eu-LISA
Annual Activity Report

2014

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1. Introduction

As outlined by Article 12 (k) of the establishing regulation for the Agency, an annual activity report for the preceding year must be submitted by the Executive Director to the Management Board adopted by the Management Board (MB) by 31 March of each year. Therefore this Annual Activity Report (AAR) for 2014 has been prepared and is in accordance with Article 66 (9) of the EU's Financial Framework Regulation and Article 47 of eu-LISA's Financial Regulation that state:

"The authorising officer by delegation shall report to his or her institution on the performance of his or her duties in the form of an annual activity report containing financial and management information, including the results of controls, declaring that, except as otherwise specified in any reservations related to defined areas of revenue and expenditure, he or she has reasonable assurance that:

(a) the information contained in the report presents a true and fair view;
(b) 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;
(c) the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

The activity report shall indicate the results of the operations by reference to the objectives set, the risks associated with those operations, the use made of the resources provided and the efficiency and effectiveness of internal control systems, including an overall assessment of the costs and benefits of controls.

No later than 15 June each year, the Commission shall send to the European Parliament and the Council a summary of the annual activity reports for the preceding year. The annual activity report of [the] authorising officer by delegation shall also be made available to the European Parliament and the Council."

This AAR therefore has several purposes. It seeks to evidence progress toward achieving the Agency's key objectives as defined in the 2014 annual work programme, taking into account resources used during the reporting period. It also seeks to outline management and oversight systems in place at the Agency, including defining progress toward implementation of the European Commission's Internal Control Standards.

Lastly, the AAR also includes a declaration of assurance in which the Executive Director, in his role as Authorising Officer, provides assurance as regards the true and fair view given by the report and pertaining to the legality and regularity and the sound financial management of all financial transactions under his responsibility.

1.1 Executive summary

This report contains an overview of the activities undertaken by the Agency in 2014.

In 2014 the Agency continued to establish itself as an independent and credible operational entity within the JHA field and successfully consolidated and developed its core service offering to stakeholders, with managed systems available throughout the reporting period without any degradation in service or availability. This considerable achievement was delivered despite a challenging landscape of increasing volumes of work across all areas of operation and significant resource constraints.

In conjunction with the Agency's core tasks and the planned corrective and evolutive maintenance schedules for all systems, eu-LISA also successfully delivered a number of additional business-critical projects of significant scale and complexity with the same limited available resource footprint. Of particular note in 2014 were the completion of the successful relocation of the Eurodac system, the successful delivery of significant unplanned evolutions to increase the capacity of the VIS/BMS system, the continuing preparation for the sTESTA to TESTA-ng network migration and the continuing preparation for the system changes as a result of the recast Eurodac regulation.

Strategic planning and governance frameworks were much improved during the year. The Agency's Management Board adopted eu-LISA's long term (2014-2020) strategy and a multi-annual work programme was drafted (and scheduled to be adopted in March 2015). The Agency also made further progress in implementing its governance and internal control frameworks through the development and refinement of relevant structures and processes in areas such as enterprise governance, service management and the implementation of the European Commission's Internal Control Standards.

The preliminary figures for execution of the Agency's budget for 2014 are similarly encouraging. They show a significant improvement in the utilisation rates for both payment and commitment appropriations compared to the previous reporting period, evidencing the rapid development and robustness of the Agency's budgetary and financial management processes.

1.2 Who we are and what we do

We are the European Agency for the operational management of large-scale IT systems in the area of freedom, security and justice (eu-LISA)[1]. We are responsible for the operational management of large-scale IT systems in the fields of justice and home affairs under Title V of the Treaty on the Functioning of the European Union, in particular the Schengen Information System (SIS II), the Visa Information System (VIS) and the Eurodac system. The seat of the Agency is based in Tallinn, Estonia whilst the operational centre is in Strasbourg, France. There is also a business continuity site for the systems under management based at Sankt Johann im Pongau, Austria. At the end of December 2014 the Agency employed 130 staff.

Presently (January 2015), the Agency is mandated to provide operational management of SIS II (the largest information system for public security and law enforcement cooperation in Europe), VIS (a system that allows Schengen States to exchange visa data relating to applications for short-stay visas to visit, or to transit through, the Schengen area) and Eurodac (a large-scale fingerprint database that assists primarily in the processing of asylum applications). It manages these systems on behalf of its stakeholders - European Member States and relevant European institutions. In addition, the Agency is also responsible for the communication tools (the European Commission is responsible for managing the contract for provision of the communication infrastructure for SIS II, Eurodac and VIS (the sTESTA network – to be migrated to a new network, TESTA-ng, in 2015) and is responsible for the tasks related to budget implementation, acquisition and renewal and other contractual matters) and for certain tasks concerning the network that support the above systems (the operational management of the network and the supervision, security and the coordination of relations between the Member States and the provider).

Additional products and services that the Agency provides include:
- active participation in preparatory processes to design, develop and implement new systems, including the execution of pilots;
- training: provision of bespoke system training plans for national authorities on technical use of IT systems managed by the Agency;
- reporting and statistics: providing timely and accurate statistics and information on the performance of the systems as foreseen in the relevant legal bases and the fulfilment of all reporting obligations laid down in the Establishing Regulation and legal bases for the IT systems under the Agency's management.

In order to fulfil its mandate, the Agency must keep all IT systems under its responsibility functioning 24 hours a day, seven days a week, to allow the continuous, uninterrupted exchange of data between national

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[1] The Agency was established through Regulation (EU) No 1077/2011 of the European Parliament and of the Council of 25 October 2011 (OJ L 286, 01.11.2011, p.1) which entered into force on 21 November 2011. The Regulation provided that the Agency take up its main responsibilities from 1 December 2012).

authorities using them. eu-LISA continues to ensure that it applies the highest levels of information security and data protection to the information entrusted to it, ensuring that personal information is treated fairly, lawfully, correctly and in full compliance with the relevant data protection legislation and regulations in force.

1.3 Mission, vision and values

Reflecting its mandate, the Agency's core mission is to undertake *to continuously add value to the Member States, supporting through technology their efforts for a safer Europe.* The application of the Agency's above mission will allow it to achieve its overall vision, which is:

- *to provide high-quality efficient services and solutions;*
- *to build trust amongst all of its stakeholders and continuously align the capabilities of technology with the evolving needs of the Member States;*
- *to grow as a centre of excellence.*

The Agency strives to contribute to and facilitate the success of European policies in the area of freedom, security and justice and pro-actively supports effective cooperation and information exchange between relevant EU law enforcement bodies.

The continuing success of the Agency is based on its core values that drive the operational activities and strategic development of the organisation. These values are:

- *accountability:* developing and deploying sound governance frameworks, cost-efficient operations and sound financial management;
- *transparency:* providing regular and open communication to the Agency's key stakeholders and engaging them in a continuous dialogue to review and evolve the long-term strategy for the development of the agency;
- *excellence:* through having the right organisational structure, the right people and the right processes in place to ensure service continuity and functional comprehensiveness of tools provided to the Member States;
- *continuity:* ensuring that the Agency will make the best use of expertise, knowledge and investments made by the Member states and continuing to develop them;
- *teamwork*: empowering each individual team member to make the best use of their knowledge and experience, contributing to the common success;
- *customer focus:* ensuring that the Agency is aligned at all times with the needs and demand of its stakeholders.

These values are reflected into the guiding implementation principles for the Agency's work that recognise the following:

- people are the Agency's biggest asset and it constantly looks to attract, retain and develop highly qualified professionals who share the values of the Agency and are motivated and committed to achieve its mission and objectives;
- the Agency builds its success through effective and open partnerships with Member States and EU institutions, contributing to the achievement of common goals;
- the Agency builds and maintains credibility with its partners in the EU through the success and the professional capabilities of its teams;
- the Agency will strive to promote operational excellence by providing high quality services and solutions to the Member States that are aligned with their needs and priorities. The highest standards of data protection and security will be embedded in all the Agency's operations;
- the Agency will apply principles of good governance and cost-effectiveness in conducting its business operations. In addition, the Agency will ensure full compliance with the security data protection provisions applicable to the systems under its management.

2. eu-LISA's Activities in 2014

2.1 People

The Agency continues to believe that people are fundamental to our success and during 2014 we continued to develop our staff to ensure they have the right skills and experience to deliver an outstanding service to all our stakeholders. Building on the Agency's corporate values, goals and drivers of change identified in the Agency's long-term strategy[2], 2014 saw the Agency seeking to further define and refine the focus of its efforts to retain, develop and motivate the Agency's workforce and to further improve dialogue and relationships between staff and management.

Having achieved the required establishment plan headcount target at the end of 2013, the main HR initiatives in 2014 shifted from recruitment toward a focus on staff retention and development. Particular emphasis was placed on developing the appropriate frameworks for professional training for staff and the full implementation of a performance evaluation system across the Agency based on the relevant implementing rule adopted by analogy from the Commission's model by the Agency's Management Board on 15 May 2014.

In order to provide further transparency in the Agency's work and to broaden the dialogue between the management and employees, elections to appoint members of the eu-LISA Staff Committee took place in the autumn of 2014.

At the end of 2014, eu-LISA had 130 full-time staff members (the current staff profile of the Agency is 119 Temporary Agents, 6 Contract Agents, 5 Seconded National Experts (in addition to 4 Interns)) of which 30% were women and 70% men. Together the staff represented 22 nationalities. There were 48 full-time staff based in Tallinn and 82 staff in Strasbourg. The exit turnover of staff was approximately 5% as 6 full-time employees left the organisation in 2014.

Figure 1: Agency Staff (By Nationality) in 2014:

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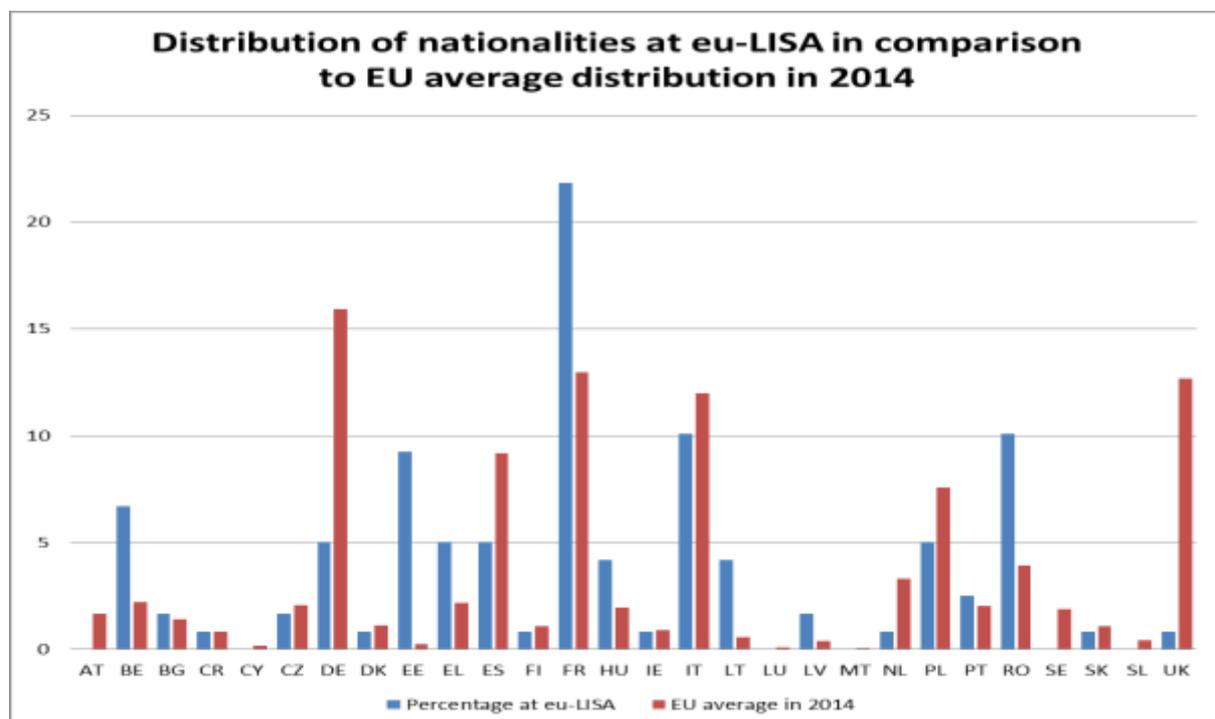
[2] The Agency's long term strategy document2014 – 2020 was adopted by the Management Board at its meeting in March 2014.

