

ANNUAL ACTIVITY REPORT



Directorate-General for Innovation and
Technological Support (DG ITEC)

20
19

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EXECUTIVE SUMMARY

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1. Executive summary

This report outlines the major achievements of the Directorate General in charge of Innovation and Technological Support (hereinafter DG ITEC) in 2019. It elaborates further on the management of the available resources and on the effectiveness of the control system the Authorising Officer by Delegation has implemented to provide him a reasonable assurance on the legality and regularity of the underlying transactions.

DG ITEC thrives to sustaining a resilient and effective European Democracy through technological innovation, working closely with the Bureau's Working Group (WG) on ICT Innovation Strategy to ensure that the ICT solutions and services are in line with Parliament needs.

DG ITEC's efforts in the eighth legislative term greatly contributed to an improved digital environment for Parliamentary work and administration. In the current legislative term, DG ITEC intends to take these efforts to the next level and further reinforce the role of Members in a vibrant European democracy. The ambition of DG ITEC is to contribute to keep the European Parliament the most digitally advanced House of Democracy, by focusing most of its resources on a limited, high impact number of projects, while continuing to optimise and improve the existing technological solutions and its organisational processes.

By harnessing the innovative potential of the cloud and artificial intelligence, ITEC aims at

(i) anticipating the big changes ahead in the ICT landscape to provide Members, Political groups and staff with ICT solutions that will contribute to the quality, efficiency and openness of Parliamentary and administrative work; and (ii) be a frontrunner in managing and exploiting data for the purpose of serving a stronger European democracy.

By improving its user-centric approach in both the design and the delivery of ICT solutions, DG ITEC will contribute greatly to a culture of innovation in the European Parliament. As a sponsor of innovation and co-creators of innovative solutions in partnership with the end-users, DG ITEC aims at bridging the world of ICT specialists and the one of the users and customers throughout an innovative accessible (to people with disabilities) digital ecosystem in the European Parliament.

By optimising and reviewing its organisational and operational model, DG ITEC will build an intrinsic capability to explore the potential of technological innovation while ensuring that ICT is operated in a safe and secure environment, in compliance with the data protection regulation.

ACHIEVEMENTS OF THE 2017-2019 STRATEGIC EXECUTION FRAMEWORK

DG ITEC achieved many key objectives that improved significantly the way Parliament is functioning.

➤ **EMPOWERING MEMBERS AND
STREAMLINING ADMINISTRATIVE
PROCESSES**

Within the Workplace for MEP strategy, the ICT4MEPs project addressed the mobility needs of Members, their accredited and local assistants by providing them with a fully-fledged digital workplace accessible anywhere at any time.

In addition, the Unified Communications project integrated telephony, electronic mail, individual video-conferencing (inside and outside Parliament), radio and television over the Internet Protocol and implemented a “Web-meeting” solution enabling publicly accessible virtual meeting rooms for video-conferencing with participants from inside and outside Parliament premises.

Supporting a mobile approach to print where and when needed, the efficient printing project launched since autumn 2018 replaced existing local printers and scanners by network multifunctional devices activated by the users with their access card (badge), providing therefore an improved security and confidentiality.

The e-Parliament programme delivered its objective of facilitating and standardising the creation, edition, translation and publication of committee and parliamentary legislative work and ensuring a high quality of texts via the usage of web editors more convenient to the drafting activity.

➤ **ADDRESSING DIGITAL CHALLENGES**

DG ITEC has implemented a robust Business Continuity Plan (BCP) and initiated a complete cycle of business continuity exercises, to

improve the resilience of its ICT infrastructure and processes. In that area, DG ITEC delivered the ICT obsolescence management initiative aiming at rationalising its infrastructure and software technologies and promoting open source software solutions.

To strengthen Parliament ICT infrastructure and systems in a permanent cyber threat context, DG ITEC continued the implementation of the cybersecurity action plan, improving the overall ICT defence capability, and raising further the cybersecurity awareness of the end-users. DG ITEC delivered in 2019, seventeen (17) live-sessions, with an average audience of 41 people, and published on the Intranet 11 articles that on average 271 readers viewed.

DG ITEC initiated several proofs of concept, such as indoor geo-localisation services, sentiment analysis and data analytics, 3D printing, virtual reality, and immersive meetings are among the outcomes of that initiatives implemented by DG ITEC’s Innovation department.

➤ **EXPANDING THE CAPACITY
THROUGHOUT STRATEGIC
PARTNERING**

DG ITEC’s strong partnerships with other European Union Institutions throughout the Interinstitutional Committee on IT (CII) has resulted in (i) improved contractual relationships with the ICT providers (the increased volumes at that level provides a stronger position for negotiating better price); (ii) in the area of cloud computing, the inter-institutional contracts on cloud computing are now implemented using a new innovative

procedure for procurement foreseen in the financial regulation - the Dynamic Purchasing System; (iii) a pooling of part of the cybersecurity expertise and resources of the Institution in a Computer Emergency Response Team (CERT-EU).

STRATEGIC ORIENTATIONS AND 2019-2021 STRATEGIC EXECUTION FRAMEWORK

The strategic portfolio of DG ITEC is composed of twelve corporate projects and three enabling projects that guide the transformation of the culture and the structure of DG ITEC. DG ITEC's game changer is about speeding up the move towards artificial intelligence and cloud computing. These projects are organised around three pillars: (i) use innovation as an accelerator to deliver change through better solutions; (ii) optimise ITEC ICT and organisational ecosystem to exploit the most evolved solutions and standards; and (iii) accelerate the improvement of the digital workplace for Members, assistants and Parliament staff. DG ITEC initiated these projects in the last quarter of 2019 and will detail their related achievements in its 2020 Annual Activity Report.

RESOURCES

➤ HUMAN RESOURCES

The changes on the top management at the end of 2018 (Bureau appointment of two new Directors) were followed with the creation of

three new Units at the beginning of 2019 and a later reorganisation to align the structure of DG ITEC with its new strategic priorities. DG ITEC successfully managed these transitions without any negative impact on the delivery, maintenance and support of Parliament ICT services.

➤ FINANCIAL RESOURCES

An effective financial management during 2019 resulted in the successful implementation of DG ITEC's annual budget. The final appropriations at 31 December 2019 totalled EUR 129 988 500, with total commitments amounting to EUR 129 237 841 (99%) of the final appropriations and EUR 78 941 662 (61%) of payments on committed amounts.

During the reporting period, DG ITEC funded from its annual appropriations most shortfalls identified. However, additional budgetary reinforcement was essential to fund the implementation of some key Parliament ICT projects. This was achieved through a number of budget transfers-in, originating from the 2019 mopping-up procedure and from the budgets of other Directorates-General. In total, EUR 9 512 000 was transferred to DG ITEC, mainly towards the end of the year, which makes the DG's performance over the implementation of its final appropriations even more significant.

ENVIRONMENT OF THE DIRECTORATE-GENERAL, OBJECTIVES AND RESULTS

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

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

The Directorate-General for Innovation and Technological Support (DG ITEC) provides the European Parliament with information and communication technology (ICT) services as well as document production, printing and distribution services. DG ITEC aims at supporting the exercise of the democratic mandates of Members of the European Parliament and Political groups, as well as supporting the functioning of the European Parliament administration.

The Directorate-General is composed of four directorates: (i) Development and Support; (ii) Infrastructure and Equipment; (iii) Publishing and Distribution; and (iv) Innovation and Resources. Following the Bureau's adoption of the 'European Parliament ICT security governance framework' and its appointment of a Chief ICT Security Officer (CISO) in October 2016, the organisational structure of the CISO is additionally included in DG ITEC.

