Funds used more flexibly, but reflection needed on cohesion policy as a crisis response tool”.	
Special report 03/2023: “Internal electricity market Integration – Complex legal architecture, delays, weaknesses in governance and incomplete market surveillance hamper full achievement of the ambitious objective”.	  
Special report 04/2023: “The Global Climate Change Alliance(+) – Achievements fell short of ambitions”.	 
Special report 05/2023: “The EU’s financial landscape – A patchwork construction requiring further simplification and accountability”.	N/A
Special report 06/2023: “Conflict of interest in EU cohesion and agricultural spending – Framework in place but gaps in transparency and detection measures”.	
Special report 07/2023: “Design of the Commission’s control system for the RRF – Assurance and accountability gap remains at EU level in the new delivery model, despite extensive work being planned”.	
Special report 08/2023: “Intermodal freight transport – EU still far from getting freight off the road”.	 
Special report 09/2023: “Securing agricultural product supply chains during COVID-19 – EU response was rapid, but insufficiently targeted by member states”.	 

Report	Related SDG
<p>Special report 10/2023: “The Preparatory action on defence research – Some lessons learned, but value as a testbed for increasing EU defence spending reduced due to time constraints and limited results”.</p>	
<p>Special report 11/2023: “EU support for the digitalisation of schools – Significant investments, but a lack of strategic focus in the use of EU financing by member states”.</p>	
<p>Special report 12/2023: “EU supervision of banks’ credit risk – The ECB stepped up its efforts but more is needed to increase assurance that credit risk is properly managed and covered”.</p>	 
<p>Special report 13/2023: “Authorised Economic Operators – Solid customs programme with untapped potential and uneven implementation”.</p>	 
<p>Special report 14/2023: “Programming the Neighbourhood, Development and International Cooperation Instrument – Global Europe: Comprehensive programmes with deficiencies in the methods for allocating funds and impact monitoring”.</p>	
<p>Special report 15/2023: “The EU’s industrial policy on batteries – New strategic impetus needed”.</p>	 
<p>Special report 16/2023: “NGEU debt management at the Commission – An encouraging start, but further alignment with best practice needed”.</p>	
<p>Special report 17/2023: “Circular economy – Slow transition by member states despite EU action”.</p>	
<p>Special report 18/2023: “EU climate and energy targets – 2020 targets achieved, but little indication that actions to reach the 2030 targets will be sufficient”.</p>	 

Report	Related SDG
<p>Special report 19/2023: “EU efforts for sustainable soil management – Unambitious standards and limited targeting”.</p>	
<p>Special report 20/2023: “Supporting persons with disabilities – Practical impact of EU action is limited”.</p>	
<p>Special report 21/2023: “The Spotlight Initiative to end violence against women and girls – Ambitious but so far with limited impact”.</p>	
<p>Special report 22/2023: “Offshore renewable energy in the EU – Ambitious plans for growth but sustainability remains a challenge”.</p>	
<p>Special report 23/2023: “Restructuring and planting vineyards in the EU – Unclear impact on competitiveness and limited environmental ambition”.</p>	
<p>Special report 24/2023: “Smart cities – Tangible solutions, but fragmentation challenges their wider adoption”.</p>	
<p>Special report 25/2023: “EU aquaculture policy – Stagnating production and unclear results despite increased EU funding”.</p>	
<p>Special report 26/2023: “The Recovery and Resilience Facility’s performance monitoring framework – Measuring implementation progress but not sufficient to capture performance”.</p>	
<p>Special report 27/2023: “Screening foreign direct investments in the EU – First steps taken, but significant limitations remain in addressing security and public order risks effectively”.</p>	<p>N/A</p>
<p>Special report 28/2023: “Public procurement in the EU – Less competition for contracts awarded for works, goods and services in the 10 years up to 2021”.</p>	

Report	Related SDG
Special report 29/2023: “The EU’s support for sustainable biofuels in transport – An unclear route ahead”.	
Review 01/2023: “EU financing through cohesion policy and the Recovery and Resilience Facility: A comparative analysis”.	N/A
Review 02/2023: “EU actions to address the increasing amount of hazardous waste”.	
Review 03/2023: “Transport of live animals in the EU: challenges and opportunities”.	
Review 04/2023: “Digitalising the management of EU funds”.	
Review 05/2023: “Reforming the EU’s economic governance: Opportunities with risks and challenges”.	 
Review 06/2023: “The Commission’s 2022 annual management and performance report for the EU budget”.	