2.2 Systems and Networks

In 2014 eu-LISA staff worked hard to ensure the stability and continuity of operations of all systems under its management. The Agency also continued to implement robust operational procedures and service management processes to provide for effective system monitoring and the timely resolution of incidents. As a result, the successful 24/7 operational management of all systems continued throughout 2014 with no major incidents reported. Activities concerning the effective management of change and the application of agreed evolutions of the systems also progressed (during 2014 eu-LISA completed the set-up of a change management process with the establishment of a Change Management (CM) Board), with all systems successfully delivering scheduled evolutionary activity and processing a significant number of scheduled and unscheduled change requests (since the creation of the CM Board 120 change requests from member states for all systems were processed and 29 webinars held to discuss these changes (held between eu-LISA and Member States). Internally, over 600 technical changes were processed since the CM process was established). To further support and deliver system evolution, a tailored project management process was designed and adopted in 2014 based on PRINCE2.

The Agency also continued to pro-actively engage with all stakeholders over its performance and service levels throughout 2014, with presentations made to all Advisory Groups on a quarterly basis about their respective systems performance. Details of the main system-specific developments are outlined below.

2.2.1 Visa System (VIS)/Biometric Matching System (BMS)

Throughout the reporting period, the Agency continued to undertake all required tasks that allowed the functioning of the central VIS system in accordance with its legal base.

In addition to ensuring the smooth and uninterrupted operation of VIS/BMS in 2014, eu-LISA undertook a significant amount of corrective and adaptive maintenance work throughout the reporting period. A large part of the maintenance programme has involved increasing the capacity of VIS and making other substantive functional improvements to allow for increasing volumes as a result of the continuing global roll-out of the system. The main focus of the technical evolution of VIS during 2014 therefore was to ensure the system's continuing capability to support the remaining agreed roll-out schedule and subsequent increase in use. In order to do this, VIS's capacity was successfully increased to 120k transactions per hour in April 2014 (a second capacity upgrade is planned in 2015, with the aim of further increasing the capacity of the system to 450k transactions per hour to meet increased demand).

Over and above the planned evolutionary activities, the Agency also launched a project to increase BMS capacity following the findings of the task force report on technical and business needs and the possible evolution of BMS[3]. In order to address the risks, eu-LISA continued to work closely with Member States and the MWO contractor throughout 2014 to establish feasible scenarios to upgrade BMS and to determine the contractual and budgetary implications of the required evolution[4] to deliver the required capacity increases without jeopardising the remaining VIS roll-out schedule.

2.2.1.1 VIS MAIL:

Integration testing for Member States continued throughout the reporting period. This is part of an ongoing

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[3] In late 2013 a risk was identified that BMS capacity might not be sufficient to support the business activity of a fully evolved VIS system and that this could negatively impact the remaining VIS roll-outs. In March 2014, the Agency's Management Board was presented with an action plan to address this risk, with a number of mitigating actions outlined in order not to jeopardise the timetable of the remaining VIS roll-outs, in addition to establishing a long-term strategy on the evolution of BMS.

[4] Estimations of this additional BMS evolution requirement were €11 million. To cover this unforeseen requirement an additional commitment of €6.76 million was made in December 2013, with the remaining appropriations to be found in the 2014 budget.

programme of work to prepare for the replacement of VISION by VIS Mail as the sole communication network for exchanging messages following the full roll-out of VIS in 2015. Following the request from the Presidency & Council, VISION to VIS Mail transition guidelines have also been drafted to further assist Member States in seamlessly transitioning to VIS Mail. A number of web conferences have also been held to assist MS.

2.2.2 SIS II

SIS II was successfully operated within the parameters outlined in its legal base throughout 2014.

A detailed system evolution roadmap was prepared (as was the case for the other systems under management by the Agency) and progress reports were regularly made to the SIS II Advisory Group. The evolutive priorities outlined for SIS II during 2014 focused primarily on the improvement of its statistical reporting functionality, the continuing technical and integration of the UK and Europol and the successful transition to the new contractor for the maintenance in working order (MWO) contract.

The latter was achieved in Q3 2014, with Atos taking over the framework contract and providing full support from 1 August, following a transition period of a number of months with the previous contractor.

Europol was successfully integrated into SIS II in Q3 2014 and the UK's technical preparations and testing were completed on schedule in October 2014. Following a Council decision, the UK will be integrated in SIS II as of 13 April 2015. During 2014 eu-LISA also continued to support Member States during the testing campaigns required to ensure the correct end-to-end functionality between central and national systems.

. Improvements to available system statistical reports were also made during the reporting period, with reports based on MS requirements tested, implemented and made available to stakeholders during the reporting period. For example, as a result of the working group on statistics tasked with ensuring a better response to stakeholders` needs, a number of enhanced reports on SIS II data were delivered to Member States from August 2014 onward.

Other change management activities for SIS II also continued throughout the year, with cooperation continuing with the MS via workshops and in accordance with established change management processes. Of particular note was the urgent change request from EU Council received in Q4 2014 related to the implementation of measures related to Article 36 (2) and Article 36 (3) both persons and objects, discreet and specific checks (Foreign Fighters).

2.2.3 Eurodac

Throughout 2014 the Eurodac system performed within the parameters outlined in its legal base, with overall system availability in 2014 at 99.99%.

The project to relocate the central unit of Eurodac, commenced in 2013, was completed on 21 June 2014. This involved a relocation of the system's infrastructure to the Agency's sites, with the new systems successfully installed and operating in Strasbourg and Sankt Johann im Pongau, thus finalising the process of transferring all IT systems managed by eu-LISA to the Agency's own data centres.

Planning activities continued in order to implement the functional changes following adoption on 26 June 2013 of the recast Eurodac Regulation[5] (to be applied from 20 July 2015). The major evolutionary change resulting from the recast (to allow limited law enforcement checks of the data held) will require significant amendments to operational and technical aspects of the Eurodac system's functionality. The infrastructure and resources required to implement the changes necessary within the time allocated as a result of the recast regulation began to be put in place during the reporting period, with the relevant project teams and

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[5] Regulation (EU) No. 603/2013

governance structures now in place and operational. After several workshops with MS, in August 2014 a new version of the ICD (that reflects the Recast functionalities) was adopted.

2.2.4 Communications Network

The provision of available, reliable and secure networks and infrastructure for the systems under management was successfully delivered throughout the reporting period. Planning and coordination work relating to the migration from sTESTA to TESTA-ng continued despite a delay in completing the framework contract for the new network. Negotiations between DG Home (who remain responsible for the procurement, budgets and contract management of the systems' communications infrastructure) and the service provider continue. As a result, contingencies were put in place to extend s-TESTA contracts beyond September 2014 in order to ensure service continuity. The contract for the new network will be signed in Q1 2015.

2.2.5 Additional Tasks

2.2.5.1 'Smart Borders':

Throughout the reporting period, eu-LISA continued to contribute to the 'Smart Borders' package, an approach suggested by COM to improve border management and the internal security of the Schengen area through the establishment of an Entry/Exit System (EES) and a Registered Traveller Programme (RTP)[6].

In Q1 2014, the Council and the European Parliament articulated a number of technical, operational and cost concerns about 'Smart Borders'. To review the issues raised, COM suggested undertaking a proof of concept exercise aimed at identifying options for implementing 'Smart Borders', consisting of the following elements:

- a technical feasibility study, authored by COM but with significant input from eu-LISA and other relevant stakeholders, will be prepared with the aim of identifying the most suitable solutions for 'Smart Borders'. The conclusions of the feasibility study are to be tested through a pilot, which will begin in Q1 2015;
- the pilot, to be executed by eu-LISA and undertaken in conjunction with a number of Member States, will aim to test the feasibility of the options identified in the technical study.

Budget implementation tasks relating to Smart Borders Pilot were delegated from the European Commission to eu-LISA. As such, both parties signed a Delegation Agreement on Smart Borders Pilot on 14 January 2015. Terms of reference (ToRs) for the pilot outlining project scope, deliverables and acceptance criteria have also been prepared by the Commission in close cooperation with eu-LISA. The pilot will be carried out by the Agency on the basis of Articles 5(4) and 13(2)(f) Regulation (EU) No 515/2014 of the European Parliament and of the Council of 16 April 2014 establishing, as part of the Internal Security Fund, the instrument for financial support for external borders and visa (the ISF Borders Regulation). The pilot is scheduled to begin in Q1 2015. 'Smart Borders' also formed the subject matter of the Agency's first international conference, held in Tallinn in October 2014.

2.3 Governance

Throughout the reporting period the Agency undertook to strengthen both its corporate governance and internal controls. In line with best practice it continued to develop robust governance and used the Agency's internal control framework to assess, improve, and monitor eu-LISA's corporate governance capabilities.

eu-LISA continued the implementation of appropriate internal control standards (ICS). The ICS are 16 standards that provide generic management and governance principles and set out the minimum

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[6] The Smart Borders Package, as envisaged by COM in February 2013, aims to improve the management of the external borders of the Schengen member states, fight against irregular immigration and provide information on over-stayers, as well as facilitate border crossings for pre-vetted frequent travellers from third countries.

requirements for internal control activities within EU institutions and Agencies. These standards are in accordance with Commission guidelines and apply to all aspects of eu-LISA's work, covering all relevant programmatic, operational, financial and compliance activities. During the course of 2014, eu-LISA has continued to build and strengthen its ICS system further (see Annex B for further details on the status of each ICS) and such standards have been integrated where feasible into the Agency's operational procedures in order to become an integral part of the Agency's governance and risk management systems.

eu-LISA also continued with the implementation of the roadmap for corporate governance of ICT during 2014, using process models like ITIL and CobiT to provide a governance structure upon which to arrange operational IT activities and build capability. In particular, the Agency continued to implement the ITIL roadmap as the standard for the deployment of an ITSM framework and programme (the IT Infrastructure Library (ITIL) is a globally recognised set of best practices and standards that support IT service management (ITSM))[7]. As part of this project, throughout 2014 the Agency has continued to define the relevant ITSM processes and put in place appropriate tools to automate and improve business workflows relating to the systems under its management.

Within the context of its integrated governance framework, eu-LISA recognises the importance of the principles of risk management and the value of taking a proactive and comprehensive approach to the assessment and control of risk. As such, it has implemented a robust risk management framework that seeks to identify and manage risk appropriately (see Annex C).

eu-LISA has also continued to develop a high-level performance management system (PMS) and to align it with the Agency's long-term strategy in order to demonstrate how the Agency is meeting its defined strategic objectives and the expectations of its stakeholders. Once the Agency's corporate performance indicators are adopted by the Management Board (scheduled for March 2015), it is intended that the individual metrics identified be used to inform the Board of overall performance of the organisation and of progress toward deliverables, in addition to motivating the organisation to work toward delivering its strategy across all areas of the Agency's operations.

During the course of 2014, the Agency underwent one external audit by the Court of Auditors and one internal audit. The external audit of the Agency was carried out by the European Court of Auditors and a positive opinion on the Agency's 2013 accounts was obtained. The internal audit of the Agency was carried out by the Internal Audit Service of the European Commission and the Agency's own Internal Auditor in June March 2014 with the objective of assessing the adequacy and effective application of the internal control system related to budget planning, implementation and reporting. The Internal Auditor communicated the audit report, together with the action plan agreed with the auditee, to the Executive Director and to the Chair of the Management Board. Additionally, in June and September 2014 the Internal Audit Service of the European Commission and the Agency's own Internal Auditor carried out a full audit risk assessment which resulted in the Strategic Internal Audit Plan of the eu-LISA for 2015 – 2017. The Internal Audit Service communicated the Plan to the Executive Director and to the Chair of the Management Board.

Oversight of formal governance structures within the Agency is undertaken by the Executive Director, Management Board and an Advisory Group for each system under management. In order to further work toward the establishment of an integrated governance model, these formal bodies are supported by other specialist governance and oversight committees in areas such as risk, change management, budget and investment. The purpose of these sub-groups is to oversee activities in specific areas impacting upon the

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[7] ITIL defines functions related to service strategy, service design, service transition, service operation and continual service improvement. ITSM is a process-based practice intended to align the delivery of IT services with organisational requirements, leading to efficient business processes and beneficial cost cutting).

Agency's operations (such as those listed above), to develop appropriate technical guidance and to resolve or escalate subject-specific issues within their respective AoRs as necessary.