DG ITEC manages the ICT infrastructure of the European Parliament. This includes but is not limited to the data centres and the networks, individual user equipment, telephony, videoconferencing facilities, ICT standards and security. Around 450 highly specialised staff members are dedicated to provide the

European Parliament with cutting-edge technology and first-class services.

The European Elections held in 2019 resulted in the arrival of over 50% of new Members. This political agenda impacted heavily the way DG ITEC has operated before and after the elections, but also required a significant contribution in exchanging with Member States on the potential cyber risks (its potential adversarial impact on democracy) and effectively supporting election night (increasing ICT security, performance and reliability in order to cope with the increased traffic and allow a much higher workload, in close collaboration with DG COMM) as well as welcoming the new Members. This political agenda impacted also the strategic orientations through the closing of the previous commitments and the definition of the ones for the 9th Parliamentary term, as evidenced by the structure of reporting on objectives and results.

2.2. Key results and progress towards achieving objectives

ACHIEVEMENTS OF THE 2017-2019 STRATEGIC EXECUTION FRAMEWORK

DG ITEC efforts in the eighth legislative term greatly contributed to an improved digital environment for Parliamentary works and administration.

➤ DELIVERY OF KEY COMPONENTS OF AN INNOVATIVE DIGITAL ENVIRONMENT

In order to promote technological innovation in Parliament, DG ITEC created in 2016 an Innovation department within its Directorate for Innovation and Resources. Several proofs of concept including indoor geo-localisation services, sentiment analysis and data analytics, 3D printing, virtual reality, and immersive meetings are among the outcomes of that initiative. In addition, the innovation department created an idea management system called “INNOVATE”, intended to be an enterprise social network and ideation tool that all Parliament users can use to share their ideas in improving the functioning of Parliament.

DG ITEC delivered key initiatives intended to empower Members and streamline the administrative processes. Within the Workplace for MEP strategy, the ICT4MEPs project addressed ICT mobility for Members, their accredited assistants in Brussels and Strasbourg and the local assistants in their constituencies. It includes the provision of a

fully-fledged digital workplace accessible anywhere at any time. This project will continue under the MEP Offices 2019+ to ensure that the relevant mobile and flexible ICT services are available to Members and their assistants. In addition, the Unified Communications project integrated telephony, electronic mail, individual video-conferencing (inside and outside Parliament), radio and television over the Internet Protocol (enabling each Member to access a larger number of channels streamed through this technology). It included also the implementation of a “Web-meeting” solution that proposes publicly accessible virtual meeting rooms for video-conferencing with participants from inside and outside Parliament premises.

The e-Parliament programme delivered its objective of facilitating and standardising the creation, edition, translation and publication of committee and parliamentary legislative work and ensuring a high quality of texts via the usage of web editors that provide tools focused on the drafting activity.

Supporting a mobile approach to print where and when needed, the efficient printing project since autumn 2018 replaced existing local printers and scanners by network multifunctional devices activated by the users with their access card (badge): this solution provides improved security and confidentiality. DG ITEC delivered a new common platform for DG's intranet websites to foster internal communication, aiming to provide all necessary information for Members and parliamentary assistants in dedicated sections.

➤ **FURTHER STRENGTHENING OUR CAPACITY TO SUPPORT EFFICIENTLY THE NEEDS OF OUR CLIENTS**

The Bureau's decision of 7 September 2015 established the Parliament's ICT security framework around an ICT systems security policy and the creation of an Information Security Steering Board (ISSB) and a Chief ICT Security Officer (CISO). The Bureau appointed the CISO in October 2016, who has finalised the drafting of the cybersecurity framework, specifying the principles and objectives to be implemented in the relevant ICT security areas. Achievements in this area also include the setting up of a cybersecurity incident management and response capability (EP-CERT) and the increased remote connections security with the introduction of the two-factor authentication protocol.

DG ITEC initiated the ICT obsolescence management initiative to rationalise its infrastructure and software technologies and promote open source software solutions. It resulted in removal of 350 components and the modernisation of 187 business applications. The initiative has been now included into the operational "Parliament Technology clock" process for continuous ICT obsolescence management.

➤ **CONSOLIDATION OF OUR POSTION AS A RELIABLE, RESPONSIVE AND EFFICIENT PARTNER**

There is a business risk associated with the use, ownership, operation, and adoption of ICT within the Institution (cybersecurity, business continuity, compliance to data protection regulation) that DG ITEC has addressed through a robust Business Continuity Plan

(BCP) built around (i) an ICT incident management scheme, (ii) ICT recovery plans, and (iii) an ICT incident communication scheme. Furthermore, DG ITEC has initiated a complete cycle of business continuity exercises to improve the resilience of its ICT infrastructure and processes. This resilience will be further improved by the implementation of the new data centre strategy.

➤ **EXPANDING THE CAPACITY TYHROUGHOUT STRATEGIC PARTNERING**

DG ITEC has built strong partnerships with other European Union Institutions in particular, inside the Interinstitutional Committee on IT (CII). In that perspective DG ITEC has contributed to projects such as (i) EU Free and Open Source Software Auditing Community (aiming to ensure and maintain the integrity and security of key open source software); (ii) and the Common EU Institutions document format (fostering the exchange of documents between the Institutions in a structured legislative content). The collaboration among European Union Institutions and bodies is of particular relevance also in their contractual relationships with ICT providers where increased volumes lead to a stronger position in these relationships. This is the case, for example, in the area of cloud computing where inter-institutional contracts are now being implemented using a new innovative procedure for procurement foreseen in the financial regulation - the Dynamic Purchasing System. In addition, DG ITEC initiated with other European Union Institutions a pooling of part of their cybersecurity expertise and resources in a Computer Emergency Response Team (CERT-EU).

In the field of publishing and data management, DG ITEC represents the European Parliament administration in the Management Committee of the Publications Office, which offers an inter-institutional forum for a wider exchange of information and collaboration in those fields.

DG ITEC is continuously collaborating and exchanging best practices with the Inter-Parliamentary Union, the United Nations, and the European Centre for Parliamentary Research and Documentation, inter-institutional working groups and other organisations.

➤ CYBERSECURITY

In today's fast-paced digital environment, cybersecurity is paramount. Therefore, the full implementation of the Institution's cybersecurity policy and action plan is central to protecting information vital to Parliament. The need to protect Parliament information assets and to strengthen further its ICT infrastructure are also key drivers of the new ICT strategy.

STRATEGIC ORIENTATIONS 2019-2021 AND NEW STRATEGIC EXECUTION FRAMEWORK

DG ITEC's strategy is designed to better support Members' and parliamentary work by ensuring the continuity and agility of the ICT offering while accelerating the digital transformation of the Institution. The portfolio of DG ITEC is composed of twelve corporate projects and three enabling projects that guide the transformation of the culture and the structure of DG ITEC. DG ITEC's game changer is about speeding up the move

towards artificial intelligence and cloud computing.