Procurement practices

10 All ECA procurement practices are subject to the [Financial Regulation](#)³, and we use the public procurement procedures it lays down when acquiring goods, services or works. The [General conditions for supply, service and works contracts](#) is a public document, available on our website, which lays down the contractual relationship between the ECA and its suppliers, service providers, and contractors.

³ Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union.

11 In 2023, the ECA purchased goods and services totalling €23 426 750.05 (€5 512 853 in 2022 and €15 215 515 in 2021), of which purchases from local suppliers amounted to €21 453 665.05 (€4 848 701 in 2022 and €10 144 812 in 2021). The percentage of spending on local suppliers was 91.58 % (88 % in 2022 and 67 % in 2021).

12 In the interests of transparency, our procurement practices and procedures are made public. Our [webpage](#) lists calls for tenders at the ECA, the planning of low- and medium-value contracts, annual lists of contracts, and the general conditions for supply, service and works contracts of the European Court of Auditors.

Anti-corruption

13 As regards operations assessed for risks of corruption, we must distinguish between external and internal operations. “External operations” refers to operations or transactions under the EU budget, which we check as part of our audit work.

14 As the EU’s external auditor, the ECA does not have a mandate to investigate cases of suspected fraud against the EU’s financial interests. However, although it can be difficult to identify fraud through standard audit procedures, our audit work reveals a number of cases of suspected fraud each year. These cases are reported to OLAF, the European Union’s Anti-Fraud Office, through established cooperation mechanisms and channels between both organisations. If deemed necessary, they may also be reported at the same time to the European Public Prosecutor’s Office (EPPO).

15 No cases of fraud were reported in 2023 in connection with internal operations.

16 As regards preventive training, in 2023 we organised 24 training courses on anti-corruption policies and procedures (21 in 2022 and 15 in 2021), lasting a total of 175 hours (156 hours in 2022 and 76 hours in 2021).

17 These events were attended by 1 069 participants⁴ (612 in 2022, and 1 011 in 2021), and were open to all ECA staff, including ECA Members.

⁴ The figure shows the total number of attendees.

Social standards

Employment

18 We depend on the skills and motivation of our staff to achieve the objectives of our annual work programme. Recruiting the right people at the right time is therefore a key priority, and staff engagement policies are vital. [Table 2](#) shows our staffing situation at the end of 2023, by nationality and type of employee:

Table 2 – ECA staff at 31.12.2023⁵

Country	Officials	Temporary staff	Contract staff	SNEs	Total staff
Austria	7	5		1	13
Belgium	44	7	9		60
Bulgaria	28	7			35
Croatia	3	6	2	1	12
Cyprus	4	4	1		9
Czech Republic	26	4	1	1	32
Denmark	6	4			10
Estonia	9	4	1		14
Finland	13	5		1	19
France	79	24	18	3	124
Germany	63	14	2		79
Greece	36	18	6	3	63
Hungary	24	6	2		32
Ireland	10	8	1		19
Italy	52	13	7		72
Latvia	10	5	1	1	17
Lithuania	14	5	5		24
Luxembourg	3	4	5	1	13
Malta	5	6			11
Netherlands	8	4			12
Poland	52	7	4	2	65
Portugal	26	9	9		44

⁵ This table presents actual staff working for the ECA on 31 December 2023 (857 permanent and temporary staff, 26 seconded national experts and 86 contract staff). The table does not include the ECA's 25 Members. Also, the number of permanent and temporary posts (presented on page 50 of the main document) is higher than this (882 posts) because it includes vacant posts at the end of 2023.

Country	Officials	Temporary staff	Contract staff	SNEs	Total staff
Romania	46	9	2	2	59
Slovakia	9	3		3	15
Slovenia	10	6	3		19
Spain	44	11	7	1	63
Sweden	13	2		1	16
Ukraine		1		5	6
United Kingdom	9	3			12
Total	653	204	86	26	969

Source: ECA.

At the end of 2023, we employed 969 staff⁶ (954 in 2022), 67.4 % of whom are officials (68.2 % in 2022). Our staff are recruited from all 27 EU member states and the United Kingdom. For information on recruitment in 2023, see the “*Recruitment*” section in the main part of this document.

19 For statistics on gender balance at the ECA, see the “*Equal opportunities*” section in the main document.

20 On 1 January 2022, the ECA adopted a hybrid working model, introducing a flexible approach to working time as an essential component of human resource management. Flexitime has been the default working arrangement ever since, allowing staff to achieve a better work-life balance, while taking account of the needs of the service. The arrangement also contributes in a positive manner to gender balance and organisational efficiency.