A sub-group for financial matters was also established within the Management Board, with representative from Belgium, Germany, and the Commission taking part in it along with Agency staff. The purpose of the sub-group is to analyse financial related matters in preparation of Management Board meetings, in order to allow sufficient time for analysis and, as appropriate, further details to the Agency. The sub-group met three times in 2014.

During 2014 the Management Board held two meetings (in March and November) and each Advisory Group (Eurodac, SIS II and VIS) held four separate meetings over the course of the reporting period (in February, May, August/September and December). Details of both groups' activities in 2014 are outlined below.

2.3.1 Management Board

During 2014, the Management Board (MB) continued in its role to ensure that the Agency delivers the tasks and results as stipulated in the Agency's establishing regulation in the most effective way, taking into account the strategic goals and objectives of the Agency and focusing on the following high-level tasks:

- Setting and monitoring the strategic direction to guide and direct the activities of the Agency;
- Ensuring the effective management of the Agency and its activities; and
- Monitoring the activities of eu-LISA to ensure they remained in keeping with its long-term strategy and mission, vision and values.

In addition to the discussion and approval of a standard suite of documents in the annual budgetary and activity planning cycles, specific matters addressed by the Agency Management Board in 2014 included, inter alia, adoption of the ToRs for the evaluation of the Agency in 2015, adoption of the Agency's long-term strategy 2014 – 2020, adoption of the Agency's change management process, adoption of the Agency's Seat Agreement with Estonia, adoption of the Delegation Agreement between the eu-LISA and the European Commission concerning 'Smart Borders' and a review of eu-LISA's Multi-Annual Work Programme for the period 2015 – 2020.

2.3.2 Advisory Groups

As stipulated in Art. 19.1 of the Agency's Establishing Regulation, the role of the Advisory Groups (AGs) is to provide the Management Board with expertise relating to large-scale IT systems and, in particular, in the context of the preparation of the annual work programme and the annual activity report. In 2014 the Advisory Groups for the three systems under management continued to provide relevant technical support and advice to the Agency's Management Board and Executive concerning the implementation of the Work Programme 2014, and a number of additional technical issues relating to the evolution and further development of the systems under management.

The AGs continue to be instrumental in developing and overseeing the implementation of a number of business-critical processes during 2014, such as:

- strengthening the Agency's governance structures through the introduction and evolution of an IT service management model; and
- evolution of roadmaps and development of Service Level Agreements and change management processes for the systems.

The Agency continues its pro-active engagement with the MB and all AGs, providing the required administrative and logistic support throughout the reporting period and partnering them in addressing key operational strategic issues related to the systems.

2.4 Budget

eu-LISA is financed by funds allocated to it on an annual basis by the European Union budgetary authority i.e. the European Parliament and the Council of the European Union. As part of its annual reporting framework, the Agency publishes its budget execution rates, which can help to highlight the efficiency and effectiveness with which the Agency was able to manage its spending during the reporting period.

As a result of strengthened financial processes, the Agency's budget execution rates have significantly improved (a summary of eu-LISA's budgetary performance in 2014 in terms of appropriations, commitments and spending during the reporting period is set out below, and further detailed in annex E). At the end of 2014, the rate of utilisation of budgetary commitment with fund source C1 appropriations (budget of the year), including automatic and non-automatic carry forward of appropriations was 99.32%, whilst the rate of utilisation of all available payments appropriations was 99.14%.

An amending budget was adopted by the Management Board on 25 September 2014. The amendment consisted of an increase of approximately EUR 5,5 million in payment appropriations from DG HOME to the Agency to cover 2014 operational expenditure related to the systems under management, and in particular to VIS/BMS and SIS II. This is consistent with the estimations made by the Agency in its draft 2014 Budget, which was later reduced during the EU budgeting process.

A number of 2014 commitment appropriations have been automatically carried forward to 2015, for commitments relating to Title 1 (staff expenditure) and Title 2 (Infrastructure and other administrative expenditure) to be used in full during 2015. The table below indicates the provisional outturn for the budget of the year (fund source C1).

Figure 2: Provisional Outturn for 2014 Budget Values in EUR

	Commitments		Payments	
	Budgeted	**Consumed**	**Budgeted**	**Consumed**
Title 1[8] executed	12,904,809	12,758,939	12,904,809	12,444,306
Title 1 carried forward				314,633
Title 2[9] executed	17,468,328	7,235,885	17,468,328	2,320,156
Title 2 carried forward*		10,232,443		15,148,172
Title 3[10] executed	29,006,863	28,747,317	34,537,578	34,124,207
TOTAL EUR	**59,380,000**	**58,974,584**	**64,910,715**	**64,351,475**
Expressed as %		99.32%		99.14%

*non automatic carryovers of commitment and payment appropriations for the Strasbourg reconstruction project (EUR 10,232,443.46) are provisionally included.

2.5 Financial Management and Procurement

The Agency's financial regulation outlines detailed rules for the implementation of its annual budget, covering such areas as budgetary approval, accounting principles and procurement procedures. In order to remain in

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[8] Title 1 = staff expenditure
[9] Title 2 = infrastructure and other operating expenditure
[10] Title 3 = operational expenditure

compliance with such, in 2014 eu-LISA continued to consolidate and strengthen its internal financial processes, procedures and controls and has put in place effective tools to improve efficiency and levels of budgetary execution and monitor the financial performance of the Agency (including regular budget execution reports and planned procurement updates and robust budgetary, financial and exception reporting procedures).

A procedure for budgetary transfers clarifying roles, responsibilities and workflow was established during the reporting period. Its introduction has further strengthened the internal control of budget implementation (as required by article 30 of the Agency's financial regulation). eu-LISA's other finance and procurement circuits and workflows also continued to be optimised on an end-to-end basis, putting in place appropriate checks and controls to provide assurance of clear delineation between initiating and verifying roles.

2014 has also seen the continuing development of the quality of the Agency's financial management information and reporting capabilities. Regular internal budget implementation reviews and reporting have taken place throughout the reporting period, with a monthly management report on budget execution and forecasting now in regular production. A quarterly report detailing implementation of the budget is also now prepared for Management Board review and a suite of high-level financial KPIs have been drafted for inclusion in the Agency's corporate performance dashboard.

Transactional elements of the finance function and the time taken to process invoices improved significantly during the reporting period. An e-invoicing system was introduced, initially for invoices received concerning the DIGIT framework contract, and a regular review mechanism for commitment and payment utilisation was also established, with the full involvement of the Application Managers for the systems under management.

In order to improve transparency and oversight of projects and resource allocation, a procedure for the review and approval of new projects was put in place. Designed to interface with the Agency's procurement and acquisition plan (PAC), the Business and Investment Review Process was implemented during 2014 to ensure that Agency resources would be aligned with the required outcomes as detailed in the Agency's annual and multi-annual work programmes and bound to the Agency's budgetary envelope. In order to meet this deliverable, the Agency's Budget & Investment Committee (BIC) has been tasked with the approval of business cases of strategic significance.

Further efforts were also made to proceduralise best practice in the procurement function, with SOPs on management of procurement introduced and a number of procurement 'lessons learned' seminars held to assist in future procurements, in particular focusing upon experience gained in the administration of large-scale Maintenance in Working Order contract tenders. The coordination of activities between operational and procurement staff was also improved, with an internal best practice circular disseminated and relevant staff training sessions undertaken. An Executive Director (ED) decision strengthening Agency control and oversight in the operational implementation of MWO contracts was also issued.

2.6 Stakeholders and Partnerships

During 2014 the Agency continued to strengthen its operational partnerships with other Agencies in the JHA policy area on the basis of formal memoranda of understanding (MoUs) that outlined and formalised cooperation in areas of joint interest. Seeking to exchange experience and knowledge with identified partners and contributing to deployment of common systems and technology platforms and providing services (as per the relevant legal instruments in force), eu-LISA and its partners continued to leverage scarce resources and share expertise in order to add value and provide better services to stakeholders.

Of particular note during the reporting period, eu-LISA signed MoU with FRONTEX and agreed a formal annual cooperation plan (the MoU was signed on 31 January 2014) and concluded a formal working arrangement with EASO on 4 November 2014, establishing a more structured framework for cooperation in areas of mutual interest. The Agency also continued to build other formal and informal networks to exchange

experience and knowledge with identified partners (in particular Europol, CEPOL, ECHA, EASO and FRONTEX, FRA and OHIM) with the goal that any such exchange would contribute to the development and deployment of relevant common systems and technology platforms (for example the creation of a bespoke training platform together with CEPOL and preparations for the launch of the intranet and extranet of the Agency including SharePoint).

The eu-LISA management committee also approved a stakeholder management strategy in late 2014. This strategy will provide a means to baseline perceptions among key stakeholders of the Agency's performance and to track progress in the following areas:

- enhance eu-LISA's broad stakeholder management processes and provide a baseline against which progress on engagement with external stakeholders can be tracked;
- ascertain the future needs and expectations of key stakeholder groups; and
- understand what influences people's views of eu-LISA and how eu-LISA might engage better with key stakeholder groups.

During the reporting period eu-LISA nominated itself to take over the Chair of the EU Justice and Home Affairs (JHA) Agencies in 2015. Intended to coordinate information exchange among the nine JHA Agencies and the European Commission, the network seeks to further contribute to the operational implementation of EU objectives in the fields of migration, asylum, border management, serious and organised crime, judicial cooperation. In order to set the agenda for this group in 2015, eu-LISA drafted a priority paper and action plan for its chairmanship.

The Agency successfully delivered all training activities as outlined in its annual training plan for 2014 for SIRENE operators, Schengen evaluators and Member States users of the systems under management. In order to further support the effective delivery and development of appropriate training programmes, a formal network of national contact points (NCPs) was established during the reporting period. Designed to assist eu-LISA in the development of training courses, methodologies, training materials and tools, the NCP network had its first meeting in Tallinn in October 2014.

There were a number of other major engagements with stakeholders during the reporting period. Of particular note were the aforementioned 'Smart Borders' conference in October 2014 (a forum to discuss practical aspects of the implementation of the proposed new 'Smart Borders' systems at both national and European level), the first JHA Counsellors meeting held in Brussels in July (designed as a regular meeting to increase cooperation between JHA Counsellors and eu-LISA) and a technology monitoring roundtable in Tallinn, the purpose of which was to engage with industry (25 companies participated) to examine developments in biometrics and associated technologies of relevance to the 'Smart Borders' programme.

eu-LISA also established a Security Officers Network (SON) as an informal network for exchanging experience and best practice amongst Member States and eu-LISA in all domains related to security of the large scale IT systems currently operated by the Agency.

To support and enable the Agency's engagement and external communications strategy, an external website was launched[11]. A SharePoint platform, promoting better collaboration and improved reporting for internal and external stakeholders, has also been in development throughout 2014.

The Agency also met in full its statutory reporting obligations in 2014, delivering and publishing the following within the stipulated timescales in 2014: Eurodac 2013 annual report, SIS annual statistics, VIS biannual report and the SIS II list of competent authorities.

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[11] Since September 2014 the site has attracted 12,799 unique visitors.

2.7 Premises

The sites from which eu-LISA works (as outlined in Article 10 of the Agency's establishing Regulation) are as follows:

- The seat of the Agency is in Tallinn, Estonia;
- the tasks relating to the development and operational management of the large-scale IT systems for which the Agency is responsible are carried out in Strasbourg, France; and
- a back-up site capable of ensuring the operation of a large-scale IT system in the event of a failure of such a system is located in Sankt Johann im Pongau, Austria.

2.7.1 Tallinn, Estonia

Whilst the Agency headquarters staff remained in temporary office accommodation for the duration of 2014, negotiations continued with the Estonian state in order to conclude eu-LISA's Headquarters Agreement.

The Agreement itself was finally signed on 19 December 2014 and ratified by the Estonian Parliament on 18 February 2015. It commits the Estonian government to the construction of a new headquarters for the Agency in Tallinn with space for 100 employees (the Estonian budget 2014-2017 has assigned €8.4 million for this purpose). The building will be available for eu-LISA gratis and the office is scheduled to be ready to move into by December 2017.

A number of additional preparatory steps were taken in parallel to the negotiation process during 2014 to define eu-LISA's requirements for the new headquarters building, including an official 'kick-off' letter to initiate the build sent to the Estonian Ministry of the Interior in June 2014. eu-LISA also outlined its requirements in terms of its initial accommodation footprint for the new building and physical security concepts to the Estonian authorities.