➤ 1. INNOVATION AS AN ACCELERATOR TO DELIVER CHANGE THROUGH BETTER SOLUTIONS

The first pillar of the Strategic orientations is supported by the two game changer projects, which concentrate the highest efforts and deliver the highest innovative outcomes:

- **Implementation of cloud solutions for Parliament** to allow workloads to move between onsite and cloud-based computers as needs change and provide therefore greater agility and more data deployment options via a hybrid cloud strategy;
- **Artificial intelligence for better services** to support the exploration and scale up of related solutions to the benefit of parliamentary works, engagement with citizens and administrative/logistics management in cooperation with the Bureau's WG on ICT, Directorates-General and Political groups

➤ 2. OPTIMISE DG ITEC ICT AND ORGANISATIONAL ECOSYSTEM TO EXPLOIT THE MOST EVOLVED SOLUTIONS AND STANDARDS

The second pillar of the strategic orientations revolves around several projects that all contribute to increasing DG ITEC's capability to be more resilient, open and efficient. It includes six strategic projects:

- **DG ITEC 2.0 for service improvement** will guide the transformation of the culture and the structure of the

Directorate-General, by identifying the capabilities, competences and mind-set needed to embed continuous cooperation throughout the organisation;

- **Cybersecurity** to further increase the assurance over the protection of Parliament's ICT assets with the appropriate cybersecurity defences and improve the capacity of Parliament to detect, respond to and recover from cyber-attacks;
- **DG ITEC Metrics Collection** to establish an efficient and consistent way of measuring performance (on client satisfaction or productivity) at Unit and/or value chain level;
- **From external consultants to contract staff** to adjust DG ITEC staff sourcing strategy in order to acquire the ICT expertise it will need to implement artificial intelligence and cloud computing and reduce the Directorate-General's over reliance on external consultants;
- **IT capacity building for democracies support** to support Parliaments to becoming ever more transparent, accountable and effective institutions;
- **Meet customers' needs by optimising the IT portfolio** to implement the IT Application Strategy Framework (ASTRA) in a coherent and comprehensive way by transitioning the module "Application Lifecycle Management" to all existing applications maintained by DG ITEC and the "Application Inventory" solution to a central registry of Parliament IT solutions.

➤ 3. ACCELERATE THE IMPROVEMENT OF THE DIGITAL WORKPLACE FOR MEMBERS, ASSISTANTS AND PARLIAMENT STAFF.

The third pillar of ITEC 2019-2024 Strategic Orientations revolves around the users, their needs and the citizens. It includes 4 strategic projects:

- **Improved ICT support services and solutions for Members** to strengthen the IT support for Members with a special emphasis on reactivity, specific and dedicated proximity support and to upgrade the service and improve the perception of the quality of the service provided up to a tailor made approach for VIP customers;
- **Needs-based Printing in the Digital Age** to define, design and start implementing an efficient, sustainable, reactive and sufficient printing strategy for the European Parliament in the 2020s;
- **DG ITEC's catalogue of services** to provide a uniform electronic catalogue of all services DG ITEC provides to its clients, together with a set of rules and conditions for each service and a high-level procedure of how to obtain it;
- **Parliamentary open data** to make Parliament more open and accessible to citizens and organisations who want to gain a better understanding of its activities and/or reuse its data.

PERFORMANCE METRICS

In 2019, DG ITEC has transformed its results indicators (reported in the past exercise) into the strategic metrics that it agrees to report

monthly to the Office of the Secretary-General in the context of the DG ITEC Metrics project. This new performance reporting mechanism has started in January 2020 and DG ITEC will provide an aggregation of these metrics in its 2020 Annual Activity Report.

RESOURCES MANAGEMENT

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3. Resources management

3.1. Human resources

The changes on the top management at the end of 2018 (Bureau appointment of two new Directors) were followed with the creation of three new Units at the beginning of 2019 and a later reorganisation to align the structure of DG ITEC with its new strategic priorities.

Overall 391 officials, 18 temporary staffs and 53 contract staff worked in DG ITEC in 2019, to provide the European Parliament with services in information and communication technology (ICT) and printing and distribution. This

specialised internal workforce is stable compared to the 2018 figures even if Parliament is undergoing major technological changes in 2020 and 2021 as described in the adopted strategic orientation for 2019-2021: cloud, artificial intelligence, open data, new printing strategy, etc... These challenges require a significant effort in seeking for additional efficiency gains in the coming years. DG ITEC will explore these and its overall sourcing strategy in the context of the strategic project “from contracts to contractual agents”.

ESTABLISHMENT PLAN

	on 01/01/2019			
	AD	AST	AST/SC	Total
Permanent posts	122	322	12	456
Temporary posts	2	4	0	6
Total	124	326	12	462

	on 01/01/2018			
	AD	AST	AST/SC	Total
	121	332	11	464
	3	5	0	8
Total	124	337	11	472

STAFF NUMBERS AT 31.12.2019

	AD	AST	AST/SC	Total
Officials	110	272	9	391
Temporary staff	5	12	1	18
- <i>in temporary posts</i>	2	3	0	5
- <i>in permanent posts</i>	3	9	1	13
- <i>offsetting staff working part time</i>	0	0	0	0
Contract staff				53
Seconded national experts (SNE)				0
Agency staff				0
Total				480

3.2. Financial and budgetary management

INITIAL AND FINAL APPROPRIATIONS

Authorised appropriations in DG ITEC's initial budget for 2019 totalled EUR 120 476 500, representing an increase of EUR 3 017 860 (2.6 %) in relation to the initial budget for 2018, which totalled EUR 117 458 640.

Final appropriations at 31 December 2019 amounted to EUR 129.988.500. The difference of EUR 9 512 000, between initial and final appropriations, is explained through a number of budget transfers to DG ITEC's budget, as follows:

- EUR 1 825 000 on item 2104 (DG FINS);
- EUR 200 000 on item 2105 (DG IPOL);
- EUR 140 000 on item 2140 (DG SAFE);
- EUR 1 975 000 on items 2104 and 2105 (C transfer reinforcement request);
- EUR 111 000 on item 2105 (DG LINC) identified during the 2019 mopping-up procedure;
- EUR 76 000 on items 2102 and 2105 (DG EPRS) identified during the 2019 mopping-up procedure;
- EUR 4 885 000 on items 2102 and 2104 received from the 1st mopping up procedure 2019;
- EUR 300 000 on item 3241, was received during the 2nd mopping-up procedure 2019.

It is important to mention that during 2019 DG ITEC made great efforts to fund, as far as possible, any deficits identified from its

annual appropriations, which explains the large number of internal transfers in 2019.

The transfer situation at 31 December 2019 can be summed-up as follows:

➤ MOPPING-UP PROCEDURES 2019

The first mopping-up procedure 2019 resulted in a transfer of EUR 4 885 000 (Transfer ref.: VIR C18) to DG ITEC's budget, firstly, to fund a shortfall identified on budget item 2102, arising from increased service levels for Members of the European Parliament (MEP) IT user support following the 2019 elections and secondly, to fund a deficit on item 2104 for additional investment in the Datacentre and obsolescence replacement of IT equipment.

The second mopping-up procedure 2019 resulted in a transfer of EUR 300 000 (Transfer ref.: VIR P11) to fund new tailor-made multimedia content of the services available to the Members of the European Parliament and APAs.

➤ TRANSFERS FOR DECENTRALISED IT PROJECTS FROM SECRETARY-GENERAL'S RESERVE (ITEM 2105)

In the context of the decentralised management of IT projects in the European Parliament, (Secretary General's note ref.: GEDA D(2013)7746 of 28 March 2013), a strategic reserve on item 2105 (sub-item 2105-03 - ICT Governance) is managed annually by DG ITEC.

Whenever additional funding is required for a decentralised IT project, a request is made by DG ITEC for the prior approval of the Secretary

General, before submitting a transfer request to DG FINS.

In 2019, appropriations amounting to EUR 468 000 were made available for decentralised IT projects and a total of EUR 50 000 (Transfer ref.: VIR S36) was approved to ensure adequate technical capacity for the Automatic Data Collection Project.

As the annual appropriations were not fully consumed at the end of 2019, the Secretary General's Cabinet requested that the remaining appropriations should be used to accelerate the roll-out of hybrids across the European Parliament (Transfer ref.: VIR P09).

