



EUROPEAN DATA PROTECTION SUPERVISOR (EDPS)

Report on budgetary and financial management for the financial year 2019

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1. MISSION

Data protection is a fundamental right, protected by European law and enshrined in Article 8 of the [Charter of Fundamental Rights of the European Union](#).

In order to protect and guarantee the rights to data protection and privacy, the processing of personal data is subject to control by an independent authority. The European Data Protection Supervisor (EDPS) is the European Union's independent data protection authority, tasked with ensuring that the institutions and bodies of the EU respect data protection law.

In accordance with [Regulation 2018/1725](#), and with [Regulation 45/2001](#) previously, the EU as a policy-making, legislating and judicial entity looks to the EDPS as an independent supervisor and impartial advisor on policies and proposed laws, which might affect the rights to privacy and data protection. The EDPS performs these functions by establishing itself as a centre of excellence in law, and also in technology, insofar as it affects or is affected by the processing of personal data.

We carry out our functions in close cooperation with fellow data protection authorities as part of the European Data Protection Board (EDPB), and aim to be as transparent as possible in our work serving the EU public interest. Under the [General Data Protection Regulation](#), the EDPS is also responsible for providing the Secretariat to the EDPB.

The [European Data Protection Supervisor](#) (EDPS) ensures that the European Union's institutions, offices, bodies and agencies respect the fundamental rights to privacy and data protection, whether they process personal data or are involved in developing new policies that may involve the processing of personal data. The EDPS has four main fields of work:

-) **Supervision:** We monitor the processing of personal data by the EU administration and ensure that they comply with data protection rules. Our tasks range from conducting investigations to handling complaints and prior consultations on processing operations.
-) **Consultation:** We advise the European Commission, the European Parliament and the Council on proposals for new legislation and other initiatives related to data protection.
-) **Technology monitoring:** We monitor and assess technological developments, where they have an impact on the protection of personal data, from an early stage, with a particular focus on the development of information and communication technologies.
-) **Cooperation:** Among other partners, we work with national [data protection authorities](#) (DPAs) to promote consistent data protection across the EU. Our main platform for cooperation with DPAs is the [European Data Protection Board](#) (EDPB), for which we also provide the Secretariat.

2. BUDGET

In 2019, the EDPS was allocated a budget of EUR 16 638 572. This represents an increase of 15.15% compared to the 2018 budget.

The overall increase was mainly due to the impact of the new tasks resulting from the European Data Protection Regulation 1725/2018 and the necessary growth of the European Data Protection Board (hereafter EDPB) that was created the 25th May 2018 and for which the EDPS was entrusted to provide an independent secretariat.

As regards budget implementation, the overall rate in commitment appropriations amounted to 92%.

Implementation of Titles 1 and 2, 96% and 93% respectively, were quite good. These titles relate mainly to the EDPS staff and activities (only building and some other minor expenditure are shared with the EDPB in Title 2). The main obstacle preventing us from a higher implementation in Title 2 was the delay on the foreseen expansion of both organisations within the building we are currently occupying and sharing with the European Ombudsman. Indeed, due to the staff increases foreseen both for 2019 and 2020, it was agreed with the European Parliament (both EDPS and EDPB we are hosted in one of their buildings) that we would get further office space and would occupy the whole building during the last quarter of 2019. The corresponding budget line was therefore increased to cover for the related extra rent and charges. Due to several reasons, this expansion did not occur as foreseen and therefore the funds remained unused.

As to Title 3, dedicated to the EDPB, the implementation rate was lower than expected and amounted to only 86%. The board being functioning only since May 2018, it means that the budget for 2019 was prepared even before it was operational and therefore it was difficult to come up with accurate estimations; indeed, it is past experience that provides the best information to draw up an appropriate draft budget request and thus obtain an optimised implementation rate.

In general, despite the accurate budget monitoring, and besides the facts mentioned above, the fact that more than 53% of the budget corresponds to salaries, makes it very difficult to get closer to a 100% implementation rate. Indeed, a moderate turnover of staff or even a few colleagues taking personal or parental leave has a relevant negative effect on the overall implementation rate and can undermine all the efforts made to optimise the budget execution.

With regard to the budgetary procedure, taking into account the size of the institution, the EDPS applies the Commission's internal rules on budget implementation, in so far as they were applicable to the structure of its budget and to the size of the institution, in cases where no specific rules had been adopted.

At the start of the previous mandate, end 2014, the EDPS counted 55 staff members. In only five years, at the end of 2019, the number had increased to 96.

3. REVENUE

The revenue budget for the 2019 financial year amounted to EUR 1 246 118. This sum is derived from Chapter 40 – Deductions from remuneration (Article 400 'Tax on salaries' - EUR 546 396 and Article 404 'Special levy - EUR 104 388) and Chapter 41 – Contribution to the pension scheme (EUR 595 394).