During the reporting period there was also a significant programme of work to upgrade and amend the available footprint of office accommodation in Tallinn.

2.7.2 Strasbourg, France

The site agreement signed in December 2013 between the French government and eu-LISA is awaiting ratification by the French Parliament.

Throughout the reporting period, eu-LISA staff continued to implement an ambitious schedule of corrective and preventative maintenance at the technical site to improve the quality of available office and system space. This included the programmed execution of a number of particularly complex preventive maintenance actions concerning sensitive electrical and climate control equipment.

The Agency also began a number of procurement procedures concerning the refurbishment and equipping of several areas. Of particular importance, the design phase for the construction of an additional building at the Agency's technical site was completed, enabling the competitive tender for the build to launch in Q1 2015.

2.7.3 Sankt Johann im Pongau, Austria

Throughout the year the Agency continued to ensure the availability of its backup site, in line with its business continuity procedures for the large-scale systems.

Annex A: Activity and Performance in 2014

The performance indicators for the 2014 work programme are outlined below. The metrics presented in this annex give a summary of the progress that the Agency has made against the specific deliverables that it set itself in its 2014 work programme. Progress during the reporting period against defined objectives and expected outputs is summarised below.

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
GOV 1	• Implementation of the corporate governance roadmap as defined in 2013	• The tasks provided in the Implementation plan for 2014 delivered.	1	Implementation plans prepared.	Y	Elements contributing to effective and appropriate governance for the Agency and tools for addressing governance risk identified and articulated.
			2	Work delivered against plans.	Y	Key elements in the Agency's corporate governance framework implemented in 2014 (e.g. Risk Management framework, Agency Internal Control Standards and corresponding compliance register approved by MB & initial elements of QM (corporate service catalogue) implemented).
			3	Regular progress reporting provided to management.	Y	Monthly reports provided to the authorising officer on RM and ICS provided during the course of 2014.
GOV 2	• Implementation of KPIs for corporate performance	• KPI indicators defined, agreed & implemented.	4	KPIs regularly monitored & reported	Ongoing	Agency finalising indicators in conjunction with MB (draft corporate KPI dashboard presented for discussion at November 2014 MB meeting)
			5	Performance analysis fed into decision-making process.	N	See comment for GOV2, indicator 4
			6	Staff of the Agency regularly updated on performance of the organisation & engaged addressing opportunities & weaknesses.	N	See comment for GOV2, indicator 4
GOV 3	• Service model development according ITIL/ITSM Implementation	• The tasks provided in the Implementation plan for 2014 delivered	7	Results to be delivered as per plan	Y	Work completed during the year included: ITSM Phase 1 processes defined; ITSM tool customised and enhanced in line with revised service model; further implementation for incident, problem and configuration

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
	roadmap					management processes based on SM7 in place; ITSM Phase 1 processes finalised and migration of SM7 to SM 9 to begin by end of Q4 2014.
			8	Regular progress reporting to be provided	Y	Regular updates provided to the Management Board (through quarterly WP reporting) and Advisory Groups throughout the reporting period.
GOV 4	• Further development of internal control standards	• Regular internal audits • Management team of the Agency to ensure follow up of audit recommendations	9	Audit reports to be reviewed by the management team	Y	Reports on ICS implementation drafted and reviewed by management in March 2014 and June/July 2014.
			10	Findings in the audit reports to be communicated to staff	Y	Findings communicated to management.
			11	Action plan prepared & implemented to address auditors' recommendations	Y	Action plan prepared. All recommendations have been addressed.
DEV1	• Monitoring & evolution of Service Level Agreements for the systems under management of the Agency	• Regular Service reviews • Regular Service quality reports	12	Regular Service reviews & Service quality reports delivered	Y	Presentations made in all 2014 Advisory Group meetings to member states outlining the operational performance of the respective systems.
			13	Service performance indicators as per the SLAs met	Partial	Standard SLAs agreed for all the systems (Eurodac, SIS II and VIS/BMS). Eurodac specific SLA agreed by the Eurodac AG in Q3 2014. Development of specific SLAs for VIS and SIS II to be finalised in 2015 following AG discussions and suggested amendments in December 2014; in Q2 2014, customer satisfaction survey report was presented to all the 3 Advisory Groups showing that 80% of users were either 'satisfied' or 'very satisfied' with current eu-LISA service levels.
			14	Opportunities for service improvement identified.	Y	Seminars/awareness-raising sessions held throughout 2014 with eu-LISA staff and relevant external stakeholders to increase awareness regarding the systems' business needs through business, technical and project awareness-raising events for all systems under management.

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
DEV2	• Operational management of SIS II • Evolution of SIS II	• All necessary tasks to ensure 24/7 functioning of the Central SIS II in accordance with the legal bases for this system. In particular the maintenance & technical developments necessary for the smooth running of the system & the monitoring of the technical performance of the system; • Evolution of the system planned & delivered; • Supervise & monitor work under the contract for maintenance of SIS II; • Assistance to the Member States.	15	Agreed service levels met as per the SLA under DEV1 above.	Y	Continuance of daily operations and associated change management procedures allowed SIS II to function in full compliance with the legal bases of the system throughout the reporting period. Assistance and support to MS provided for testing services or operational requests. SIS II SLA to be finalised in 2015 following AG discussions and suggested amendments in December 2014. Several workshops were held with MS to address operational matters, e.g.: DCC, operational manual, statistics and reporting.
			16	Agreed milestones & deliverables achieved according to the agreed maintenance & evolutionary tasks with the Member States in the framework of the contract for maintenance of SIS II.	Y	Transition to new SIS II MWO contractor successfully completed. All planned corrective, adaptive and evolutive maintenance carried out according to schedule. Regular operational and project updates presented to SIS II AG (over 30 presentations provided in 2014). 55 changes coming from the member states processed, 17 webinars were held and 215 internal technical changes were processed in 2014. The following major projects were delivered: - Delivery of detailed evolution roadmap; - Europol integration; - UK technical readiness for integration; - Reports and statistics enhancements; - Transition to new MWO contractor; - Urgent change requests from EU Council (Foreign Fighters).

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
DEV3	• Operational management of VIS • Evolution of VIS	• All necessary tasks to ensure 24/7 functioning of the Central VIS in accordance with the legal bases for VIS. In particular the maintenance & technical developments necessary for the smooth running of the system. This will also include the monitoring of the technical performance of the system; • Maintain & keep up-to-date the following: the configuration management database; the trouble Shooting guide; the Knowledge Database; exhaustive FAQs for users; • To supervise & monitor maintenance work under the VIS MWO contract; • Implementation of agreed roll out schedule for VIS;	17	Agreed service levels met as per the SLA under DEV1 above.	Y	Continuance of daily operations and associated change management procedures allowed SIS II to function in full compliance with the legal bases of the system throughout the reporting period. VIS SLA to be finalised in 2015 following AG discussions and suggested amendments in December 2014.
			18	Agreed milestones & deliverables achieved according to the agreed maintenance & evolutionary tasks with the Member States in the framework of the contract for maintenance of VIS.	Y	All planned corrective, adaptive and evolutive maintenance carried out according to schedule. Regular operational and project related updates were presented in the VIS/BMS AG, over 30 presentation topics provided in 2014; 67 changes coming from the member states processed, 9 webinars were held and 270 internal technical changes were processed in 2014.. The following major projects were delivered: - VIS Evolution to 120k; - BMS capacity increase project launched; - Continued VIS Mail integration testing; - VIS Mail transition guidelines drafted;
			19	Agreed roll out schedule for VIS implemented as planned	Y	VIS rollout implemented as planned and on schedule. During the rollout member states received online assistance and the systems were closely monitored.
DEV4	• Operational management of Eurodac • Evolution of Eurodac	• All necessary tasks to ensure 24/7 functioning of the Central Eurodac in accordance with the legal bases for this system. In particular the maintenance & technical developments	20	Agreed service levels met as per the SLA under DEV1 above.	Y	Continuance of daily operations and associated change management procedures allowed SIS II to function in full compliance with the adopted SLA and the legal bases of the system throughout the reporting period. Eurodac specific SLA agreed by the Eurodac AG in Q3 2014.

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
		necessary for the smooth running of the system. This will include work for monitoring technical performance of the system; • Implementation of the requirements in the recast Eurodac Regulation; • Integration of new users.	21	Agreed milestones & deliverables achieved according to the agreed maintenance & evolutionary tasks with the Member States in the framework of the contract for maintenance of Eurodac	Y	All planned corrective, adaptive and evolutive maintenance carried out according to schedule. 11 changes coming from the member states processed and 27 internal technical changes were processed in 2014. In July 2014 the Relocation project was delivered, bringing Eurodac within eu-LISA datacentres. Regular operational and project related updates were presented in the Eurodac AG, over 20 presentation topics provided in 2014;
			22	Planning on-track to implement system changes as a result of new requirements in the recast Eurodac Regulation.	Y	Recast project on schedule. During 2014 the project was set up and governance agreed with AG. In August 2014 a new version of the ICD was adopted, containing the changes required by the Recast regulation. A project management forum is run each month to assess the progress and risks and issues identified by each MS.
DEV5	• Delivery feasibility studies & advising the Commission on technical aspects on the implementation of Entry Exit & RTP systems • Readiness to take over management of other systems.	• Estimates of resource (including financial) & implementation plan for the pilot planned for 2015 • Preparation of required tender documentation for the pilot • Regular assessment of capabilities to take responsibility for additional systems	23	Contribution of the Agency to the feasibility study delivered as planned	Y	Following the completion of COM's feasibility and technical studies, the initial phase of the SB Pilot was launched in September 2014. In December the list of candidate MS and suitable border crossing points for the pilot were presented, together with an outline test roadmap based on first draft of terms of reference.
			24	Required tender documentation prepared on time	Y	eu-LISA provided required input to COM Technical Study and supported the cost estimation of a number of different implementation options.
			25	Resource plans in place to address capability of the Agency to take responsibility for other systems.	Y	eu-LISA developed and formalised its planning further with regard to the specific infrastructure, staff and organisational resources required for successful implementation of additional systems (evidenced in MSPP 2015 – 2017).

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
OPI1	• Systems infrastructure management: (operating systems, database software & other & off the shelf products, including upgrades)	• Systems infrastructure up to date • Required patches & upgrades applied	26	Continuation of daily operations and associated change management, including the management of the contractors' related activities.	Y	The administration and maintenance of the Agency's IT systems infrastructure together with incident / problem management / resolution, change management and the oversight of related activities of the contractors has continued without any major issues during 2014.
OPI2	• Monitor the network & coordinate relations between the Member States & the network provider for SIS II, VIS & Eurodac & ensure security of the communication infra-structure for VIS & Eurodac (security of the communication infrastructure for SIS II remains under the Commission's responsibility); • Ensure that the measures & precautions applicable to any network tasks entrusted to external private sector bodies are fully respected; • Planning & coordinating of the work in relation to migration of the current sTESTA network under the new contract for WAN services; • Establishment of	• Ensure availability & performance of the sTESTA Network (as defined in the following network indicators for the network for SIS II, VIS & Eurodac); Site availability (availability of the TAP measured by the SLA monitoring device, between the TAP & a defined reference site (CU & BCU)); • Validate the external contractors' operational procedures & their conformity with related provisions in the contracts; • Preparation & implementation of network migration for VIS, SIS II & Eurodac in the areas of competence of the Agency (monitoring, security & management of relations between the Member States & the new network provider); • Preparation & implementation of	27	Agreed performance requirements met as per the SLA under DEV1 above.	Y	Network team continued to ensure the proper functioning of the operational and management networks and network related incident/problem management throughout the reporting period.
			28	Network service providers comply with security requirements.	Y	Network team ensured network security requirements met in full throughout the reporting period.
			29	Migration plan implemented as per agreed schedule.	Partial	Despite a delay in negotiating a new FWC, the planning and coordination activities concerning the migration from sTesta network to TESTA-ng network continued through 2014. In the area of VIS and SISII networks eu-LISA has still undertaken mainly preparatory activities. Concerning Eurodac, eu-LISA is executing activities to ensure smooth transition from sTESTA Eurodomain network to TESTA-ng Eurodomain network.
			30	Transitional model for the Network Operations Centre implemented & operational & covering eu-LISA competencies in the new communication infrastructure.	N	As of the end of Q4 2014, the establishment of Network Operations Centre (NOC) remains on hold due to delay and change in the approach of overall implementation of the contract for TESTA-ng VIS and SISII networks.