➤ SUMMARY OF BUDGET TRANSFERS 2019

During the year, 16 'S' transfers (*sub-item to sub-item*) were completed, consisting of 12 internal rebalancing S transfers (EUR 7 018 987), 3 incoming S transfers from other DGs (EUR 327 000) and 1 decentralised IT project S transfer (EUR 50 000).

Furthermore, 6 'P' transfers (*within the article*) were completed, consisting of 4 rebalancing transfers (EUR 3 373 116) and 2 incoming transfers from other DGs (EUR 2 125 000).

Finally, 'C' transfers (*chapter to chapter*) consisted of 1 rebalancing transfer (EUR 80 000) and 2 reinforcement transfers (EUR 2 175 000), in addition to the 2019 mopping-up C transfer (EUR 4 885 000) mentioned above.

FINAL APPROPRIATIONS AND APPROPRIATIONS COMMITTED

Final appropriations at 31 December 2019 totalled EUR 129 988 500, where total commitments amounted to EUR 129 237 841 or 99% of the final appropriations.

APPROPRIATIONS COMMITTED AND PAYMENTS MADE

Commitments at 31 December 2019 totalled EUR 129 237 841 and payments amounted to EUR 78 941 662 or 61% of all commitments.

The difference between appropriations committed (99%) and payments made (61%) results from services and supplies ordered in 2019, but not yet paid. A total of EUR 50 296 179 has been carried forward to 2020 to cover all services still to be invoiced.

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

Automatic carryover appropriations to the financial year 2019 totalled EUR 43 428 348. At 31 December 2019, payments amounted to EUR 42 651 822 or 98% of carried-over appropriations for all of the Directorate-General's budget items.

DG ITEC had no non-automatic carryovers from 2018 to 2019.

APPROPRIATIONS CORRESPONDING TO ASSIGNED REVENUE

DG ITEC's assigned revenue amounted to EUR 1 621 203.89, resulting from the recovery of sums due in relation to administrative agreements with the European Ombudsman,

the European Data Protection Supervisor (*for telephone costs, the purchase of IT licences, hardware/software*) and for penalties incurred where a contractor has not respected his contractual obligations.

An exceptional amount of EUR 1 000 000 was recovered in 2019 from the insurance company, resulting from the 2017 Datacentre outage.

Situation with regard to AR specific expenditure appropriations

Available assigned revenue at 31 December 2019 amounted to EUR 1 621 204, commitments amounted to EUR 416 571 or 32% of available assigned revenue and payments totalled EUR 74 676.

Situation with regard to carried over AR specific expenditure appropriations/AR commitments

The total assigned revenue appropriations carried-over amounted to EUR 604 525, of which EUR 602 767 (99,7%) have been committed.

At 31 December 2019, payments amounted to EUR 380 667 or 63% of assigned revenue carried-over.

The balance of commitments on assigned revenue carried over to 2019 amounted to EUR 396 351, of which payments totalled EUR 386 110 or 97%.

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



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

Article 36 of the Financial Regulation on internal control of budget implementation is the legal basis of the 2014 revised version of the Minimum Internal Control Standards (MICS) that the Bureau has adopted in June 2014. The 16 Standards of the MICS provide the overall framework for establishing and maintaining internal control.

4.1. Assessment of the effectiveness and efficiency of internal control

Self-assessment is a pre-determined approach whereby individuals self-review or self-audit the controls for which they are responsible and communicate the results to the Internal Control Coordinator who will analyse and report on these. It is a recognized cost-effective technique applicable to risks and controls and one of the cornerstones of the evaluation of an internal control system that is promoted and supported within Parliament by the Central Services.

DG ITEC has initiated a control self-assessment process to review all of the Directorate-General's primary controls (MICS approved by the Bureau) throughout a three-year cycle: (i) six internal control standards (ICS) in 2019, (ii) five in 2020 and (iii) the remaining five in 2021.

This section outlines the outcome of the self-assessment conducted in 2019 over the implementation of these standards in the second line of defence (refer to IIA Three lines of defence model).

DG ITEC's 2019 control self-assessment (CSA) focused on the internal control standards 5 (Objectives and performance indicators), 6 (Risk Management), 8 (Processes and Procedures), 9 (Management oversight) and 10 (Business Continuity). The CSA targeted a population of 30 staff members. Out of these, four (13%) had managerial function. It included a set of mandatory questions for managers (23) and for staff without such role (22). The CSA included also a set of five (5) optional free text questions allowing participants to comment on potential improvement of the internal control system. Eighty (80) percent of the targeted population provided their input (four out of four managers and 20 out of 26 staff without managerial role).

The self-assessment was implemented as an anonymous survey using the iCAT tool.

Overall there is an agreement (positive consensus) among the participants over the effectiveness of the internal control standards assessed. This consensus is high on "management oversight" (83% out of which 56% "Agree" and 24% "Almost agree"), and "objective and performance indicators" (71%),

medium on “Processes and procedures” (60%), “risk management” (58%) and “Business continuity” (54%).

The survey identified also that further progress could be made in Processes and procedures, risk management and Business continuity, that will be addressed in a specific internal control improvement plan.

4.2. Assessment of the cost-effectiveness of the controls

This section outlines the control results in terms of effectiveness, efficiency and economy over financial transactions.

The evaluation of the cost was based on the methodology adopted for this exercise at Institution-level and circulated by the Project Management Office of the Secretary-General’s Office. The methodology included an assessment of the direct costs incurred by centralised control functions in Resource Directorate (ex-ante verification of financial transactions and procurement and contracts, and the support to procurement and contract), using an estimation of the time spent on such activities (Full-time Equivalent) and an average annual cost per profile.

The figures shows an overall cost of controls estimated at 0.85% of the budget managed by DG ITEC in 2019 (Sum of final appropriations 2019 (B) + automatic carryovers 2018 to 2019 (M) + appropriations from assigned revenue in 2019 (W) + assigned revenue carried over to 2019 (X) as reported in the “Budgetary implementation overview”)

Total estimated costs of controls	Budget managed*	Ratio (%)
EUR 1.494.000	EUR 175.642.577	0,85%

Financial transactions	Number
Commitments	1084
Payments	3014
Liquidation	129
Recovery	86

Procurement procedures and Contracts	Number
Framework contracts conducted	9
Framework contracts signed	6
Specific contracts signed	760

In 2019, 100% of the 4 313 financial transactions were submitted to ex-ante verifications in order to detect and correct any procedural errors with or without financial impact. These resulted in the exceptions documented in the annex.

The Authorising Officer by Delegation requested an analysis of the exceptions in order to recommend a way to avoid these during the implementation of the 2020 budget.

In conclusion, management has reasonable assurance that, overall, cost-effective suitable controls are in place and operating as intended; risks are being appropriately monitored and mitigated; and the necessary improvements and reinforcements are being implemented as appropriate.

4.3. Summary of internal and external audits

During the reporting year, DG ITEC received from the Internal Audit Service the conclusions

- of a Preliminary Review of ICT Security (Report 18/09) containing an eleven-point action plan that DG ITEC agreed to implement by 31 December 2020

- (due date) to address six (6) significant and five (5) moderate residual risks; and
- of a consulting assignment on the last IT outage and Business Continuity (IAS Report 18/12) containing three (3) recommendations on further protecting Parliament's ICT infrastructure, complementing the list of critical and core information systems with a clearer mission-to-asset mapping and documented dependencies between assets; and addressing the need for a higher tier certification of the rented premises housing our computer room in Brussels.

