European Parliament
2019-2024

Committee on Budgets

2022/0085(COD)

13.7.2022

OPINION

of the Committee on Budgets

for the Committee on Industry, Research and Energy

on the proposal for a regulation of the European Parliament and of the Council laying down measures for a high common level of cybersecurity at the institutions, bodies, offices and agencies of the Union
(COM(2022)0122 – C9-0122/2022 – 2022/0085(COD))

Rapporteur for opinion: Nils Ušakovs

PA_Legam

SHORT JUSTIFICATION

Your rapporteur welcomes the Commission's proposal on laying down measures for a high common level of cybersecurity at the institutions, bodies, offices and agencies (EUIBAs) of the Union. He is of opinion that this proposal is necessary to improve the resilience and security of EU public administration in light of the increased number of cybersecurity threats more and more sophisticated. This is all the more accentuated by the current geopolitical context.

He believes that interinstitutional cooperation is key to adequately prevent, detect, monitor and respond to threats and risks. Each and every EUIBA, irrespective of its size, has a role to play and a responsibility to take in protecting the EUIBAs against cyberattacks, since a single, small loophole in one can put all the others at risk. The rapporteur therefore supports the idea of baseline cybersecurity measures. Moreover, he believes that interinstitutional cooperation, apart from enabling the EUIBAs to increase their IT cybersecurity and responses to cyberattacks, should also look at potential synergies in the working methods and communication channels, with the aim of reducing administrative burden, avoiding duplication of efforts and improving preparedness and protection.

Contrary to what the Commission proposes, the rapporteur is convinced that 42 posts instead of 21 posts are needed in order for CERT-EU to operate with fully-fledged and state of the art services. He disagrees with the Commission's proposal on compensating partially additional posts dedicated to CERT-EU by reducing the number of contracts agents.

The rapporteur advocates that, given its relative size and its request for additional posts as regards cybersecurity in its 2023 statement of estimates, the European Parliament should assign first 48 posts to CERT-EU in the first budget adopted following the entry into force of this Regulation. For the following three years, 14 of these posts will be reassigned yearly to the Parliament to leave at the end six posts permanently in CERT-EU. This gradual transfer back will allow for stability of staff and knowledge management. At the same time, the other relevant EUIBAs, after the first year, will assign posts gradually to CERT-EU. This will enable creating a pool of 42 new permanent staff in CERT-EU as from the onset.

The rapporteur proposes that the current mechanisms of service level agreements for chargeable services to be improved, as recommended the European Court of Auditors in its Special Report 05/2022[1] to ensure better cash flows management and reduce administrative work.

Finally, the rapporteur recommends that investments and posts dedicated to cybersecurity in the EUIBAs to be earmarked. This will allow identifying and sharing best practice and potential financing needs at EUIBAs level.

[1] Special report 05/2022: Cybersecurity of EU institutions, bodies and agencies : Level of preparedness overall not commensurate with the threats

AMENDMENTS

The Committee on Budgets calls on the Committee on Industry, Research and Energy, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a regulation
Recital 7

Text proposed by the Commission	*Amendment*
(7) The differences between Union institutions, bodies and agencies require flexibility in the implementation since one size will not fit all. The measures for a high common level of cybersecurity should not include any obligations directly interfering with the exercise of the missions of Union institutions, bodies and agencies or encroaching on their institutional autonomy. Thus, those institutions, bodies and agencies should establish their own frameworks for cybersecurity risk management, governance and control, and adopt their own baselines and cybersecurity plans.	(7) The differences between Union institutions, bodies and agencies, ***including in the size of their human and financial resources,*** require flexibility in the implementation since one size will not fit all. The measures for a high common level of cybersecurity should not include any obligations directly interfering with the exercise of the missions of Union institutions, bodies and agencies or encroaching on their institutional autonomy. Thus, those institutions, bodies and agencies should establish their own frameworks for cybersecurity risk management, governance and control, and adopt their own baselines and cybersecurity plans.

Justification

One cannot expect the same contribution from a small agency or body than from a Union institution.