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
	Transitional model for Network Operations Centre (NOC) to ensure management "closed" part of the new communication infrastructure; • Handover of VIS mail systems operational management from sTESTA network provider to eu-LISA.	Transitional model for Network Operations Centre in line with the legal basis & covering eu-LISA competencies related to the operational management of the communication infrastructure (monitoring, security & management of relations between the Member States & the new network provider); • VIS mail systems operational managed by eu-LISA.	31	The VIS mail systems handover done as per agreed schedule. The VIS mail systems operational management performed within defined SLA	Partial	eu-LISA is working on the handover of VIS mail systems operational management. Progress has been made in 2014, particularly in the implementation of the dedicated network infrastructure for VIS Mail systems and in the assessment of feasibility of VIS Evolution monitoring system.
OPI3	• Service desk	• Resolved incidents • Availability of service desk management system	32	Agreed performance levels met as per the SLA under DEV1 above.	Y	During 2014 the helpdesk continued its 24/7 operations without interruption, providing the full spectrum of services to Member States.
			33	Evolution of Agency's service desk management functionality	Y	Service desk operators provided 24/7 cover using the enhanced shift planning method and continued to gradually take over a number of tasks from the application administrators. They also continued their involvement in the Internal Infrastructure project and internal helpdesk activities. The service desk also provided operational support for VISION and Dublinet.
OPI4	• System performance monitoring & tuning to monitor the technical functioning of SIS II, VIS & Eurodac under its management & gather all technical data needed to meet its reporting, statistics & monitoring obligations.	Statistics & information on the performance of the systems as foreseen in the legal bases	34	Quality & timeliness of input to reporting provided within stipulated deadlines.	Y	Continuous support for SIS II, VIS and Eurodac through 2014. Daily operations managed as per forecasts, in particular incident and problem management. Took corrective actions as appropriate to maintain the specified levels of service and performance.

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
OPI5	• Provide statistics on the IT systems as laid down in the Establishment Regulation & legal bases for the IT systems under the Agency's management	• Timely provision of all statistics: statistics on SIS II; statistics on VIS; quarterly statistics, annual statistical; compilations on the work of the Central Unit of Eurodac & any other statistics that may be required on Eurodac	35	Timeliness of delivery & conformity with all legal obligations	Y	All statistics were provided in compliance with the relevant legal requirements and available on Circa BC. A number of ad-hoc statistical requests from COM were also successfully produced throughout the year.
			36	Quality & comprehensiveness of statistics reports.	Y	All statistical reports produced in full compliance with the relevant legal basis (where applicable) and meeting quality guidelines.
GCO	• Develop strategic planning capabilities of the Agency	• Long-term strategy for the Agency prepared & up to date • Enterprise architecture implementation roadmap • Multi-annual work programme	37	Strategy for the Agency adopted by the Management Board	Y	Long-term strategy document for the Agency 2014 – 2020 adopted by MB in March 2014
			38	Corporate enterprise architecture roadmap implemented	Ongoing	Draft roadmap document prepared. Task delayed due to resource constraints & implementation of other tasks with a higher priority.
			39	Draft multi-annual work programme prepared	Y	Multi-annual work programme drafted & reviewed by AGs and MB at its November 2014 meeting (to be adopted in March 2015).
GC1	• Monitor new technologies & solutions relevant for the operational management & evolution of SIS II, VIS, Eurodac & other large-scale IT systems. • Keep the European Parliament, the Council, the Commission & the European Data Protection Supervisor informed on a regular basis	• Regular monitoring reports regarding mew technologies & solutions • Regular communication to the Agency's staff & to stakeholders • Support for decision-making & strategic planning	40	New technologies / solutions identified & assessed through regular reporting	Y	R & D roadmap and plan drafted; establishment of an internal research committee; R&D strategy documents presented to MB and the AGs; delays in MB approval of the R&D strategy & release of the bi-annual report (biometrics and border control technologies). Final strategy approval anticipated in early 2015.
			41	Proposals for technologies / solutions put forward to the management of the Agency	Partial	Continuous expansion of online tools for technology monitoring through desk research; establishment of a library (books and periodicals) including materials focussed on priority R&D topics; organisation of an industry roundtable event and conference on Smart Borders.
GC2	• Adoption of Annual Activity report for the Agency for	• Draft Annual Activity report	42	Quality & timeliness (15 June 2014)	Y	Adopted Annual Activity Report for 2013 sent to COM, PARL & COUNCIL BY 15 June 2014

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
	2013 & submission to the EP, the Council, the Commission & the Court of Auditors		43	Report adopted by the Management Board	Y	Annual activity report for 2013 adopted by MB in March 2014
GC3	• Inter-agency cooperation	• Action plans executed as per signed MoUs • Achieved results / outcomes from joint initiatives	44	Actions as outlined in the cooperation plans delivered as agreed	Y	One cooperation plan signed to date (with FRONTEX). Continuing cooperation in areas of common interest between eu-LISA and Europol, CEPOL, EASO, ECHA, FRA and OHIM. eu-LISA also continued to participate in the meetings and initiatives of the JHA Agencies' Contact Group throughout the year.
			45	Satisfaction from stakeholders	Y	Stakeholders management Strategy approved by the Management Committee of eu-LISA. Internal & external stakeholder surveys completed in 2014 for 2013.
GC4	• Maintain & develop the framework for providing legal advice where necessary for the internal operations of the Agency & to defend its position vis-à-vis the exterior as required	• Legal advice for internal decision-making • Legal advice with regard to the Agency's position in any possible litigation	46	Timeliness & quality of advice provided	Y	Advice provided within the deadlines set. The quality of the services has been assessed as good by a number of stakeholders during the reporting period.
			47	Number of challenged internal & external decisions	Y	No decisions were challenged during the course of the reporting period.
GC5	• To promote the mission, vision & core values of the Agency as drivers for development of corporate culture of the Agency.	• Tailored intranet site & collaboration tools for Agency Staff • Informal internal awareness raising activities & events • Awareness raising activities about the priority of achieving strategic goals & operational objectives of the Agency • Internal communication plan	48	Regular updates on progress with implementation of the work programme & strategic progress	Y	Quarterly implementation reports for the Agency's 2014 work programme prepared and sent to the MB for review within deadline.
			49	Undertake internal awareness raising activities for staff on Agency activities every month	Y	A number of sessions were held during the course of 2014 to increase awareness of non-operational Agency staff regarding the systems' business needs.
			50	Positive results from the annual staff survey	Ongoing	Results of Agency's 2014 Staff Satisfaction Survey will be available in Q1 2015
			51	Internal communication plan delivered as agreed	Partial	Internal Comms plan delivered but due to resignation of IC Officer in Q2, post was reallocated to fill a shortfall of

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
						resource in another business area.
			52	Satisfaction level of the staff of the Agency	Ongoing	Results of Agency's 2014 Staff Satisfaction Survey will be available in Q1 2015
GC6	• To promote the Agency & the systems that it operates & to fulfil the communications requirements laid down in the founding Regulation & the legal bases of the IT systems managed by the Agency	• Regular updates to Agency's web site, & optimisation of its visibility. • Develop a network of media contacts, build sound relations with these contacts, provide media-friendly, information, assess the impact by monitoring & press reviews & organise media training for Agency staff • External communication plan • Fulfilment of all publication requirements laid down in the legal bases, in particular: • Publication of the Annual Work Programme for 2015 & the annual activity report for 2013 • Annual publication of lists of national authorities authorised to use or search data in the IT systems under its management (SIS II, VIS, Eurodac), as defined in the legal bases for these systems.	53	External communication plan implemented as planned.	Y	External communication activity plan 2014 completed and all deliverables contained therein met on schedule.
			54	Progressive increase in the number of hits on the Agency's web site throughout the year	Y	The Agency's external website launched at the beginning of July 2014.Since launch, the website has seen an average 12% month-on-month increase in visitors, recording an average of **1566** number of unique visitors per month.
			55	Satisfaction of users & stakeholders (annual web site survey, survey after each campaign)	Ongoing	User experience web site surveys for 2014 not yet started.
			56	Media evaluation: quality & quantity of press coverage on major developments related to the Agency.	Y	Systematic media monitoring and analysis of eu-LISA press coverage undertaken in 2014.
			57	Timely fulfilment of publication requirements under the legal bases (annual report for the Agency, lists of national authorities & annual updates thereto & other reporting obligations)	Y	All statutory reports and other external reporting obligations delivered within deadline.
GC7	• Provide the Commission with the information necessary to produce the regular evaluation of VIS, Eurodac & SIS II • Inform the EP & Council of the measures to ensure the security of data use in the	• Provide complete information as required	58	Information delivered within agreed timelines	Y	Information provided as requested and as per statutory requirements. Publication of Eurodac annual report 2013, SIS II annual statistics, VIS biannual report and SIS II list of competent authorities in 2014.

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
	VIS					
GC8	• Training for national authorities on IT systems managed by the Agency	• At least 1 course on each system in 2014	59	Trainee satisfaction (at least 3 on a scale of 1 to 5)	Y	4 SIS II courses (1 newcomer training for the UK, 2 data consistency check courses and 1 classroom course on technical use of SIS II), 1 Eurodac and 1 VIS course undertaken in 2014 by the Agency. Average participant satisfaction rating for all courses was 4.4/5.0 (the lowest rating received was 4.0, the highest was 4.75)
GC9	• Training for SIRENE operators	• 2 courses to be held in 2014	60	Trainee satisfaction (at least 3 on a scale of 1 to 5)	n/a	2 courses held in 2014 (February and September). Courses operated and evaluated by CEPOL (eu-LISA participated as a trainer).
GC10	• Training of Schengen evaluation team members & lead experts	• 1 course in 2014 depending on the requirements of the experts	61	Trainee satisfaction (at least 3 on a scale of 1 to 5)	n/a	3 courses held in 2014 (of which 2 were webinars). Evaluation of courses undertaken by CEPOL.
AS1	• General Training for Agency staff	• General Training • Team building events & presentations: i) in-house team building seminars; lunch time/breakfast presentations with possible VC link between sites; iii) away day (team building activities will take full account of budget constraints, with emphasis on low-budget in-house solutions).	62	100% of staff to attend compulsory courses listed in their training plan.	Partial	Not all staff members were able to attend the Security Awareness briefing (approx. 75%), prevention of Harassment and Ethics activities. Steps taken to provide easier access to training such as the e-learning module for Security briefing and classes of the third European language knowledge at B2 level (one of three eligibility criteria for promotion). Further courses for Ethics and Prevention of Harassment have been scheduled for early 2015.
			63	90% of Agency staff attending at least 2 team building events in the year	Partial	Approx. 60% of all staff attended team building events in Tallinn and Strasbourg. Further team building events organised at individual unit level in Tallinn had attendance of approx. 95%
			64	100% of staff in departments extending across both sites to attend at least 2 team building activities in the year.	Partial	See comment for AS1, indicator 63

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
AS2	• Technical Training for Agency Staff	• Agency IT Welcome Pack Training: 1 week course for new technical recruits with (aspects common to all of the systems). • Specific technical training • Business & operational training: training related to the business & operational functions of the specific system that staff will operate/manage	65	100% of staff have attended the compulsory courses listed in their training plan & Trainee satisfaction (at least 3 on a scale of 1 to 5)	Partial	Individual training plans for staff were not implemented in 2014. General satisfaction of all courses carried out in 2014 is approx. 90% (indicating scale 4 and 5)
AS3	• Training efficiency	• Standard training plans for each functional role & group • Innovative training models, such as a train-the-trainer approach & product champions' implemented	66	Number of trainings attended per employee	Y	Approx. 6 training days per staff member in 2014.
			67	Efficiency of service model	Y	Innovative training models implemented such as webinars and informal learning sessions. Furthermore, training needs analysis introduced and carried out including individual learning needs.
AS4	• Further development of the Agency's competency framework:	• Career path framework based on the consolidated IT service model of the Agency • standardised job roles across the teams capabilities & staffing needs • job families to organise IT services staff into similar functional groups • regular reviews of staffing & training needs	68	Recruitment, selection & staff development processes based on competency framework	Partial	eu-LISA's competency model eu-LISA drafted but not yet rolled-out across the Agency. Therefore in 2014 recruitment based mainly on operational and business needs of the Agency.
			69	Efficiency of service model of the Agency	Y	Regular reviews of staffing and training needs analysis carried out for the first time in 2014. Training needs analysis for 2015 initiated and enriched by data, transposed from the first ever Agency's appraisal exercise and profiled input of the training needs on the organisational unit level by the line managers of eu-LISA. IA implementing rules on staff appraisal and reclassification adopted by the Management Board on 15.05.2014 provided a solid legal basis for further linkages between performance and appraisal as well as its subsequent linkages to promotion.