DG ITEC received also the conclusions from the Internal Audit Service on their review of the implementation of the agreed action-plans from three previous audit reports on the ICT Infrastructure and Operations (Reports 14/08 15/04 and 16/10). These reviews (during the reporting period) led to the closing of five (5) due and overdue actions, acknowledging progress made by DG ITEC in:

- clarifying the continuity requirements (in close cooperation with the IT clients and the Business Continuity Management Unit) and enhancing the resilience of the mission-critical applications; (Actions 5 and 6 of IAS Report 14/08 on Data Centre resource optimisation and IT continuity)
- Improving the governance of the ICT infrastructure with the adoption of a cloud model and set-up all necessary project governance structures needed to implement the action plan and work

- packages of its PPP's 'game changer' project "towards artificial intelligence and cloud computing" (action 4 of IAS Report 14/08 on Data Centre resource optimisation and IT continuity);
- Strengthening the decommissioning process for its hardware assets (action 1 of IAS Report 16/10 on Data Centre inventory and management of external expertise);
- Enhancing the documentation of the procedures implemented by the Unit in charge of the Software Asset Management system to complement the financial management of the intangible assets (action 2 of IAS Report 16/10 on Data Centre inventory and management of external expertise)

The seven remaining actions of the data Centre Audits will very likely be closed in 2020 as a combined effect of the implementation of the new Parliament data centre strategy and the cloud game-changer project.

STATEMENT OF ASSURANCE

5

5. Statement of assurance

I, the undersigned, **Walter PETRUCCI**

Director-General (acting) of Innovation and Technological Support (DG ITEC)
hereby declare, in my capacity as authorising officer by delegation, that I have reasonable assurance that:

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

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

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

Done at **Brussels**

On **26/05/2020**

Signature



ANNEXES

6

6. Annexes

|

a. Budgetary implementation overview

Code	Appropriation type	EUR ou %	Formula
Appropriations of 2019			
A	Initial appropriations	120.476.500	
B	Final appropriations	129.988.500	
C	Commitments	129.237.841	
D	commitments in % of final appropriations	99%	D=C/B
E	Payments	78.941.662	
F	Payments in % of commitments	61%	F=E/C
G	Cancellations of 2019 final appropriations	750.659	G=B-C-K
H	Cancellations appropriations in % of final appropriations	1%	H=G/B
Appropriations carried forward from 2019 to 2020			
I	Automatic carryforwards from 2019 to 2020	50.296.179	I=C-E
J	Automatic carryforwards from 2019 to 2020 in % of commitments	39%	J=I/C
K	Non-automatic carryforwards from 2019 to 2020	0	
L	Non-automatic carryforwards from 2019 to 2020 in % of final appropriations	0%	L=K/B
Appropriations carried over from 2018 to 2019			
M	Automatic carryovers from 2018 to 2019	43.428.348	
N	Payments against automatic carryovers from 2018 to 2019	42.651.822	
O	Payments against automatic carryovers from 2018 to 2019 in % of automatic carryovers from 2018 to 2019	98%	O=N/M
P	Cancellations of automatic carryovers from 2018 to 2019	776.526	P=M-N
Q	Cancellations of automatic carryovers from 2018 to 2019 in % of automatic carryover from 2018 to 2019	2%	Q=P/M
R	Non-automatic carryovers from 2018 to 2019	0	
S	Payments of non-automatic carryovers from 2018 to 2019		
T	Payments of non-automatic carryovers from 2018 to 2019 in % of non-automatic carryovers from 2018 to 2019	-	T=S/R
U	Cancellations of non-automatic carryovers from 2018 to 2019		U= R-S
V	Cancellations of non-automatic carryovers from 2018 to 2019 in % of non-automatic carryovers from 2018 to 2019		V=U/R
Assigned revenue in 2019			
W	Appropriations from assigned revenue in 2019 (current)	1.621.204	
X	Assigned revenue carried over to 2019	604.525	
Y	Balance of commitments on assigned revenue carried over to 2019	396.351	
Z	Payments in 2019 against appropriations from assigned revenue (current and carried-over)	841.453	
AA	Payments in 2019 against appropriations in % of assigned revenue (current and carried-over)	32%	AA=Z/(W+X+Y)

b. 2019 Budget implementation statement

1. Current appropriations as at the end of December - Financial year 2019 (nature 0)

Annexe 6-b-1 Exercice 2019 - DG ITEC crédits courants (NAT 0) au 31 décembre 2019									
Poste	Intitulé	Crédits Initiaux	Virements Budget Suppl.	Crédits Actuels	Engagements Contractés	% Util.	Paievements Effectués	Soldes des Engagements	Crédits Disponibles
2100	Informatique et télécommunications — activités récurrentes de fonctionnement	29.915.200,00	-868.500,00	29.046.700,00	28.784.464,89	99,03%	17.602.757,70	11.161.706,99	282.235,31
2101	Informatique et télécommunications — activités récurrentes relatives à l'infrastructure	23.546.000,00	188.742,00	23.734.742,00	23.534.285,34	99,16%	15.693.185,50	7.941.099,84	200.456,66
2102	Informatique et télécommunications — activités récurrentes relatives au support général aux utilisateurs	11.189.000,00	340.450,00	11.529.450,00	11.489.332,95	99,65%	8.757.243,83	2.732.089,12	40.117,05
2103	Informatique et télécommunications — activités récurrentes de gestion des applications TIC	11.023.000,00	-250.357,65	10.772.642,35	10.786.882,62	99,95%	8.224.792,13	2.542.090,49	5.759,73
2104	Informatique et télécommunications — investissements en infrastructures	17.702.000,00	8.639.258,00	26.341.258,00	26.278.868,38	99,76%	8.348.736,74	17.930.131,64	62.389,62
2105	Informatique et télécommunications — investissements en projets	19.271.000,00	1.052.407,65	20.323.407,65	20.273.468,34	99,75%	15.255.562,47	5.017.905,87	49.939,31
2140	Matériel et installations techniques	2.000.000,00	60.000,00	2.060.000,00	2.044.754,32	99,26%	1.234.237,39	810.516,93	15.245,68
2300	Papeterie, fournitures de bureau et consommables divers	636.000,00	0,00	636.000,00	635.264,37	99,88%	498.158,99	137.107,38	735,63
2360	Affranchissement de correspondance et frais de port	64.000,00	0,00	64.000,00	62.470,00	97,61%	48.750,50	13.719,50	1.530,00
3240	Journal Officiel	800.000,00	-100.000,00	700.000,00	638.250,69	91,18%	638.250,69	0,00	61.749,31
3241	Publications numériques et traditionnelles	4.225.300,00	480.000,00	4.705.300,00	4.681.880,16	99,50%	2.572.729,17	2.109.150,99	23.419,84
3245	Organisation de colloques, séminaires et actions culturelles	105.000,00	-30.000,00	75.000,00	67.918,80	90,56%	67.258,80	660,00	7.081,20
Total dossier DIT		120.476.500,00	9.512.000,00	129.988.500,00	129.237.840,66	99,42%	78.941.661,91	50.296.178,75	750.659,34