Amendment 2

Proposal for a regulation
Recital 8

Text proposed by the Commission	*Amendment*
(8) In order to avoid imposing a disproportionate financial and administrative burden on Union institutions, bodies and agencies, the cybersecurity risk management requirements should be proportionate to the risk presented by the network and	(8) In order to avoid imposing a disproportionate financial and administrative burden on Union institutions, bodies and agencies, the cybersecurity risk management requirements should be proportionate to the risk presented by the network and

information system concerned, taking into account the state of the art of such measures. Each Union institution, body and agency should aim to allocate ***an*** adequate ***percentage of*** its IT budget to improve its level of cybersecurity***;*** in the longer term ***a target in the order*** of 10% should be ***pursued***.	information system concerned, taking into account the state of the art of such measures. Each Union institution, body and agency should aim to allocate adequate ***resources from*** its IT budget to improve its level of cybersecurity ***and to ensure at least a minimum level of cybersecurity corresponding to the risk assessment. The cost of ensuring cybersecurity depends on several factors such as size of the entity, need to ensure specific protections, attack surface and threat profile, and includes fixed costs and a variable portion. Due to the ever increasing threats,*** in the longer term ***up to*** of 10% ***of an entity's budget could be necessary to ensure an appropriate security level, as required by industry standards. In accordance with the recommendation of the European Data Protection Supervisor set out in its opinion 8/2022 of 17 May 2022, the minimum security requirements laid down in this Regulation*** should be ***equal to or higher than the minimum security requirements of the entities of NIS and NIS 2.0 proposals***.

Justification

According to industry standard, 10 % of the information, communications and technology (ICT) budget should be spent on cybersecurity. The IT budget should be commensurate to risks at each EUIBA's in line with their external and internal environments. In its Opinion 8/2022, the EDPS recommends adding in the proposal that its minimum security requirements should be at least equal or higher than the minimum security requirements of the entities of NIS and NIS 2.0 Proposal.

Amendment 3

Proposal for a regulation
Recital 8 a (new)

Text proposed by the Commission	*Amendment*
	(8a) In order to recover the costs of the chargeable services from the Union's institutions, bodies and agencies benefiting from these services, CERT-EU

should ensure that the service level agreements, from which more than 90 % of the CERT-EU 2020 budget derived from, do not create unnecessary administrative burden and are a useful tool to plan future cash flow revenues.

Justification

According to ECA Special Report 05/2022, service level agreements need to be renewed individually every year. This creates administrative burden and cash flow problems as CERT-EU does not have funds coming in at the same time from all SLAs. Agencies can terminate SLAs at any moment which can start a vicious circle where, due to lost revenue CERT-EU will have to scale back its services and cannot keep up with demand, prompting other EUIBAs to terminate their SLAs and move to private providers. Therefore, the current funding model is not ideal for ensuring a stable and optimal level of service.

Amendment 4

Proposal for a regulation
Recital 8 b (new)

Text proposed by the Commission	*Amendment*
	(8b) In order to be able to guarantee an effective cybersecurity framework and to provide for a high range of services to Union institutions, bodies and agencies, CERT-EU requires stable, highly qualified and specialised staff. In addition, to ensure the effective management of knowledge, a large share of the personnel assigned to CERT-EU should be permanent. Those staff should have access to continuous training programs.

Justification

42 additional permanent posts are to be allocated to CERT-EU to keep knowledge inside CERT-EU. Parliament should assign first 48 posts to CERT-EU in the first budget adopted following the entry into force of this Regulation. For the following three years, 14 of these posts will be reassigned yearly to Parliament, leaving six posts permanently in CERT-EU. At the same time, other relevant EUIBAs, after the first year, will assign posts gradually to CERT-EU. This mechanism will enable creating a pool of 42 permanent posts as from the onset, with appropriate access to training programs.

Amendment 5

Proposal for a regulation
Recital 8 c (new)

Text proposed by the Commission	*Amendment*
	(8c) In the current geopolitical context, it is essential that the confidentiality of data is at all times protected against cyber threats by specialised and operational teams.

Amendment 6

Proposal for a regulation
Recital 8 d (new)

Text proposed by the Commission	*Amendment*
	(8d) Prior to the allocation of additional staff resources, the Commission should conduct an analysis of the needs, taking into account the long-term perspective.