21 The ECA participates in a high-level initiative, launched by Commissioner Johannes Hahn, to make Luxembourg more attractive as a workplace, with the aim of reaching agreement on specific actions to be implemented by all Luxembourg-based EU institutions. The institutions agreed to launch four working groups to work on developing 12 specific actions. One working group is chaired by the ECA’s Director for Human Resources. It consists of two sub-working groups: one on joint interinstitutional communication, and a second devoted to fostering relations with European academia – also known as the REA Network – which is steered by the ECA.

⁶ Excluding 25 ECA Members.

Equal opportunities, diversity and inclusion

22 The ECA is an equal opportunities employer, and we are committed to offering equal career opportunities for our staff at all levels in the institution. The principle of equal opportunities is enshrined in Article 1 of the [Staff Regulations](#), which prohibits discrimination on any grounds. This includes full equality between men and women in the workplace.

23 In 2023, the ECA actively continued to implement its [diversity and inclusion \(D&I\) policy](#) which was launched in 2021. This included internally publishing an update of equal opportunities guidelines for staff, and different calls for expressions of interest to recruit mediators and confidential counsellors, both internal and external; and an update of the guidelines on returning to work after long-term sick leave. Since the beginning of 2023, we have also offered “Mental health first aid” to staff.

24 Also in 2023, the ECA became a member of the [International Dual Career Network \(IDCN\)](#) in Luxembourg, a global organisation that focuses on supporting the career development and wellbeing of our employees’ partners and spouses. The IDCN offers a wide range of services, from insights about the local job market, to providing help with CVs, networking events, and providing access to local business networks through other IDCN members. All partners and spouses of ECA employees based in Luxembourg can join the IDCN.

25 This year, the ECA has been nominated for an Ombudsman Award for Good Administration in recognition of our Disabilities Awareness Week (category: Excellence in diversity and inclusion). The European Ombudsman’s Award for Good Administration recognises work by EU bodies that has a visible and direct positive impact on the lives of people in Europe and beyond. The aim is to bring these examples to a wider audience, and to spread good practice within the institutions.

26 No incidents of discrimination were reported in 2023.

Freedom of association and collective bargaining

27 All staff are subject to the [Staff Regulations of Officials of the European Union and the Conditions of Employment of Other Servants of the European Union](#).

28 ECA staff enjoy freedom of association. This is governed by a framework agreement with the staff unions, which was signed in 2018. Among other things, the agreement governs the role and functions of the staff unions and conciliation procedures, as well as the staff’s right to strike. To date, the only staff union to have signed this agreement is *Union Syndicale Luxembourg* (USL).

29 Staff are also represented by the Staff Committee, which comprises employees of various grades and function groups. The Staff Committee can discuss with the Administration any questions raised by ECA staff.

30 Provision for a Staff Committee is made in Article 9 of the [Staff Regulations](#), which requires the Committee to be consulted in a number of areas, such as promotions, certification, and early retirement. The Staff Committee is also represented on various advisory committees (Professional Training, IT and Information, Health and Safety, and Catering). In addition, it gives its opinion on certain administrative matters such as internal competitions, recruitment, contract renewals, regrading, and missions.

31 In 2023, our minimum entry wage was for contract staff in function group FG I grade 3, step 3, corresponding to a monthly salary of €3 119.25. By comparison, the minimum monthly wage in Luxembourg for a skilled worker was €3 085.11 in 2023.

Training and education

32 Since the pandemic, and with a hybrid working environment now in place, training has combined online training with in-person courses. In 2023, we organised a total of 544 learning activities (663 in 2022) on a wide range of topics, for a total of 12 041 participants (16 014 in the previous year). For more information on our training activities, see the “[Professional training](#)” section in the main part of this document.

Environmental standards

Our environmental policy

33 The ECA adopted its first environmental policy (EMAS) in 2014. This process is based on a three-year cycle. At the end of 2022, our third EMAS cycle came to a successful conclusion, when our EMAS certification⁷ was renewed for a further three years.

34 Through this policy, the ECA committed itself to:

- taking measures to prevent pollution and reduce carbon dioxide emissions;
- promoting the efficient use of energy and taking measures to reduce electricity and water consumption;
- ensuring more efficient use of paper in order to reduce consumption;
- including environmental criteria in its public procurement procedures;
- introducing best practices with regard to waste management;
- encouraging all staff to act sustainably and contribute actively to achieving the policy's targets.