2. Automatic carryovers as at the end of December - Financial year 2019 (nature 2)

Annexe 8-b-2 Exercice 2019 - DG ITEC crédits reportés automatiques (NAT 2) au 31 décembre 2019								
Poste	Intitulé	Crédits Reportés	Crédits Actuels	Engagements Contractés	Paiements Effectués	% Util.	Reste à Payer	Reliquat de Conversion
2100	Informatique et télécommunications — activités récurrentes de fonctionnement	3.202.329,23	3.202.329,23	3.202.329,23	3.002.726,01	93,77%	199.603,22	0,00
2101	Informatique et télécommunications — activités récurrentes relatives à l'infrastructure	6.658.847,68	6.658.847,68	6.658.847,68	6.524.850,17	97,99%	133.997,51	0,00
2102	Informatique et télécommunications — activités récurrentes relatives au support général aux utilisateurs	3.479.493,97	3.479.493,97	3.479.493,97	3.373.117,47	96,94%	106.376,50	0,00
2103	Informatique et télécommunications — activités récurrentes de gestion des applications TIC	2.305.665,08	2.305.665,08	2.305.665,08	2.294.792,78	99,53%	10.892,30	0,00
2104	Informatique et télécommunications — investissements en infrastructures	19.668.795,91	19.668.795,91	19.668.795,91	19.519.222,29	99,24%	149.573,62	0,00
2106	Informatique et télécommunications — investissements en projets	5.690.110,38	5.690.110,38	5.690.110,38	5.677.179,90	99,77%	12.930,48	0,00
2140	Matériel et installations techniques	660.629,77	660.629,77	660.629,77	612.514,18	92,72%	48.115,59	0,00
2300	Papeterie, fournitures de bureau et consommables divers	183.498,12	183.498,12	183.498,12	172.631,96	94,08%	10.866,16	0,00
2380	Affranchissement de correspondance et frais de port	7.999,03	7.999,03	7.999,03	1.458,73	18,24%	6.540,30	0,00
3241	Publications numériques et traditionnelles	1.556.566,23	1.556.566,23	1.556.566,23	1.458.935,51	93,73%	97.630,72	0,00
3245	Organisation de colloques, séminaires et actions culturelles	14.393,00	14.393,00	14.393,00	14.393,00	100,00%	0,00	0,00
Total dossier DIT		43.428.348,40	43.428.348,40	43.428.348,40	42.861.822,00	98,21%	776.526,40	0,00

3. Non-automatic carryovers as at the end of December - Financial year 2019 (nature 6)

Annexe 6-b-3 Exercice 2019 - DG ITEC crédits reportés non-automatiques (NAT 6) au 31 décembre 2019

Poste	Intitulé	Crédits initiaux	Virements Budg. Supp+	Crédits Actuels	Engagements Contractés	% Util.	Palements Effectués	Soldes des Eng. E.C.	Crédits Disponibles
Total dossier DIT	n/a	0,00	0,00	0,00	0,00	0,00%	0,00	0,00	0,00

4. Specific expenditure appropriations/assigned revenue as at the end of December - Financial year 2019 (nature 7)

Annexe 6-b-4 Exercice 2019 - DG ITEC recettes affectées (NAT 7) au 31 décembre 2019									
Poste	Intitulé	Virements	Credits Année Cumulés	Credits Actuels	Engagements Contractés	% Util.	Paiements Effectués	Solde des Engagements E.C.	Credits Disponibles
2100	Crédits issus de recettes affectées informatique et télécommunications - activités récurrentes de fonctionnement	123.221,86	123.221,86	123.221,86	42.139,73	34,20%	2.378,52	39.761,21	81.082,13
2101	Crédits issus de recettes affectées informatique et télécommunications - activités récurrentes relatives à l'infrastructure	214.052,54	214.052,54	214.052,54	213.767,54	99,87%	0,00	213.767,54	285,00
2102	Crédits issus de recettes affectées informatique et télécommunications - activités récurrentes relatives au support général aux utilisateurs	7.575,00	7.575,00	7.575,00	7.575,00	100,00%	0,00	7.575,00	0,00
2104	Crédits issus de recettes affectées informatique et télécommunications - investissements en infrastructures	1.106.920,85	1.106.920,85	1.106.920,85	106.920,85	9,66%	56.479,25	50.441,60	1.000.000,00
2105	Crédits issus de recettes affectées informatique et télécommunications - investissements en projets	1.035,39	1.035,39	1.035,39	1.035,39	100,00%	0,00	1.035,39	0,00
2140	Crédits issus de recettes affectées matériel et installations techniques	4.000,00	4.000,00	4.000,00	0,00	0,00%	0,00	0,00	4.000,00
2300	Crédits issus de recettes affectées papeterie, fournitures de bureau et consommables divers	0,00	84.830,62	84.830,62	45.132,33	53,20%	15.818,08	29.314,25	39.698,29
2360	Crédits issus de recettes affectées affranchissement de correspondance et frais de port	0,00	10.660,00	10.660,00	0,00	0,00%	0,00	0,00	10.660,00
3241	Crédits issus de recettes affectées publications numériques et traditionnelles		68.907,63	68.907,63	0,00	0,00%	0,00	0,00	68.907,63
Total dossier DIT		1.456.805,64	1.621.203,89	1.621.203,89	416.570,84	25,70%	74.675,85	341.894,96	1.204.633,05

5. Specific expenditure appropriations/assigned revenue carried over as at the end of December - Financial year 2019 (nature5)

Annexe 6-b-5 Exercice 2019 - DG ITEC recettes affectées crédits reportés (NAT 5) au 31 décembre 2019								
Poste	Intitulé	Crédits Initiaux	Crédits Actuels	Engagements Contractés	Paiements Effectués	% Util.	Solde des Engagements	Crédits Disponibles
2100	Crédits issus de recettes affectées reportées informatique et télécommunications — activités récurrentes de fonctionnement	363.851,82	363.851,82	363.745,07	262.684,82	72,22%	101.060,25	106,75
2101	Crédits issus de recettes affectées reportées informatique et télécommunications — activités récurrentes relatives à l'infrastructure	99.539,40	99.539,40	99.539,40	3.539,40	3,56%	96.000,00	0,00
2104	Crédits issus de recettes affectées reportées informatique et télécommunications — investissements en infrastructures	52.313,23	52.313,23	52.225,30	43.212,18	82,74%	9.013,12	87,93
2140	Crédits issus de recettes affectées reportées matériel et installations techniques	24.554,39	24.554,39	23.398,24	22.062,00	94,29%	1.336,24	1.156,15
2300	Crédits issus de recettes affectées papeterie, fournitures de bureau et consommables divers	6.326,91	6.326,91	6.326,91	6.326,91	0,00%	0,00	0,00
2360	Crédits issus de recettes affectées affranchissement de correspondance et frais de port	7.530,00	7.530,00	7.530,00	5.793,25	0,00%	1.736,75	0,00
3241	Crédits issus de recettes affectées publications numériques et traditionnelles	50.407,07	50.407,07	50.000,00	37.046,40	0,00%	12.953,60	407,07
Total dossier DIT		604.524,82	604.524,82	602.766,92	380.666,96	63,15%	222.099,96	1.757,90

6. Specific expenditure commitments/assigned revenue carried over as at the end of December - Financial year 2019 (nature 3)

Annexe 6-b-6 Exercice 2019 - DG ITEC recettes affectées engagements reportés (NAT 3) au 31 décembre 2019							
Poste	Intitulé	Crédits Reportés	Crédits Actuels	Engagements Contractés	Paiements Effectués	% Util.	Reste à Payer
2100	Crédits issus de recettes affectées reportées informatique et télécommunications — activités récurrentes de fonctionnement	221.322,15	221.322,15	221.322,15	216.772,15	97,94%	4.550,00
2101	Crédits issus de recettes affectées reportée informatique et télécommunications — activités récurrentes relatives à l'infrastructure :	30.500,00	30.500,00	30.500,00	30.500,00	100,00%	0,00
2102	Crédits issus de recettes affectées informatique et télécommunications — activités récurrentes relatives au support général aux utilisateurs	76.897,35	76.897,35	76.897,35	72.525,12	94,31%	4.372,23
2104	Informatique et télécommunications — investissements en infrastructures :	49.595,40	49.595,40	49.595,40	49.595,40	100,00%	0,00
2140	Crédits issus de recettes affectées reportées matériel et installations techniques	10.089,34	10.089,34	10.089,34	9.825,54	97,39%	263,80
2300	Crédits issus de recettes affectées papeterie, fournitures de bureau et consommables divers :	5.162,40	5.162,40	5.162,40	4.673,86	90,54%	488,54
2360	Affranchissement de correspondance et frais de port	2.784,80	2.784,80	2.784,80	2.217,83	79,64%	566,97
Total dossier DIT		396.351,44	396.351,44	396.351,44	386.109,90	97,42%	10.241,54