Amendment 7

Proposal for a regulation
Recital 10 a (new)

Text proposed by the Commission	*Amendment*
	(10a) Interinstitutional cooperation and trust is key to protecting, in an efficient and effective manner, the IT environment of the Union and thus its democratic voice. All the stakeholders concerned should always keep in mind increasing synergies, reducing administrative burden and avoiding duplication of efforts.

Justification

Several bodies and networks are involved in preparing guidance and collecting information on IT incidents, responses. etc. Cooperation between all these stakeholders is essential to avoid duplication of efforts, find synergies and ensure fast and effective communication flows

amongst them.

Amendment 8

Proposal for a regulation
Recital 10 b (new)

Text proposed by the Commission	*Amendment*
	(10b) To be consistent with the policy that the Union promotes vis-à-vis the Member States, the Union institutions, bodies, offices and agencies should renounce the use and development of software, such as Pegasus, that could infringe the right to privacy and the legal order of the Union;

Justification

In its report of 15 February 2022 "Preliminary Remarks on Modern Spyware", the EDPS invited Members States to renounce the use and development on European soil of software such as Pegasus which might affect the right to privacy, the democracy and the rule of law, and could therefore be incompatible with the democratic values and the legal order of the Union.

Amendment 9

Proposal for a regulation
Recital 11

Text proposed by the Commission	*Amendment*
(11) In May 2011, the Secretaries-General of the Union institutions and bodies decided to establish a pre-configuration team for a computer emergency response team for the Union's institutions, bodies and agencies (CERT-EU) supervised by an inter-institutional Steering Board. In July 2012, the Secretaries-General confirmed the practical arrangements and agreed to maintain CERT-EU as a permanent entity to continue to help improve the overall level	(11) In May 2011, the Secretaries-General of the Union institutions and bodies decided to establish a pre-configuration team for a computer emergency response team for the Union's institutions, bodies and agencies (CERT-EU) supervised by an inter-institutional Steering Board. In July 2012, the Secretaries-General confirmed the practical arrangements and agreed to maintain CERT-EU as a permanent entity to continue to help improve the overall level

of information technology security of the Union's institutions, bodies and agencies as an example of visible inter-institutional cooperation in cybersecurity. In September 2012, CERT-EU was established as a Taskforce of the European Commission with an interinstitutional mandate. In December 2017, the Union institutions and bodies concluded an interinstitutional arrangement on the organisation and operation of CERT-EU[3] . This arrangement should continue to evolve to support the implementation of this Regulation.	of information technology security of the Union's institutions, bodies and agencies as an example of visible inter-institutional cooperation in cybersecurity. In September 2012, CERT-EU was established as a ***permanent*** Taskforce of the European Commission with an interinstitutional mandate. In December 2017, the Union institutions and bodies concluded an interinstitutional arrangement on the organisation and operation of CERT-EU[3] . This ***interinstitutional*** arrangement should continue to evolve to ***be in line and*** support the implementation of this Regulation.
[3] OJ C 12, 13.1.2018, p. 1–11.	[3] OJ C 12, 13.1.2018, p. 1–11.

Justification

As per recital 11, CERT-EU was established as a permanent entity. The 2018 interinstitutional arrangement should be revised in order to take into account the breakdown of posts in Annex II a (new).

Amendment 10

Proposal for a regulation
Recital 14

Text proposed by the Commission	*Amendment*
(14) In addition to giving CERT-EU more tasks and an expanded role, an Interinstitutional Cybersecurity Board (IICB) should be established, which should facilitate a high common level of cybersecurity among Union institutions, bodies and agencies by monitoring the implementation of this Regulation by the Union institutions, bodies and agencies and by supervising implementation of general priorities and objectives by CERT-EU and providing strategic direction to CERT-EU. The IICB should ensure representation of the institutions and include representatives of agencies and bodies through the Union	(14) In addition to giving CERT-EU more tasks and an expanded role, an Interinstitutional Cybersecurity Board (IICB) should be established, which should facilitate a high common level of cybersecurity among Union institutions, bodies and agencies by monitoring the implementation of this Regulation by the Union institutions, bodies and agencies and by supervising implementation of general priorities and objectives by CERT-EU and providing strategic direction to CERT-EU. The IICB should ensure representation of the institutions and include representatives of agencies and bodies through the Union

Agencies Network.	Agencies Network ***and enforce a gender balanced appointment procedure***. ***The IICB should require that all its members nominate a gender balanced representation.***

Justification

It is important to ensure that the gender balance principle is respected in the newly established IICB.