In addition, the EDPS perceived assigned revenue for an amount of EUR 107.921,07. This relates to the payment made by the EFTA Surveillance Authority for supervisory work performed by the EDPS under the Memorandum of Understanding signed in 2017 (and extended by amendment of 18/12/2018). Of the aforementioned amount, appropriations of EUR 92.007,06 were consumed.

4. EXPENDITURE

In 2019, the EDPS was allocated a budget of EUR 16 638 572.

As regards budget implementation, the overall rate in commitment appropriations amounted to 92%.

The budget implementation in terms of payment appropriations (C1 and C8) amounted to EUR 15 407 201.

5. CONSOLIDATION OF THE INTER-INSTITUTIONAL COOPERATION

In 2019, inter-institutional cooperation continued in the areas in which the EDPS is assisted by other EU institutions and bodies.

The Commission's assistance is extremely valuable to us in particular with regard to financial, accounting and budgetary matters. DG Budget provides with technical assistance to the EDPS in financial and accounting matters. The Commission's Accounting Officer acts simultaneously as Accounting Officer to the EDPS. Similarly, the Commission's Internal Audit Service has concluded an agreement with the EDPS whereby it is acting as Internal Auditor of the EDPS;

Inter-institutional cooperation presents many advantages from the perspective of good financial management and budget consolidation. This cooperation is vital for the EDPS because it increases efficiency and allows for economies of scale; in addition, most of the

expenditure remains within the EU administrations, therefore resulting in appreciable savings for the EU budget.

The following table summarizes the Service Level Agreements between the EDPS and other EU Institutions and bodies. The most recent update concerns the new SLA with the DG HR with the inclusion of some extra services.

INSTITUTION	SERVICE	FEES	Remarks
COMMISSION - DGEAC	Traineeships Office	114.896,64	Forfait per trainee
COMMISSION - DG HR	Medical service, IDOC, L&D, Art 90, RUE and EUCI	61.245,72	Depending on consumption
COMMISSION - PMO	Staff and administration	68.769,04	Forfait per person per service
COMMISSION - DG DIGIT	SYSPEP2 implementation	97.479,00	Fix amount
COMMISSION - EUSA	Training and development	11.795,00	Depending on consumption
COMMISSION - DG BUDG	Use of ABAC	50.000,00	Fix amount
COMMISSION - OIB	Catering services	39.098,67	Depending on consumption
COMMISSION - OIB	Transportation - Service cars for the MB and STIB tickets	2.944,51	Depending on consumption
COMMISSION - OPOCE	Publications and communication	7.096,40	Depending on consumption
COMMISSION - DGT	Translation services et Interpretation	-	
COMMISSION - SCIC	Interpretation costs	544.812,00	Depending on consumption
EP - DG INLO	Administrative agreement for building and logistics	1.143.847,55	Depending on consumption
EP - DG ITEC	Administrative agreement for IT services	132.359,08	Forfait per user
EP - DG PRES	Administrative agreement for security, accreditation and mail	289.228,79	Depending on consumption
ENISA	Security audit for Eurodac database	-	
EP - DG SAVE	Guard and security services	32.136,53	Depending on consumption
		2.595.708,93	

The EDPS also participates in various inter-institutional calls for tenders, thus increasing efficiency in many administrative areas and making progress towards greater autonomy. As the smallest European Institution, the EDPS seeks to carry out procurement procedures on an interinstitutional basis whenever there is a possibility of achieving efficiency gains. This is especially possible in the case of framework contracts for horizontal services (IT systems, communication, etc.). In 2019, fifteen out of 137 legal commitments represented specific contracts implementing such interinstitutional Framework Contracts.

6. USE OF APPROPRIATIONS BY ARTICLE

TITLE I

EXPENDITURE RELATING TO PERSONS WORKING WITH THE INSTITUTION

Title I of the EDPS budget comprises five articles. It is designed to cover expenditure relating directly to the members and staff of the institution.

The amounts entered in Title I of the European Data Protection Supervisor's budget came to a total of EUR 7 645 448. The utilisation rate for the appropriations entered in Title I was 95.88%, the committed amount totalling EUR 7 341 615.

The breakdown of the appropriations after transfers and amending budgets was as follows:

1. Article 100 Remuneration, allowances and other entitlements of members

The appropriations amounted to EUR 705 363. A total of EUR 625 962 was committed, making the utilisation rate 88.74%. The execution of this article was to a certain extent impacted by the passing of the Supervisor and the consequent cancellation of salary related expenditure.

2. Article 101 Other expenditure in connection with members

This article is intended to cover other expenditure connected with the Supervisor and the Assistant Supervisor, particularly mission expenses and expenditure on further training.

The appropriations amounted to EUR 84 394. A total of EUR 22 589 was committed, making the utilisation rate 26.77%.