7. Specific expenditure appropriations/external assigned revenue as at the end of December - Financial year 2019 (nature 9)

Annexe 6-b-7 Exercice 2019 - DG ITEC crédits de dépenses spécifiques (NAT 9) au 31 décembre 2019									
Poste	Intitulé	Crédits Année Précédent	Crédits Année Cumulés	Crédits Actuels	Engagements Contractés	% Util.	Paiements Effectués	Soldes des Engagements E.C.	Crédits Disponibles
Total dossier DIT		0,00	0,00	0,00	0,00	0,00%	0,00	0,00	0,00

c. List of exceptions - derogations from the rules

EXCEPTIONS TO PROCEDURE

DECISIONS DEROGATING FROM THE ESTABLISHED PROCEDURES AND FROM THE APPLICABLE REGULATIONS							
REF. (REF. CONTRACT, ETC.)	DOCUMENT FINORD, AUTHORISING OFFICER	SUBJECT	AMOUNT	VERIFIER'S OPINION	JUSTIFICATION	RESPONSIBLE AUTHORISING OFFICER	JUSTIFICATION
ED 50258		Derogation from art. 9 FR Exception	19 717,85 EUR	Favourable with observation	Legal commitment signed on 2017 paid with 2019 credits		Due to late arrival, the invoice could not be paid with carried forward credits of year 2017
SC 004 ITS14 L7-R1 INDMAN		Derogation from art. 111(2) FR Non compliance	45 318,00 EUR	Favourable with observation	Legal commitment signed before the budgetary commitment		Workflow error
ITS17 BPM SC004		Derogation from art 1.1 annex I FR Exception	378 262 EUR	Favourable with observation	Framework contract estimations on seniority levels are not respected		Adjusting the EP's needs according to the seniority of the staff proposed by the contractor
ITS17 BPM SC005		Derogation from art.1.1 annex I FR Exception	59 721 EUR	Favourable with observation	Framework contract estimations on seniority levels are not respected		Adjusting the EP's needs according to the seniority of the staff proposed by the contractor
ITS17 SOLUTIONS SC004		Derogation from art.1.1 annex I FR Exception	422 603 EUR	Favourable with observation	Framework contract estimations on seniority levels are not respected		Adjusting the EP's needs according to the seniority of the staff proposed by the contractor

ITS17 SC002	PROJECTS	Derogation from art.1.1 annex I FR Exception	45 760 EUR	Favourable with observation	Framework contract estimations on seniority levels are not respected	Adjusting the EP's needs according to the seniority of the staff proposed by the contractor
DEV-NP-2019 PROJECTS CS005		Derogation from art 1.1, Annex I FR Exception	52 257 EUR	Favourable with observation	Proposed staff's professional capacity and experience not proven	The contractor refuses to provide CV's
DEV-NP-2019 EVOMAN CS001, EVOPARL CS005 and EVOLEG CS001		Derogation from Art 33 RF Exception	23 591 EUR	Favourable with observation	Upgrade SL of the contractor's staff performing the same tasks in a previous SC with a lower SL	Business continuity
EDIT-PRODOC/ DOF107		Derogation to art 160.2 RF Exception	14 950 EUR	Favourable with observation	Very low value contract estimated to avoid low value contract procedure	Urgent file
ITS17 SC004 AV01	SOLUTIONS	Derogation to art 1.1 annex I and 172.3 FR Exception	170 148 EUR	Favourable with observation	Estimations on seniority levels are not respected No justification for an amendment rather than a new SC	Business continuity
ITS17 SC001 AV02	SOLUTIONS	Derogation to art 1.1 annex I and 172.3 FR Exception	50 380 EUR	Favourable with observation	Estimations on seniority levels are not respected No justification for an amendment rather than a new SC	Business continuity

ITS17 R1 BPM SC004 AV01	Derogation to art. 1.1 annex I and 172.3 RF Exception	121 880 EUR	Favourable with observation	Estimations on seniority levels are not respected No justification for an amendment rather than a new SC	Business continuity
ITS17 R2 BPM SC005 AV01	Derogation to art. 1.1 annex I, 160.1 and 172.3 RF Exception	14 916 EUR	Favourable with observation	Estimations on seniority levels are not respected No justification for an amendment rather than a new SC Violation of principles of equal treatment and non- discrimination	Business continuity
ITS14 L7 R1 CONFIG CS/003	Derogation to art 1.1 annex I and art. 33 FR Exception	17 442 EUR	Unfavourable with observation	Higher level and seniority not justified	Business continuity
ITS14 L7 R2 OPERATIONS CS001	Derogation to art 1.1 annex I and art. 33 FR Exception	100 890 EUR	Unfavourable with observation	Overestimated workload and unjustified higher level profile	Business continuity
ITS17 PROJSUP BPM CS004	Derogation to art 1.1 annex I and art. 33 FR Exception	91 700 EUR	Unfavourable with observation	Estimations on seniority levels are not respected One more resource unduly paid (as not ordered)	Business continuity

ITS17 R2 CONCEPT SOLUTIONS CS002	Derogation to art 1.1 annex I and art. 33 FR Exception	34 850 EUR	Unfavourable with observation	Estimations on seniority levels are not respected Economy principle not respected	Business continuity
ITOMS13 OPERATIONS CS064	Derogation to art. 33 FR Exception	35 290 EUR	Favourable with observation	Overestimation of the workload	Business continuity

WAIVERS/CANCELLATIONS OF RECEIVABLES

N/A

RECEIVABLE WAIVER/CANCELLATION PROCEDURES

DOCUMENT REF. (FINORD REF.)	RELEVANT AUTHORISING OFFICER	SUBJECT	AMOUNT	AUTHORISING OFFICER'S REASONS FOR WAIVER/CANCELLATION
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d. Results of assessments

The Authorising Officer by Delegation with regards to the cost-effectiveness of the controls provided in this report has decided that there is no need to conduct ex-post controls.

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

The evaluation is performed in accordance with the rules applicable on 1 January 2015, i.e. those adopted by the Bureau on 16 June 2014. The result of the self-assessment exercise for 2019 is documented in

Section 4.1.

The table below provides a synoptic view of the overall maturity of the internal control system.