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
AS5	• Recruitment & retention of staff.	• Stable staff levels of the teams in the Agency	70	All posts filled within 20 weeks from publication.	Partial	Average time for posts filled via open calls in 2014 was 26 weeks
			71	Low staff turnover through the year	Y	Annual staff turnover for the Agency in 2014 was lower than 5%
AS6	• To provide services in the field of building management, facility management & logistics on all Agency sites.	• On-going tasks related to infrastructure management of the temporary HQ premises in Tallinn; • ensure that the work to make available new HQ premises Tallinn remains on schedule; • on-going tasks related to infrastructure management for the St Johann im Pongau site; • uninterrupted routine operation of logistical services.	72	Annual FM survey: User satisfaction at least 75%.	Y	User satisfaction rated good or very good by 100% of respondents to the annual FM survey
			73	Amount of work for the permanent building of eu-LISA scheduled for 2014 completed on time (target >= 80 %)	Y	Work on provision of a permanent building for the Agency in Tallinn remained 100% on track in 2014. An official project initiation letter was sent in July to Estonian Ministry of Interior; an initial room plan was provided to EE authorities; the physical security concept for new HQ building was provided to EE authorities.
AS7	• Accomplishment of procurement procedures to acquire contractor(s) for reconversion of the technical site in Strasbourg	• Procurement documentation & procurement procedure(s)	74	Procurement documentation delivered on time & procurement procedure(s) accomplished by the end of the year	Partial	Due to the inherent complexity of the project and considering that the technical documentation was received from the external contractor (Deloitte) only on 07/08/14, the procedure was not completed in 2014. Nevertheless, it reached a very high level of maturity (80% of the technical evaluation completed). It will be completed by the end of February 2015 (financial resources earmarked for the project are being carried over to 2015 and this will allow sufficient time to commit them).
AS8	• Administrative support to the Management Board	• Organisation of at least 2 meetings (coordination of logistical arrangements, coordination of agenda & documentation & participation of ED in the	75	Quality & timeliness of deliverables (in particular, documents available in advance of meetings, according to the terms of the operational procedures)	Y	2 Management Board meetings took place in Tallinn in 2014 (11-12 March and 18-19 November). All agendas and supporting papers were provided to MB members in advance of both meetings and in compliance with the deadlines for such outlined in existing operational procedures.

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
		meeting).				
AS9	• Administrative support to the Advisory Groups	• Organisation of at least 3 meetings (coordination of logistical arrangements, coordination of agenda & documentation & participation of ED in the meeting).	76	Quality & timeliness of deliverables as per expected WP2014 output	Y	4 Advisory Group meetings for each of the systems under management took place in 2014 (Feb, May, August/Sept and December 2014). All agendas and supporting papers were provided to AG members in advance of all meetings and in compliance with the deadlines for such outlined in existing operational procedures.
PC1	• Further consolidate & re-enforce financial & procurement procedures, including ex ante controls. • Build & maintain capabilities to provide proficient advice on procurement procedures internally & to potential contractors & suppliers.	• Consolidated internal procedures; • regular communication to the staff; • coordination of all phases of the contracting procedure & provision of feedback on scope for improvement; • provision of advice & in house training as required.	77	Increased number of trained staff.	Y	Staff members in Tallinn received formal procurement training in Q1 of 2014, as a complement to the seminar held in Q4 of 2013 to the benefit of staff members in Strasbourg.
			78	Increased number of procurement procedures completed on time	Y	The consolidation of the procurement team (consisting of three staff members and one intern hired on 01/09/2014) allowed an improvement in the output and overall effectiveness of the Agency's procurement function. (see comment PC9 indicator 97).
			79	User satisfaction (via annual survey, result >=75%).	N	No survey carried out in 2014.
PC2	• To process all invoices/ requests for re-imbursements within the time limits set.	• Timely payments; • periodical analysis of delays & analysis thereof	80	Less than 10% of transactions not paid within the regulatory limits.	Y	Deliverable met (accounting data indicates that 9% of payment requests were not paid within the time limits in 2014).
			81	Analysis leads to concrete objectives for improvement	Y	Quarterly review with financial initiators carried out in 2014.
PC3	• To maintain & further develop tailored financial information for Agency management.	• monthly budget implementation reports; • monthly overviews of payments	82	Timeliness of monthly reports & overviews & level of user satisfaction (annual survey. User satisfaction>=75%)	Partial	The production of a dedicated set of reports was delayed to Q4 and is expected to be completed in Q1 2015.

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
PC4	• To contribute to the development, streamlining & implementation of the Agency's procurement policies, whilst ensuring full respect of EU legislation & guidelines.	• Periodic internal reviews of procedures, taking account of input from users, ex ante & any changes in central procedures (at least once per year, with a view to proposing action plans for making improvements).	83	Carry out periodic review (before end of 2014) & implement changes in line & on schedule with action plan.	Y	Further to the first MWO clinics (held in Q1),some critical aspects concerning the FWCs for the maintenance of the Large Scale IT Systems were streamlined (i.e. a new procedure was introduced via ED decision No.28 of 07/05/14 for the ex-ante control of the so called "third level" – RFS issued under already established L2 commitments.
PC5	• Fine tuning & validation of the Agency's accounting system, including local financial management systems	• Agency accounting system is devised & validated; • If applicable, introductions & modifications to the system are made after consultation of authorising officers & validation by the Accounting officer.	84	Positive internal validation	Y	Positive validation of Agency's accounting system provided by eu-LISA's accounting officer.
PC6	• To keep & present the [2013] accounts in accordance with Title VII of the Financial Regulation	• The accounts comply with the rules, are accurate & comprehensive & present a true & fair view of the Agency's' assets & liabilities, the financial situation & the outturn of the financial year; • The revenue ledger & general ledger system are maintained & contain updated data; • The management of the Agency is provided regularly with information on transactions they have entered & validated in the central accounting system ABAC/SAP); • The treasury management & assets register are regularly reconciled & in case of any discrepancies, relevant parties informed properly thereof;	85	2013 Accounts respect all provisions of the Financial Regulation	Y	2013 accounts prepared in full compliance with relevant provisions of the Agency's Financial Regulation.
			86	2013 Accounts provided within stipulated deadlines	Y	All statutory deadlines met with regard to the submission of the Agency's accounts for 2013.
			87	Monthly Meeting to be held with authorising officer	Y	All accounting issues discussed with authorising officer at regular Management Team meetings throughout the reporting period.

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
		• Regular monitoring of the regularisation of non-budget operations is ensured; • Interface with authorising officers on accounting matters; • Implementing the accounting rules & methods & the chart of accounts in accordance with the provisions adopted by the European Commission's Accounting Officer.	88	No significant negative observations on Agency's 2013 accounts	Y	ECA recorded no negative qualifications on Agency's 2013 accounts.
PC7	• To implement all internal control standards within the organisation, to perform periodic reviews & to ensure that staff are informed of these standards & any related procedures.	• Implementation of the action plan for implementing all standards within the Agency; • standards related to financial management should be implemented as early as possible; • with regard to risk analysis, due to the nature of the IT systems under its management, the Agency is expected to rapidly surpass baseline standards in this area; • 2 reviews per year; • publish summary of standards on the intranet & refer to these in induction training for staff.	89	Number of fully implemented standards Target: 100% compliance.	Partial	All baseline requirements of the ICS implemented. Eu-LISA invested significant effort n further developing the ICS, establishing annual reviews; refining ownership of individual actions associate to each ICS and outlining a roadmap for an eventual QM system in the Agency (see Annex B). Agency also established regular internal compliance reporting and began documenting its internal processes. It should also be noted that maintenance and further evolution of the ICSs is a multi-annual process and its implementation goes beyond the year end.
			90	Should there be, due to exceptional circumstances, a small number of standards which are not fully implemented, clear action plans must be put in place to remedy the situation as soon as possible after the end of the year.	Y	In 2014 the Agency focused on the introduction and reinforcement of controls in key areas with standards integrated with operational procedures where appropriate to facilitate the effectiveness and efficiency of the Agency's operations. For all those standards not fully implemented in 2014, there is a clearly communicated action plan in place to ensure full compliance in 2015 (see Annex B).
PC8	• To implement payments, collect revenue, follow-up to notes, VAT & recovery	• Rigorous treasury policy implemented.	91	The funds on bank accounts correspond to the actual needs of the Agency throughout	Y	Objective achieved. Treasury policy implemented (funds on a/c corresponded to Agency's liquidity requirements).

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
	orders			the reporting period		
PC9	• Prepare & implement a procurement plan	• Procurement plan in place for 2014; • Regular reviews.	92	Quality & timeliness of procurement procedures	Y	No formal complaints or legal action, no substantive remarks from external auditors. Only two main procedures (FWC to source external experts and Strasbourg reconstruction project were not completed by end of Q4 2014, but, let alone that this had no direct impact on budget execution, the delay was not attributable to the performance of the procurement function (it was, in fact, due to the inherent complexity of the projects).
			93	Plan implemented as agreed	Y	Full implementation of the 2014 PAP as dynamically modified during the year. As a proxy indicator of the performance, refer to the budget execution rate for commitment appropriations (close to 100%).
SE1	• To ensure that the Agency's offices operate in an adequate security environment, respecting the security plan for the Agency (and the disaster recovery plan, once it has been finalised). This will include measures to ensure that all staff are fully aware of basic security rules & procedures related to their activities & that incidents & irregularities are reported.	• Advice / updates to other units of the Agency on security; • training for staff on security; • verify the functioning of the security procedures; • action plans to address any issues identified; • Business Continuity Plan.	94	High quality & clarity of information released on security matters	Y	Local Security Officers allocated to each large-scale system to provide a clear single point of contact for system related security issues. Security officers are allocated to major projects to provide security guidance. Security alerts, updates and guidance provided on a regular basis
			95	All staff to have participated in security training by the end of 2014	Y	Security awareness briefings organised in Tallinn and Strasbourg. Security authorisation briefings are organised on a quarterly basis.
			96	No serious negative findings concerning reviews of existing security procedures	Y	External audit risk assessments by the IAS and ECA and Internal self-assessment reviews have not identified serious shortcomings
			97	BCP prepared & implemented	Y	Agency BCM strategy is in place. BCPs for the large-scale systems are implemented.
SE2	• Ensure that confidentiality & professional secrecy	• Information/training for staff • occasional checks (at least	98	No significant negative findings following	Y	Security awareness briefings organised in Tallinn and Strasbourg. Security authorisation briefings are

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
	requirements rules for staff working with data in the systems are respected	once per year) + put in place action plans to remedy any issues identified.		ad-hoc DP checks on Agency procedures		organised on a quarterly basis. External audit risk assessments by the IAS and ECA and Internal self-assessment reviews have not identified serious findings
SE3	• Rehearsal of the business continuity & disaster recovery plan for the Agency.	• Undertake periodic rehearsals (each trimester)	99	Timeliness of implementation of planned BCP rehearsals	Y	Business continuity procedures for the large-scale systems are exercised on a regular basis (fail-overs and switch-overs)
SE4	• To ensure that all security aspects are taken into account in the planning & renovation of Agency premises	• Check that premises are compliant with security standards & put in place action plan for any issues identified.	100	No significant negative findings & positive user satisfaction	Y	External audit risk assessments by the IAS and ECA and Internal self-assessment reviews have not identified serious findings.
SE5	• Ensure that security measures & security plans for SIS II, VIS & Eurodac & for the communications networks related to these systems are fully implemented.	• Information, advice & training for staff on security; • regular reports on compliance with detailed service level definition + annual checks; • annual check of the functioning of the BCP & revise if necessary; • management of crypto keys for TESTA-ng network.	101	Specific indicators will be contained in the service level agreements developed under objective OPI2 above.	Y	External audit risk assessments by the IAS and ECA and Internal self-assessment reviews have not identified serious findings; the large-scale systems undergo a regular programme of security testing and assessments. The Agency has implemented an in-house security testing platform and the security team has undergone training and certification on security testing and audit; external security assessments and penetration testing of specific large-scale systems have been organized for 2015; local Security Officers allocated per large-scale system to provide a clear single point of contact for system related security issues. Security officers are allocated to major projects to provide security guidance; security plans, policies and BCPs for the large-scale systems are currently undergoing review and are planned to be updated in Q1 2015.
			102	Crypto key management in place	Partial	Crypto –key management of the Communication Network is still under the responsibility of the current contractor (without prejudice to the current s-TESTA contract). eu-LISA has full management of the encryption keys of the second layer of encryption of SIS II and of other applications that require encryption for the protection of confidentiality of the information have not been implemented (as the contract with the network