Amendment 11

Proposal for a regulation
Recital 24

Text proposed by the Commission	*Amendment*
(24) As the services and tasks of CERT-EU are in the interest of all Union institutions, bodies and agencies, each Union institution, body and agency with IT expenditure should contribute a fair share to those services and tasks. Those contributions are without prejudice to the budgetary autonomy of the Union institutions, bodies and agencies.	(24) As the services and tasks of CERT-EU are in the interest of all Union institutions, bodies and agencies, each Union institution, body and agency with IT expenditure should contribute a fair share to those services and tasks, ***either in posts, financial contributions or both, depending on the size of the institutions, bodies and agencies and the services and tasks provided***. Those contributions are without prejudice to the budgetary autonomy of the Union institutions, bodies and agencies.

Justification

Depending on the size of the Union institutions, bodies and agencies, contributions to CERT-EU could take the form of allocation of posts and financial contributions.

Amendment 12

Proposal for a regulation
Recital 24 a (new)

Text proposed by the Commission	*Amendment*
	(24a) All Union institutions, bodies and agencies should apply the gender equality and gender balance principles in their appointments to the CERT-EU as well as

in the allocation of their human resources concerning the IT sector and cybersecurity. Targeted training and adequate resources should be devoted to promoting the employment of women in the area of cybersecurity within all Union institutions, bodies and agencies in order to help to close the digital gender gap.

Justification

It is import to include the gender equality and gender balance principles in the regulation.

Amendment 13

Proposal for a regulation
Recital 25 a (new)

Text proposed by the Commission	*Amendment*
	(25a) In its conclusions of 23 May 2022 on the development of the European Union's cyber posture, the Council invited the relevant authorities and the Commission to reinforce the resilience of communications networks and infrastructures within the European Union. Therefore, it is important to strengthen the sovereignty and the resilience of the infrastructures and the control of connection, including the ones of the Union institutions, agencies and bodies;

Justification

In its Council conclusions on the development of the European Union's cyber posture dated 23 May 2022, the Council calls for strengthening the EU cyber resilience and its capacity to protect from cyberattacks.

Amendment 14

Proposal for a regulation
Article 4 – paragraph 4

Text proposed by the Commission	*Amendment*
4. Each Union institution, body and agency shall have effective mechanisms in place to ensure that ***an*** adequate ***percentage of*** the IT budget ***is*** spent on cybersecurity.	4. Each Union institution, body and agency shall have effective mechanisms in place to ensure that adequate ***resources from*** the IT budget ***are*** spent on cybersecurity ***bearing in mind the minimum percentage of IT budget to be spent on cybersecurity according to industry standards in order to protect effectively its IT environment***. ***Union institutions, bodies and agencies shall earmark resources assigned to CERT-EU in their budgets for more transparency.***

Justification

The Commission's proposal is unclear on what they mean by effective mechanisms and adequate percentage. At least, one criteria to assess an adequate percentage is the industry standard. Earmarking in the EUIBAs budget would create more transparency for investments in cybersecurity and identification of possible financial gaps and sharing best practices.

Amendment 15

Proposal for a regulation
Article 4 – paragraph 4 a (new)

Text proposed by the Commission	*Amendment*
	4a. Each Union institution, body and agency shall apply the gender equality and gender balance principles in their appointments to the CERT-EU as well as in the allocation of their human resources for cyber security. They shall devote targeted training and adequate resources to promoting the employment of women in the area of cybersecurity within all Union institutions, bodies and agencies in order to help to close the digital gender gap.

Justification

It is import to include the gender equality and gender balance principles in the regulation.

Amendment 16

Proposal for a regulation
Article 9 – paragraph 3 – subparagraph 1 a (new)

Text proposed by the Commission	*Amendment*
	Members shall be nominated with due regard to the principle of gender balance.

Justification

It is important to include the gender equality and gender balance principles in the regulation.