35 In March 2023, we therefore set new and ambitious objectives for the 2023-2025 period, including an updated action plan.







Summary of environmental results

36 We regularly monitor our consumption of utilities, and are keen to take various measures to reduce them. For example, we have taken several measures to reduce our energy consumption: modernising ventilation systems, continuously replacing conventional lightbulbs with lower-consumption LED bulbs, and reducing ventilation and cooling time during the summer months.

37 The figures for utility consumption are generally available during the second quarter of the following year, and so were not yet available for 2023 when this report was produced. We have therefore analysed consumption trends for 2022 versus 2021.

⁷ The ECA complies with the certification requirements of internationally agreed quality standard ISO 14001:2015 (Environmental management system), and is officially ISO 14001-certified.

Table 3 – Utility consumption for 2022 vs 2021, and trend since 2014

Indicators per FTE ⁸		In one year	Since 2014
	Electricity	3.57 MWh/FTE	- 2.7 %
	Heating (standardised consumption)	3.08 MWh/FTE	- 6.0 %
	Paper	2 929.33 pages/FTE	+ 46.5 %
	Emissions	8.25 tCO ₂ e/FTE	+ 3.9 %
	Waste⁹	109.13 kg/FTE	+ 39.9 %
	Water	7.37 m ³ /FTE	+ 24.0 %

Source: ECA.

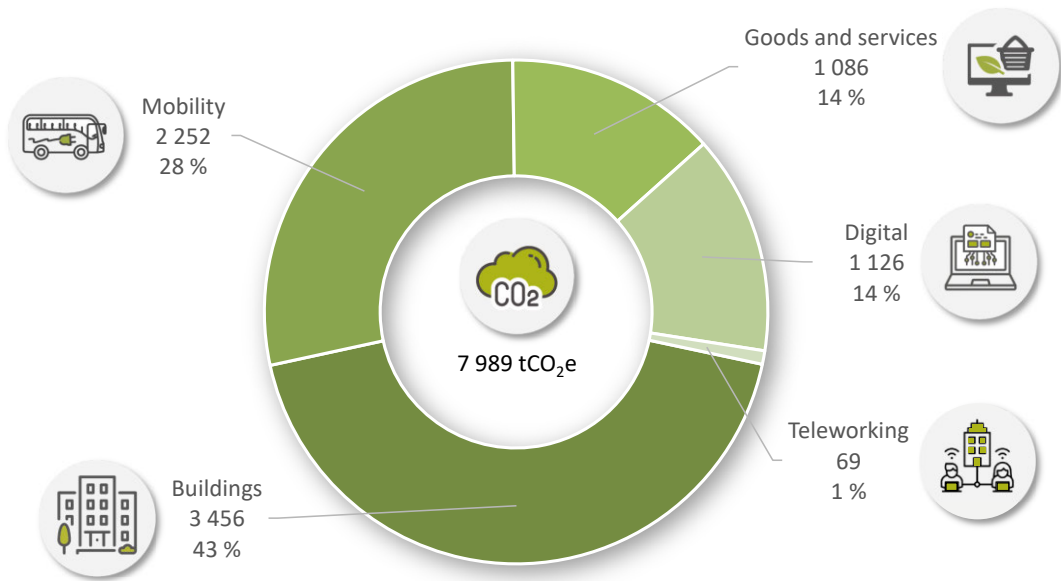
38 The big increases in the indicators for water, waste generation and paper consumption are all linked to staff returning to work on ECA premises after COVID restrictions were lifted. As staff gradually returned to the office, the number of meals prepared in the ECA's canteen increased, as did water consumption and waste.

39 As part of our environmental efforts, we keep track of our carbon footprint, with the aim of reducing it. Our greenhouse gas (GHG) emissions for 2022 totalled 7 989 tCO₂e, a fall of 25 % since 2014. This is a direct consequence of our past action plans.

⁸ FTE: full-time equivalent staff member.