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
						provider has not been signed). Agency has recruited a new Communication Security Officer, acting as a Crypto Custodian, who will implement and manage the crypto key management process for TESTA-NG when finalised.
SE6	• Implement, maintain & develop procedures & processes to ensure the highest level of data protection with regard to the Agency's administrative operations & with respect to the information systems under its management & to ensure their full implementation. Ensure compliance with best practice & relevant regulations in force through close cooperation with the EDPS.	• Internal procedures implemented; • regular internal reviews; • action plan to address identified gaps; • prepare & submit an annual report to the Management Board on data protection, incidents & activities; • provide mandatory staff training on data protection requirements & regulations in force.	103	All DP procedures are implemented & followed	Y	Implementing rules on Data Protection adopted; development ongoing of data protection guidance and standards for information handling and information systems development and management. Data Breach procedure initiated but not yet finalised
			104	Incidents on data protection were identified and addressed accordingly to the Management Board Decision 93/2013	Y	DPO delivered 3 reports to the Executive Director with identified issues and recommendations to be addressed.
			105	Action plan implemented	Y	DP action plan was presented to ED in July 2014.
			106	DP report to be submitted to the MB on an annual basis	Y	2014 Annual Report to be submitted to the Agency MB for review in March 2015.
			107	Mandatory staff training on DP issues to be introduced	Y	DP awareness sessions were held throughout the reporting period for eu-LISA staff addressing staff rights, IT related issues and a specific one for Human Resources and Training Unit.
IA1	• To audit regularly the internal control system & processes put in place, in order to assess its effectiveness and, more generally the performance of the units in implementing the Agency's projects, actions & services, with a view to bringing about continuous improvement	• Annual audit plan	108	Activities provided in the audit plan are fully implemented	Y	Internal Audit Plan for 2014 was implemented. Deliverables : - Audit Report on Budget related Processes by the eu-LISA's Internal Auditor; - Strategic Internal Audit Plan 2015 – 2017 by the Internal Audit Service of the European Commission; - Report on the annual accounts of the eu-LISA for the financial year 2013 by the European Court of Auditors; - Draft Antifraud Strategy of the eu-LISA by the eu-LISA's Internal Auditor;

REF	Work Programme 2014 Objective	Expected Work Programme 2014 Output	Indicator #	Work Programme 2014 Indicator	Objective Delivered (Y/N)	Brief summary to evidence delivery or mitigate non-delivery:
						In addition, upon ad-hoc request of the Executive Director, the Internal Auditor chaired the Election Board for the election of the first Staff Committee in the eu-LISA.
			109	Action plan(s) in place to address findings	Y	Corrective actions have been taken concerning all audit recommendations.

Annex B: Implementation of Internal Control Standards in 2014

The Agency's Internal Control Standards (ICSs) (as outlined within Article 30, Article 44 (2) and Article 47 (1)(b) of the Financial Regulation of the Agency) were adopted by the Management Board by written procedure in June 2014. The 16 individual control standards are structured around six major areas: i) mission and values; ii) human resources; iii) planning and risk management process; iv) operations and control activities; v) information and financial reporting; and vi) evaluation and audit. An Internal Control Coordinator has been formally appointed by the Executive Director. The baseline requirements of all standards were implemented in 2013, which the Agency sought to develop further and evolve during 2014.

eu-LISA's internal control system integrates all 16 ICSs adopted by the Agency, establishing the overall internal control environment and the providing assurance to management that objectives are being achieved with robust financial and operational checks and balances in place. This framework is monitored on a regular basis to ensure that controls that are in place work effectively. In 2014 the Agency largely focused on the introduction and reinforcement of controls in key areas with standards integrated with operational procedures where appropriate to facilitate the effectiveness and efficiency of the Agency's operations. At the end of the reporting period, the Agency has fully implemented 5 ICSs. For those standards not fully implemented in 2014, there is a clearly communicated action plan in place to ensure full compliance in 2015.

A summary of the results of the implementation of the prioritised standards during the reporting period are outlined below. It should be noted that the implementation status 'in progress' implies that the Agency continues to develop the standards beyond the required baseline standard:

ICS Category	ICS Name	Rationale	Summary of Actions Undertaken Toward Compliance in 2014	Implementation Status as of Y/E (Full/In Progress)	Summary of Actions Carried Forward in 2015
1.Mission and Values	Mission	eu-LISA's purpose is clearly defined and articulated in up-to-date and concise mission statements developed from the perspective of its stakeholders.	Annual exercise undertaken to review eu-LISA's mission statement as well as the mission statements of eu-LISA's departments/units.	In Progress	Approved eu-LISA mission statement document to be communicated in Q1 2015
2.Mission and Values	Ethical and Organisational Values	Management & staff aware of & share appropriate ethical and organisational values and uphold these through their behaviour & decision-making.	Code of Ethics approved	In Progress	Strategy on conflict of interests, whistleblowing and anti-fraud to be established. Awareness training on these issues to be given to staff
3.Human Resources	Staff Allocation and Mobility	The allocation & recruitment of staff is based on eu-LISA's objectives and priorities. Management promote and plan staff mobility so as to strike the right balance	Contributions of managers to revised/approved Multi-Annual-Staff-Policy Plan to align staff to eu-LISA's objectives and priorities	In Progress	An internal mobility approach to be developed to assure opportunities for mobility within the Agency, such as internal vacancies system

ICS Category	ICS Name	Rationale	Summary of Actions Undertaken Toward Compliance in 2014	Implementation Status as of Y/E (Full/In Progress)	Summary of Actions Carried Forward in 2015
		between continuity and renewal.			
4.Human Resources	Staff Appraisal and Development	Staff performance is appraised annually. Adequate measures are taken to develop the skills necessary to achieve the objectives set.	Annual appraisal exercise 2014 finalised (including recording training needs of staff)	Full	Annual appraisal exercise 2015 to be undertaken
5.Planning and Risk Management Processes	Objectives and Performance Indicators	eu-LISA's objectives are clearly defined and updated when necessary and formulated in a way that makes it possible to monitor their performance. Key indicators to be established to help management evaluate and report on progress made in relation to their objectives.	32 indicators drafted & developed internally. Initial draft dashboard revised following manager & governance body (MB and AGs) input. Draft KPI dashboard & supporting definitions TO BE further reviewed by senior staff.	In Progress	Draft corporate dashboard and supporting KPI definitions to be finalised in Q1/Q2 2015
6.Planning and Risk Management Processes	Risk Management Process	A risk management process that is in line with applicable provisions and guidelines is integrated into the annual activity planning.	Corporate risk management framework applied and 2014 risk management exercise concluded.	Full	2015 corporate risk management exercise to be carried out
7.Operations and Control Activities	Operational Structure	eu-LISA's operational structure supports decision-making by suitable delegation of powers. Risks associated with eu-LISA's sensitive functions are managed through mitigating controls & ultimately staff mobility. IT governance structures in place	ED Decision on delegation of authority completed; IT project board with regular meetings is established.	In Progress	Sensitive post list annually updated; related software application support is in place. Programme board to be established. Standard IT corporate governance, policy and IT corporate strategy to be drafted & implemented following an annual development plan
8.Operations and Control Activities	Processes and Procedures	eu-LISA's processes and procedures used for the implementation & control of its activities are effective & efficient, adequately documented and compliant with applicable provisions. They include arrangements to ensure segregation of duties & to track and give prior approval to control overrides or	IT Service Catalogue is in the process of being drafted and Corporate Service Catalogue finalised.	In Progress	IT Service Catalogue to be finalised, exercise for documentation and mapping of corporate business processes to be concluded. A fully established Register of Exceptions/Deviations is created, with a procedure developed and awareness

ICS Category	ICS Name	Rationale	Summary of Actions Undertaken Toward Compliance in 2014	Implementation Status as of Y/E (Full/In Progress)	Summary of Actions Carried Forward in 2015
		deviations from policies and procedures.			given
9.Operations and Control Activities	Management Supervision	Management supervision is performed to ensure that the implementation of activities is running efficiently and effectively while complying with applicable provisions.	Units and departments implement the annual work programme (AWP) in a structured way.	In Progress	Updated AWP implementation plans to be created (following 2015 AWP approval), departmental risk registers are established following risk management exercises
10.Operations and Control Activities	Business Continuity	Adequate measures are in place to ensure continuity of service in case of "business-as-usual" interruption. Business Continuity Plans are in place to ensure that the Agency can continue operating whatever the nature of the disruption.	Business Continuity Strategy is approved. Handover files & deputising arrangements for financial workflow roles are available & communicated. Bi-annual revision March & Sept each budget year.	In Progress	Following the related strategy, a business continuity plan is to be established with related exercises to be concluded. Handover files and deputising arrangements for operational and security areas to be finalised.
11.Operations and Control Activities	Document Management	Appropriate processes and procedures are in place to ensure that the eu-LISA's document management is secure, efficient (in particular as regards retrieving appropriate information) and complies with applicable legislation	Instructions and training to staff on document management is provided quarterly, filing plan and archiving policy is in place	In Progress	Electronic document management system to be implemented
12.Information and Financial Reporting	Information and Communication	Internal communication enables management and staff to fulfil their responsibilities effectively and efficiently, including internal controls. eu-LISA also has an external communication strategy to ensure that its external communication is effective, coherent & in line with COM's key messages. IT systems used/managed by eu-LISA (where eu-LISA is owner) adequately protected against threats to confidentiality	Internal communication to staff takes place. An external communication strategy is in place and followed by the Agency. Copyright provisions are respected in all external communication efforts and sufficiently documented	In Progress	Internal communication strategy is developed, implemented and maintained according to standards required. Required systems documentation is to be established demonstrating protection against threats for confidentiality and integrity.

ICS Category	ICS Name	Rationale	Summary of Actions Undertaken Toward Compliance in 2014	Implementation Status as of Y/E (Full/In Progress)	Summary of Actions Carried Forward in 2015
		& integrity			
13.Information and Financial Reporting	Accounting and Financial Reporting	Adequate procedures and controls are in place to ensure that accounting data and related information used for preparing the Agency's annual accounts and financial reports are accurate, complete and timely	Draft version of ICS Manual for the control of accounting data issued	In Progress	ICS Manual for the control of accounting data to be finalised
14.Evaluation and Audit	Evaluation of Activities	Evaluations of expenditure programmes, legislation & other non-spending activities are performed to assess the results, impacts and needs that these activities aim to achieve & satisfy	Terms of reference for evaluation have been approved by MB	Full	No further compliance activity foreseen for ICS 14 for 2015
15.Evaluation and Audit	Assessment of Internal Control Systems	Management assess the effectiveness of the eu-LISA's key internal control systems, including processes carried out by implementing bodies, at least once a year	Self-assessment on the effectiveness of eu-LISA's internal control systems has been issued and forwarded	Full	A self-assessment exercise is carried out amongst managers on the effectiveness of eu-LISA's internal control systems.
16.Evaluation and Audit	Internal Audit Capability	The Agency has an Internal Audit Capability (IAC), which provides independent, objective assurance and consulting services designed to add value and improve the operations of eu-LISA.	Annual audit work plan and annual internal audit report in place	Full	Quality review report on IAC activities to be issued

Annex C: Risk Management in 2014

Within the context of the overall internal control framework outlined in Annex B, throughout 2014 the Agency effectively reviewed, managed and mitigated corporate risks through the adoption of a multi-faceted approach. This comprised regular and detailed discussions at management and board level, the setup of a corporate risk register and dedicated action plans and mitigation measures designed to address identified risks.

As part of the overall risk framework, the Agency now undertakes an annual risk review exercise covering the Agency's operational and administrative activity areas with the aim of identifying possible critical risks, assessing their likelihood and impact on the Agency's operations and objectives and determining the Agency's response in order to mitigate/reduce/eliminate them to the extent feasible.