Amendment 17

Proposal for a regulation
Article 12 – paragraph 7 a (new)

Text proposed by the Commission	*Amendment*
	7a. If the demand for chargeable services is higher than CERT-EU's available resources to provide for these services, CERT-EU shall prioritise demands based on a risk analysis taking into account the cybersecurity risk management of the requesting Union institutions, bodies and agencies, themselves impacted by the relative size of their financial and human resources.

Justification

EUIBAs should be prioritised based on their risks profile and taking into consideration the relative size of their financial and human resources.

Amendment 18

Proposal for a regulation
Article 14

Text proposed by the Commission	*Amendment*
The Head of CERT-EU shall regularly submit reports to the IICB and the IICB Chair on the performance of CERT-EU, financial planning, revenue, implementation of the budget, service level	The Head of CERT-EU shall regularly submit reports to the IICB and the IICB Chair on the performance of CERT-EU, financial planning, revenue, implementation of the budget***, including***

agreements and written agreements entered into, cooperation with counterparts and partners, and missions undertaken by staff, including the reports referred to in Article 10(1).	***on posts and external staff***, service level agreements and written agreements entered into, cooperation with counterparts and partners, and missions undertaken by staff, including the reports referred to in Article 10(1).

Justification

This amendment aims at clarifying that the report on the implementation of the budget should include the situation of posts and external staff in CERT-EU.

Amendment 19

Proposal for a regulation
Article 15 – paragraph 2

Text proposed by the Commission	*Amendment*
2. For the application of administrative and financial procedures, the Head of CERT-EU shall act under the authority of the Commission.	***deleted***

Amendment 20

Proposal for a regulation
Article 15 – paragraph 3

Text proposed by the Commission	*Amendment*
3. CERT-EU tasks and activities, including services provided by CERT-EU pursuant to Article 12(2), (3), (4), (6), and Article 13(1) to Union institutions, bodies and agencies financed from the heading of the multiannual financial framework dedicated to European public administration, shall be funded through a distinct budget line of the Commission budget. CERT-EU earmarked posts shall be detailed in a footnote to the Commission establishment plan.	3. CERT-EU tasks and activities, including services provided by CERT-EU pursuant to Article 12(2),(3), (4), (6), and Article 13(1) to Union institutions, bodies and agencies financed from the heading of the multiannual financial framework dedicated to European public administration, shall be funded through a distinct budget line of the Commission budget. CERT-EU earmarked posts shall be detailed in a footnote to the Commission establishment plan. ***The temporarily assigned posts shall be kept in the establishment plan of the donor institution during the temporary assignment and signalled with a footnote.***

This establishment plan shall be reviewed every 2,5 years.

Amendment 21

Proposal for a regulation
Article 15 – paragraph 3 a (new)

Text proposed by the Commission	*Amendment*
	3a. The transfer of a total of 42 posts by the relevant Union institutions, bodies and agencies as set out in Annex II a (new), without partial compensation from reduction of contract agents in CERT-EU, shall be without prejudice to the prerogatives of the Union's budgetary authority. The contributions shall represent a fair share which is in proportion to the respective share of permanent AD posts of the organisation and shall be made under due consideration of the principle of gender balance.

Justification

42 additional permanent posts are considered necessary to be assigned to CERT-EU. The breakdown of posts between relevant Union institutions, agencies and bodies should be agreed between the two arms of the budget authority during the inter-institutional negotiations for this proposal, subject to the prerogatives of the Union's budgetary authority. It is important to ensure that the gender balance principle is respected in the regulation.

Amendment 22

Proposal for a regulation
Article 23 – paragraph 1

Text proposed by the Commission	*Amendment*
The Commission shall propose the reallocation of ***staff and*** financial resources from relevant Union institutions, bodies and agencies to the Commission budget. ***The*** reallocation shall be effective at the same time as the first budget adopted following the entry into force of this	The Commission shall propose the reallocation of financial resources from relevant Union institutions, bodies and agencies to the Commission budget. ***This*** reallocation shall be effective at the same time as the first budget adopted following the entry into force of this Regulation.

Regulation.

Justification

The breakdown of posts assigned to CERT-EU is detailed in Annex II a (new).