3. Article 110 Remuneration, allowances and other entitlements of officials and temporary staff

This article covers salary expenses related to the permanent officials and temporary agents of the EDPS. It furthermore covers certain other related expenditure such as costs related to entry into service and termination.

The appropriations amounted to EUR 5 040 716. A total of EUR 4 896 464 was committed, making the utilisation rate 97.14%.

4. Article 111 Other staff

This article covers expenditure arising from recourse to seconded national experts, trainees, contract staff and interim staff.

The appropriations amounted to EUR 1 490 342. A total of EUR 1 489 342 was committed, making, and the utilisation rate was 98.94%.

5. Article 112 Other expenditure in connection with staff

This article includes expenditure related primarily to missions, recruitment and training costs.

The appropriations amounted to EUR 324 633. A total of EUR 307 257 was committed, making the utilisation rate 94.65%.

TITLE II

BUILDINGS, EQUIPMENT AND EXPENDITURE IN CONNECTION WITH THE OPERATION OF THE INSTITUTION

Title II of the EDPS budget comprises two articles. It is intended to cover institutional expenditure such as running costs and office expenses as well as costs arising from the performance of the institution's tasks.

The amounts entered in Title II of the European Data Protection Supervisor's budget came to a total of EUR 3 579 286. The utilisation rate for the appropriations entered in Title II was 92.84%.

The breakdown of the appropriations after transfers was as follows:

1. Article 200 Rents, charges and other buildings expenditure

The appropriations amounted to EUR 1 832 286. The utilisation rate was 91.98%.

Over the last five years, the EDPS has been sharing a building (MTS) with the European Ombudsman.

This budget item increased in 2020 to cover for the occupation of the whole building by the EDPS. Indeed, the EDPS requested the European Parliament to make the whole building available to host the growing EDPB Secretariat and EDPS. Because of different reasons beyond EDPS' control, the move of the Ombudsman, that was foreseen for the last quarter of 2019, was delayed what negatively affected the execution of this article.

It is expected that the European Ombudsman will move to another building by the end of 2020.

2. Article 201 Expenditure in connection with the operation and activities of the institution

This article covers all expenses, apart from staff expenses and building related expenses, necessary to the functioning of the Institution. This includes (but is not limited) to costs related to (IT) equipment, expert costs, inter-institutional agreements, stakeholder relations, translations and interpretation.

The appropriations in Article 201 amounted to EUR 1 747 000, and the utilisation rate was 93.75%.

TITLE III

EUROPEAN DATA PROTECTION BOARD (EDPB)

Title III of the EDPS budget comprises five articles. It is intended to cover expenditure such as staff cost and any other costs arising from the performance of the future EDPB.

The amounts entered in Title III of the European Data Protection Supervisor's budget came to a total of EUR 5 413 838. The utilisation rate for the appropriations entered in Title III was 85.65%, the committed amount totalling EUR 4 636 932.

This relatively low execution rate had a substantial impact on the overall rate in commitment appropriations. This is because the budget was drafted before the EDPB secretariat started functioning and 2019 was the first full year of functioning. At the time of the drafting of the budget, the EDPS did not have historical data to base its estimates on. Therefore, to a certain extent, there was a gap between the forecast and the real needs of the secretariat.

The breakdown of the appropriations was as follows:

1. Article 300 Remuneration, allowances and other entitlements of the Chair

The appropriations amounted to EUR 0.

2. Article 301 Remuneration, allowances and other entitlements of officials and temporary staff

This article covers salary expenses related to the permanent officials and temporary agents of the EDPB. It furthermore covers certain other related expenditure such as costs related to entry into service and termination.

The appropriations amounted to EUR 1 038 406. A total of EUR 722 872 was committed, making the utilisation rate 69.61%. This lower execution rate is again due to the fact that the start of the recruitment process of the 5 new officials was delayed due to the late publication of the list of laureates of the specialist competition for Data Protection Officers.

3. Article 302 Other staff

This article covers expenditure arising from recourse to seconded national experts, trainees, contract staff and interim staff.

The appropriations amounted to EUR 972 732. A total of EUR 967 531 was committed, making the utilisation rate 99.47%.

4. Article 303 Other expenditure in connection with staff of the Board

This article includes expenditure related primarily to missions, recruitment and training costs.

The appropriations amounted to EUR 92 000. A total of EUR 64 489 was committed, making the utilisation rate 70.10%. Low execution rates is due to the difficulties to accurately forecast births and the potential registration of the children in EU nurseries.

5. Article 304 Expenditure in connection with the operation and activities of the Board

This article covers all expenses, apart from staff expenses and building related expenses, necessary to the functioning of the Institution. This includes (but is not limited) to costs related to (IT) equipment, expert costs, costs related to the plenaries and subgroup meetings of the EDPB, stakeholder relations, translations and interpretation.

The appropriations amounted to EUR 3 310 700. A total of EUR 2 882 040 was committed, making, and the utilisation rate was 83.9%.