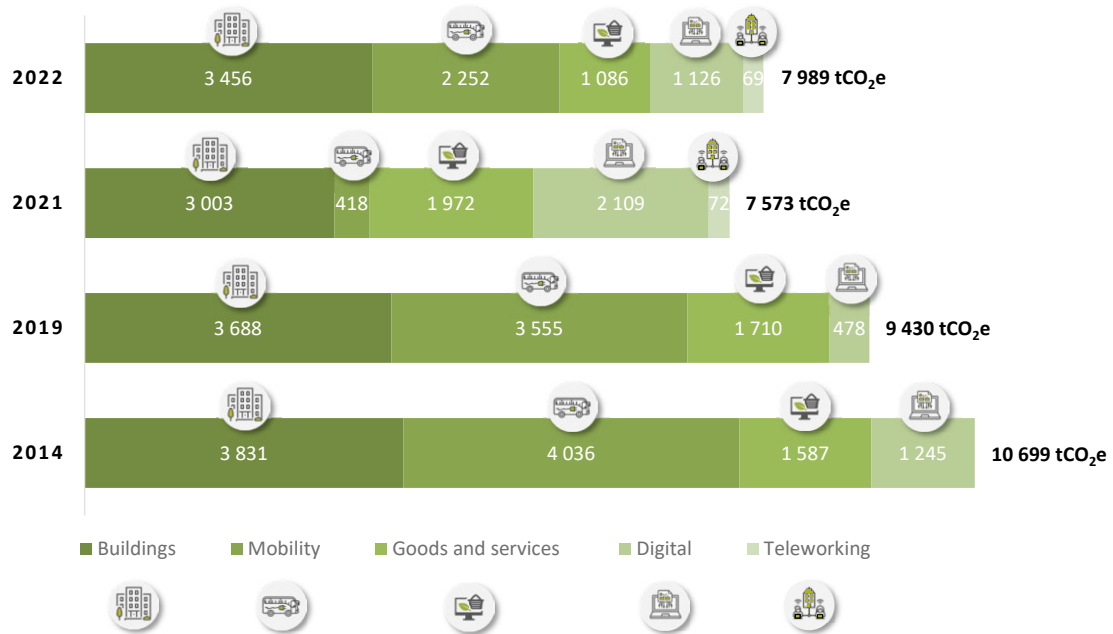
⁹ The measurement parameters are not equivalent between 2014 and 2022.

Graph 1 – Overall GHG emissions for 2022



Source: Calculation performed by 21 Solutions, based on ECA data.

Graph 2 – Change in the ECA’s overall carbon footprint since 2014



Source: Calculation performed by 21 Solutions, based on ECA data.

Biodiversity

40 The impact of our activities on biodiversity is limited. However, we monitor and assess our impacts in terms of severity, frequency and level of control. If an issue becomes significant, we take action to mitigate any associated risks.

41 In 2023, we carried out an extended analysis of the biodiversity impacts of our activity and our premises. Our biggest impact was on mobility and building usage. The main sources of this impact were work-related travel (mainly, on-the-spot audit missions) and daily commuting to the office. The second biggest impact was on our use of buildings: energy consumption, equipment usage, IT resources and equipment, and catering.

42 To counterbalance our negative impact, we strive to make a positive impact on biodiversity through several actions and projects which, although they might appear modest, contribute significantly to raising awareness among staff. In 2023, examples included the following actions:

- Activities of the ECA's eco-community: staff volunteers look after a community garden on ECA premises and have set up a seed library; we signed a partnership with a local NGO *natur&ömwelt Fondation Hëllef fir d'Natur*, and planted trees in a local forest (around 1 000 trees were planted as part of two different actions); and we organised "Repair cafés" where volunteers fixed broken household objects for their colleagues.
- Bee-keeping: several colonies of bees continued to be kept successfully on ECA premises, and we produced our own honey. This activity is managed by volunteers. The honey we produce is used as gifts for protocol purposes.
- For the first time, we have set ourselves a measurable biodiversity target in our new environmental action plan with the aim of increasing green spaces by 1 % by the end of 2025.
- We organised the first biodiversity workshop for staff to raise awareness of the impact of biodiversity loss, and offered staff a guided visit of the Ban de Gasperich water tower with the aim of understanding water management issues.

Awareness raising

43 We continued to organise events, lectures and knowledge-sharing for staff, and shared our knowledge and report findings in the EU institutions:

- We participated in the EU interinstitutional EMAS days, where we presented our 2022 sustainability report, our report on the EU agencies' response to the energy crisis and sustainability reporting, and the "Repair café" initiative.
- In 2023, we signed a convention with Luxembourg's Ministry of Transport to develop a mobility plan to enhance the use of soft mobility by staff.
- We started to monitor waste more closely, by using specialised software and purchasing electronic scales.
- We organised various environmental awareness training modules for staff, including online training for newcomers in the form of a "climate fresk" (a workshop on the fundamental science behind climate change), and a lecture on systemic risk analysis.

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