Amendment 23

Proposal for a regulation
Annex II a (new)

Text proposed by the Commission

Amendment

Annex II a (new)

EUIBA/year	***Total staff***	***Posts assigned to CERT-EU at year N***	***Posts assigned to CERT-EU at N + 1***	***Posts assigned to CERT-EU at N + 2***	***Posts assigned to CERT-EU at N + 3***	***Posts permanently assigned to CERT-EU***
From previous year CERT-EU		***N/A***	***48***	***42***	***42***	
EP	***6.773***	***48***	***-14***	***-14***	***-14***	***6***
EC	***23.474***	***0***	***8***	***9***	***6***	***23***
Decentralised Agencies	***7.717***	***0***	***0***	***3***	***4***	***7***
CSL	***3.029***	***0***	***0***	***2***	***1***	***3***
EUCJ	***2.110***	***0***	***0***	***0***	***2***	***2***
EEAS	***1.753***	***0***	***0***	***0***	***1***	***1***
CoA	***873***	***0***	***0***	***0***	***0***	***0***
Executive agencies	***840***	***0***	***0***	***0***	***0***	***0***
EESC	***669***	***0***	***0***	***0***	***0***	***0***
JUs + Joint Technology Initiatives +European Institute of	***556***	***0***	***0***	***0***	***0***	***0***

Innovation and Technology						
CoR	***496***	***0***	***0***	***0***	***0***	***0***
EDPS	***84***	***0***	***0***	***0***	***0***	***0***
European Ombudsman	***73***	***0***	***0***	***0***	***0***	***0***
Total new staff		***48***	***42***	***42***	***42***	***42***

Justification

Breakdown of the 42 posts to be assigned to CERT-EU to ensure its proper and stable functioning.

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Laying down measures for a high common level of cybersecurity at the institutions, bodies, offices and agencies of the Union
References	COM(2022)0122 – C9-0122/2022 – 2022/0085(COD)
Committee responsible Date announced in plenary	ITRE 4.4.2022
Opinion by Date announced in plenary	BUDG 4.4.2022
Rapporteur for the opinion Date appointed	Nils Ušakovs 22.4.2022
Discussed in committee	20.6.2022 21.6.2022
Date adopted	12.7.2022
Result of final vote	+: 28 –: 0 0: 4
Members present for the final vote	Rasmus Andresen, Anna Bonfrisco, Olivier Chastel, Lefteris Christoforou, Andor Deli, José Manuel Fernandes, Eider Gardiazabal Rubial, Vlad Gheorghe, Francisco Guerreiro, Valérie Hayer, Eero Heinäluoma, Niclas Herbst, Monika Hohlmeier, Moritz Körner, Joachim Kuhs, Zbigniew Kuźmiuk, Janusz Lewandowski, Margarida Marques, Siegfried Mureşan, Victor Negrescu, Dimitrios Papadimoulis, Bogdan Rzońca, Nicolae Ştefănuţă, Nils Torvalds, Nils Ušakovs, Johan Van Overtveldt, Rainer Wieland
Substitutes present for the final vote	Damian Boeselager, Jan Olbrycht
Substitutes under Rule 209(7) present for the final vote	Alexander Bernhuber, Helmut Scholz, Birgit Sippel

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

28	+
ID	Anna Bonfrisco
NI	Andor Deli
PPE	Alexander Bernhuber, Lefteris Christoforou, José Manuel Fernandes, Niclas Herbst, Monika Hohlmeier, Janusz Lewandowski, Siegfried Mureşan, Jan Olbrycht, Rainer Wieland
Renew	Olivier Chastel, Vlad Gheorghe, Valérie Hayer, Moritz Körner, Nils Torvalds, Nicolae Ştefănuță
S&D	Eider Gardiazabal Rubial, Eero Heinäluoma, Margarida Marques, Victor Negrescu, Birgit Sippel, Nils Ušakovs
The Left	Dimitrios Papadimoulis, Helmut Scholz
Verts/ALE	Rasmus Andresen, Damian Boeselager, Francisco Guerreiro

0	-

4	0
ECR	Zbigniew Kuźmiuk, Bogdan Rzońca, Johan Van Overtveldt
ID	Joachim Kuhs

Key to symbols:
+ : in favour
- : against
0 : abstention