Self-assessment summary table

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

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

Standard	Name	Comments on the implementation
1	Mission	Distribution of mission within the DG, Directorates and Units. Available on Intranet site. Snapshot of departments. Description of posts in advertising and first section of staff reports. DG ITEC mission is also anchored in the DG's Strategic Execution Framework, updated every two and half years. DG ITEC mission is reviewed and assessed by management in the context of the various Away Days (at least once every two years).
2	Ethical and organisational values	<p>The ethical and organisational values have been recorded, approved and communicated within the DG ITEC's Strategic Execution Framework, in alignment with the matrices of the Parliament Strategic Execution Framework. These are evaluated as part of the DG's annual management seminars and/or management meetings when appropriate.</p> <p>Ethics and integrity: staff information, including the intranet site (financial site, Code of Conduct) and communications from the Director-General.</p> <p>These elements of the organisation were reviewed in depth during DG ITEC's management seminar with as specific focus on the successes and the transformations already achieved, on the current situation and the challenges ahead. The seminar further reinforced the importance of internal cooperation and communication to guarantee quality IT services to all Parliament Members and staff.</p>

3	Allocation of staff and mobility	<p>Definition of the knowledge and skills needed for each post in the job description. Recruitment interviews conducted on the basis of the DG PERS standard assessment form. Processes under control and large availability of expert staff, following the publication of the EPSO expert competition reserve lists.</p> <p>DG ITEC continues to promote internal mobility following various internal reorganisations. Annual training plan notified to staff and monitoring of participation. In 2019, this was reinforced with the participation of DG ITEC in the Parliament mobility exercise, further reinforcing the renewal of staff competences and expertise.</p>
4	Staff assessment and development	<p>Annual procedure for drawing up and issuing staff reports in line with rules in force is well established, with very limited number of complaints (Article 90 — only around 4 per year). Analysis of training needs in connection with staff reports. Quick response to training needs for old staff and newcomers. Particular attention to the annual DG's external training plan, with the publication of a detailed report of all external trainings attended by DG ITEC staff. This approach allows DG ITEC to record and share knowledge resulting from the programme and use it as a tool to continuously monitor and improve the service and to continue the development of the right expertise in a fast moving and evolving context such as IT. These annual reports serve also as a basis for drawing up future training plans for staff.</p>
5	Objectives and performance indicators	<p>Drawing up and communicating the objectives (DG, Directorates and Units) on an annual basis as part of the annual budget preparation exercise and preparation for the annual staff reports exercise (college of assessors). Improving performance measurement in the context of DG ITEC's Metric collection project.</p>
6	Risk management process	<p>As part of the new risk management procedure, the overhaul of the DG's strategic objectives has helped to improve the risk register. The risk register and related controls and action plans served as a mean for assessing the capacity to manage risk and resulted in the maturity level that has stayed to 'almost'.</p>

		In 2019, DG ITEC continued its work in this area with the inclusion of new risks, identified in the area of cyber- security, IT infrastructure, continuity (IT Outage) and compliance (EU Data Protection) and public procurement.
7	Operational set-up	Formalised procedure. Delegation of the power of signature in accordance with standard models and centralised management of financial delegations by the Financial Management Unit in DG ITEC. Updating of the DG's organisational chart and ring-book.
8	Processes and procedures	Documentation of procedures: Parliament Intranet — Finance component: rules, decisions, procedures. Checklists, <i>templates</i> , guidelines for operational and authorising officers. Recording of exceptions: Entry in FINORD of ex-ante verification observations, and recording of exceptions — see Annex 6c. Separation of tasks: Implementation by financial structure in the DG and application of the internal rules.
9	Management oversight	Operations critical to DG ITEC are managed based on service contracts with KPIs and a highly developed reporting system. This allows for a high level of supervision by management. As far as projects are concerned, a dedicated platform will allow information on the progress of the various projects to be centralised. This is disclosed and discussed every month on the Strategic Portfolio Meeting. This approach is supported and strengthened by the top management meetings (DG and Directors) held every two weeks. In addition, the ITEC management meetings of DG, Directors and Heads of Unit are held on a monthly basis, where management reviews the end-to-end state of play of ITEC strategic, operational activities and all aspects related to resource management and their performance. This is part of a continuous monitoring process by ITEC management. Supplemented by regular reports on the work and decisions adopted by the political and administrative bodies of the European Parliament, the Bureau

		<p>and the Quaestors (on a monthly basis), the Working Group on ICT Innovation Strategy (on a quarterly basis), the meetings of the European Parliament's hierarchy (every month), the Steering Committee on the IT Innovation Strategy (once a year), the meetings of the Resource Director's team (every month), the Inter-DG Working Group on Information Technology (every month), the Inter-DG Working Group on Information Technology (every month), and the Inter-DG Working Group on Information Technology (quarterly).</p> <p>DG ITEC will ensure the quality of information from 2020, as part of its continuous improvement and organisational learning processes.</p>
10	Business continuity	<p>DG ITEC continued to focus its efforts on improving the resilience of Parliament ICT infrastructure and applications, in cooperation with the central services.</p> <p>In addition, ITEC also completed Phase 4 of the Parliament business continuity planning process and the drafting of its disaster recovery plans, incident management and communication schemes.</p>
11	Document management	<p>Recording of mail and archiving systems: Use of GEDA, central financial and contractual archiving.</p> <p>Application of the administrative document management plan and monitoring of the management table (G-DOC).</p> <p>Progress was made in 2019 to align DG ITEC activities ahead of the deployment of the new document management system — HERMES, expected to be rolled out in 2020.</p>
12	Information and communication	<p>Compilation and dissemination of monthly newsletters, weekly briefings. In the last part of 2018, this activity has been reinforced with the preparation and publication of the Manageltec (ITEC Management Meeting) memo. This instrument reports to DG ITEC staff in a succinct way, the main items discussed every month by ITEC management.</p> <p>In addition, DG ITEC continued to use the Parliament intranet and ITEC net for the continuous publication of information and to ensure the quality of its internal communication work.</p>

13	Accounting and financial reporting	Monthly analysis of the budgetary implementation by means of scoreboards. This information is shared at the monthly management meetings (see MICs 9 & 12).
14	Evaluation of activities	In the context of periodic activity reporting and the annual activity reporting; monthly monitoring of progress on the IT programme and monthly monitoring (management meetings and directorate meetings) of Parliament's financial activities, HR and cross-departmental issues. Periodic monitoring of ITEC metrics collected monthly in the context of the DG ITEC metrics collection project.
15	Evaluation of internal control system	<p>Identification and correction of shortcomings in internal control and an annual review of internal control:</p> <p>Carried out in the context of the Annual Activity Report and periodic monitoring in the interim reports.</p> <p>Reporting of irregularities: review of the implementation of standards in the establishment of the Directorate for Resources and the Procurement and Contracts Unit.</p> <p>Delegation of the power of signature in accordance with standard models and centralised management of financial delegations by the Financial Management Unit in DG ITEC. In addition, control is applied across the budgetary and financial chain ensuring the conformity of these operations against the legal framework (Financial Regulation).</p> <p>The Financial Management Unit centralises all aspects of the financial initiation support function and ensures all compliance aspects ranging from budgetary commitment to payment.</p> <p>The Procurement and Contracts Unit centralises all aspects of procurement and contracts, while supporting the drafting, publishing and awarding of all DG ITEC public procurement procedures. This includes legal advisory support activities to the Directorate-General and its management. This Unit monitors also all contract implementation and the sound execution against the defined Key Performance Indicators as well as the reporting of irregularities and the implementation of the relevant Parliament standards.</p>

		<p>Ex Ante verification has continued its support function to all aspects linked to ITEC's procurement, contracts, finance and budgetary transactions. In 2019 it continued to be the main basis of the assurance over the financial transactions and contributed to the early identification of possible irregularities and ultimately.</p> <p>DG ITEC will consider whether an additional level of control is required to improve further this process through Ex Post Control.</p> <p>The analysis of internal control systems continued in 2019, with the definition of an integrated management and evaluation system, combining performance management, internal controls, risk management and business continuity in a single system.</p>
16	Audit reports	<p>In 2019, DG ITEC continued the implementation of actions, resulting from the annual reports of the Internal Audit and the Court of Auditors and implementation of the necessary corrective measures in the areas audited.</p>