In November 2014, the management team formally reviewed the eight identified main risks which are considered to have both a high probability of occurrence and a potential significant impact on the Agency achieving its objectives. A summary of the outcome, formalised in the eu-LISA Risk Response Plan 2014, is outlined in the tables below:

ID	Risk	Risk Response	Summary of Mitigating Actions initiated in 2014
R1	Budget reductions/insufficient resources to address Agency needs	*Reduce*	To **reduce** the risk for the organisation by; a) identifying measures for monitoring and participating in the budgetary process as well as in negotiating with the stakeholders involved; b) recruitment of a budget officer for better budgetary control.
R2	Insufficient resources to deliver Agency's core portfolio	*Reduce*	To **reduce** the risk for the organisation by; a) adjusting the Agency's operational structure to increase efficiency and effectiveness; b) managing the implementation of stakeholder requests with a greater degree of efficiency and effectiveness; c) reinforcing and automating whenever possible technical tools to support operational staff, e.g. statistical data collection or monitoring capabilities (e.g. actitime, dedicated resource planning/allocation reports).
R3	High Workload in Procurement Area	*Reduce*	To **reduce** the risk for the organisation by a) enhancing the planning and coordination for the Agency's procurement activities; b) increasing awareness across the Agency on the importance of structured and timely planning of procurement requirements; c) identifying opportunities for joint procurements with host states and/or other EU bodies including Agencies; d) look at further increasing staff in procurement team.
R4	Insufficient corporate IT resources	*Reduce*	To **reduce** the risk for the organisation by a) drafting a strategy for the delivery of eu-LISA corporate IT services which guides the deployment of such services and provides advice for efficient and effective resources investment; b) adding additional resources from external service providers to strengthen the ability for delivering eu-

ID	Risk	Risk Response	Summary of Mitigating Actions initiated in 2014
			LISA corporate IT services.
R5	Inadequate planning of activities having an impact on stakeholder commitment and budget consumption	Reduce	To **reduce** the risk for the organisation by a) drafting and implementing a Stakeholder management strategy; b) presenting to Advisory Group chairs the annual work priorities for their early engagement before the draft of the Annual Work Program (AWP) is formally submitted to Advisory Group members; c) revise the AWP planning timetable to reflect earlier engagement of all stakeholder groups where feasible; d) redistribution of budgetary responsibility (budget ownership) gradually across the organisation including creating the necessary awareness amongst staff, turning the process to distributed / bottom-up instead of centralised / top-down and by performing monitoring and forecasting in a systematic way; e) enhancing the integration of activity and financial planning by strengthening the budgetary accuracy of the Annual Work Programme (AWP), to become the single feeder of budgeting in operational expenditure and selected administrative projects. f) further increase relevant staff by recruiting a budget officer.
R6	Limited impact assessment of changes in legislation	Reduce	To **reduce** the risk for the organisation by a) mapping of the most relevant and important legislative proposals that might have an impact on the Agency in Q4-2014; b) applying a monthly tool to communicate and inform Management Team about findings / outcomes of such in Q1-2015.
R7	Improper Premises	Reduce	To **reduce** the risk for the organisation by a) concluding the contract for renting temporary office space to improve the situation at Strasbourg facility on short-term; b) implementing and closely monitor the reconstruction project at eu-LISA's Strasbourg site to ensure it will be completed within time / scope / quality parameters (36 months foreseen starting in early 2015).

Annex D: 2014 Exception Reporting

Under Article 32(3) of the EU's Financial Regulation and Article 30 (3) (e) of eu-LISA's Financial Regulation, the Agency is required to implement its budget in compliance with effective and efficient internal control. In practice this means that there must be procedures for monitoring of performance and for follow-up of internal control weaknesses and exceptions. Since 2013 the Agency has a procedure in place for the registration of exceptions and has recently established a process for managing such events. Details of exceptions registered by the Agency in 2014 are outlined below.

#1

Exception type:	Financial
Sub-type:	Budgetary
Description:	Creation of ex-post budgetary commitment in new financial year for remaining liability concerning a consultancy contract between DG HOME and Microsoft.
Location:	Tallinn, Estonia
Material?[12]	Y (€262,870.14)
Comment:	Exceptional procedure for ex-post budgetary commitment linked to order form no. SC28 DI/6900: on the 29th April 2013, DG Home signed a contract with Microsoft for the provision of consultancy services. The majority of payments in relation to this contract were made by the Agency in 2013, however the late receipt of an invoice from Microsoft (received by the Agency on 19 December 2013) could not be executed in-year. As the original commitment was related to the C8 budget line in 2013 (which became C9 as of 01/01/2014), it could not be used for further payments relating to this specific contract. Therefore in order to cover the remaining liabilities pertaining to this contract, a new budgetary commitment for €262,400 was created from 2014 appropriations.
Corrective Action Taken:	Additional control and monitoring mechanism proposed: the utilisation of C8 commitments in titles 1 & 2 will now form part of the Agency's monthly senior management administrative report. In the case of the need to extend budgetary commitments beyond the current year, the responsible PM will request new budgetary commitment from available C1 appropriations and if necessary an internal transfer of the required appropriations to cover liabilities will be undertaken. If there are no available appropriations available, the contract will be terminated.

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[12] According to the European Commission's Standing Instructions for Annual Activity Reports, a reservation should be included in the annual declaration of assurance in the context of the annual activity reporting on the basis of (both qualitative and quantitative) materiality criteria. From a qualitative point of view, the significance is judged on the basis of the following: nature and scope of the weakness; duration of the weakness; existence of satisfactory compensatory measures (mitigating controls) and existence of effective corrective actions (action plans). From a quantitative point of view, a weakness is considered material if the financial impact or risk of loss is greater than 2% of the authorised payments of the reporting year. Having regard for the above, the authorising officer then determines whether significant deficiencies exist that would lead to a formal reservation in the declaration of assurance on the basis of such defined materiality.

#2

Exception type:	Financial
Sub-type:	Budgetary
Description:	Legacy debit note received from COM OIB (Office of Infrastructure and Logistics) in January 2014 relating to the provision of technical services in 2011.
Location:	Strasbourg, France
Material?	N (€989.13)
Comment:	The invoiced services were undertaken by OIB in 2011, prior to the Agency achieving financial independence in May 2013. The budgetary commitment was therefore initially undertaken by DG HOME in 2012 but was migrated to eu-LISA in May 2013 as a C8 commitment. The debit note was received in January 2014 and thus the original commitment (having become C9) could not be used for payments under the SLA. Therefore to meet these contractual liabilities a new budgetary commitment for €989.13 was created from the 2014 appropriations.
Corrective Action Taken:	n/a

#3

Exception type:	Financial
Sub-type:	Budgetary
Description:	Reimbursement of training fees to a eu-LISA staff member. The training in question was undertaken without prior authorisation and of a type (intensive language courses) that was, at the time of the training in question, not foreseen to be reimbursable by the Agency.
Location:	Strasbourg, France
Material?	N (€600)
Comment:	The staff member in question, supported by his line manager, outlined in a briefing note the reasons as to why such language training should be reimbursed by the Agency. On the basis of the arguments presented, the Executive Director agreed to reimburse the staff member by exception in compliance with the draft learning and development policy i.e. 80% of the value of the course undertaken (up to a maximum reimbursement of €600).
Corrective Action Taken:	n/a

Annex E: Financial Performance

As far as the 2014 appropriations (fund source C1) are concerned the Agency reached a high level of budget implementation, exceeding 99% in both commitment and payment appropriations taking into consideration the automatic as well as non-automatic carryover of appropriations.

	COMMITMENTS (C1)			PAYMENTS (C1)		
BUDGET TITLE	Budgeted	Consumed	%	Budgeted	Consumed	%
Title 1 – Staff expenditure	12,904,809	12,758,939	98.87	12,904,809	12,758,939	98.87
of which, executed		12,758,939	98.87		12,444,306	
of which, carried forward		-		-	314,633	
Title 2 – Infrastructure and Operating expenditure	17,468,328	17,468,328	100.00	17,468,328	17,468,328	100.00
of which, executed		7,235,885	41.42		2,320,156	
of which, carried forward		10,232,443	58.58	-	15,148,172	
Title 3 – Operational expenditure	29,006,863	28,747,317	99.11	34,537,578	34,124,207	98.80
TOTAL EUR	59,380,000	58,974,584	99.32	64,910,715	64,351,475	99.14
of which, executed		48,742,141	82.09		48,888,669	75.32
of which, carried forward		10,232,443	17.23		15,462,805	23.82

The table below contains consumption data referred to consumption for all fund sources.

		COMMITMENTS			PAYMENTS		
BUDGET TITLE	Fund Source	Budgeted	Consumed	% Commit	Credit Available Pay Amount	Consumed	% Payment
Title 1 – Staff expenditure	C1	12,904,809	12,758,939	98.87%	12,904,809	12,444,306	96.43%
	C5	875	875	100.00%	875	875	100.00%
	C8	515,313	321,292	62.35%	515,313	321,292	62.35%
	C9	18,434	0	0.00%	0		0.00%
	Subtotal	13,439,431	13,081,106	97.33%	13,420,997	12,766,473	95.12%
Title 2 – Administrative and Operating expenditure	C1	17,468,328	7,235,885	41.42%	17,468,328	2,320,156	13.28%
	C8	6,105,833	4,609,660	75.50%	6,105,833	4,609,660	75.50%
	C9	1,234,370	0	0.00%	0		0.00%
	Subtotal	24,808,531	11,845,545	47.75%	23,574,161	6,929,816	29.40%
Title 3 – Operational expenditure	C1	29,006,863	28,747,317	99.11%	34,537,578	34,124,207	98.80%
	C4	470	470	100.00%	470	470	100.00%
	C8	76,390,213	75,572,003	98.93%	0		0.00%
	C9	324,550	0	0.00%	0		0.00%
	Subtotal	105,722,096	104,319,790	98.67%	34,538,048	34,124,677	98.80%
ALL	TOTAL (EUR)	143,970,058	129,246,441	89.77%	71,533,206	53,820,967	75.24%

The cancellation of payment appropriations was EUR 1,690,194, representing a 35% decrease compared to financial year 2013.

Annex F: HR Benchmarking

eu-LISA has undertaken a benchmarking exercise to identify the ratio administrative and operational staff in order to begin to respond to the new requirements of the Framework Financial Regulation (FFR)[13] that stipulates that all Agencies should carry out such a benchmarking exercise [on an annual basis] to justify administrative expenditure in a more structured and transparent way.

The complex nature of the FFR's full requirement to cost and compare horizontal services has necessitated a staggered approach to implementation. For 2014 this means that initially the exercise will consist of a review of Agency posts in order to identify the ratio of administrative/coordination to operational staff.

The results of the 2014 screening were as follows:

	Operational Posts	Admin/Coordination Posts	Neutral Posts	Total
Number of Posts	93	25	12	**130**
Percentage	72%	19%	9%	

Organisational level	Job Title	Number of Posts	Screening Type	Screening Category
Executive Director (ED)	Executive Director	1	OPERATIONAL	T/OP COORD
ED/PA	Personal Assistant to ED	1	OPERATIONAL	T/OP COORD
ED/IA	Internal Auditor	1	ASC 50% + NEUTRAL 50%	IA 50% FIN/CONT 50%
ED/DPO	Data Protection Officer	1	ASC – COORD	LEGAL
ED/AO	Accounting Officer	1	NEUTRAL	FIN/CONT
ED/AO	Junior Accounting Officer	1	NEUTRAL	FIN/CONT
Security Sector (SS)	Security Officer - Head of Security Sector	1	OPERATIONAL	GEN OPER
SS	Security Officer	5	OPERATIONAL	GEN OPER
SS	Security Assistant	1	OPERATIONAL	GEN OPER
SS	Security Policy Expert	1	OPERATIONAL	GEN OPER
General Coordination Unit (GCU)	Head of GCU	1	OPERATIONAL ASC – COORD	T/OP COORD 80% GEN COORD 20%
GCU/Liaison Office	Liaison Officer	1	OPERATIONAL ASC – COORD	PGM M/IMP 90% GEN-COORD 10%
GCU	Assistant to HoU	1	OPERATIONAL ASC – COORD	T/OP COORD 80% GEN COORD 20%
GCU/Executive Support Sector	Legal Officer	1	ASC – COORD	LEGAL
GCU/Executive Support Sector	MB Officer	1	OPERATIONAL	T/OP COORD
GCU/Executive Support Sector	MB Assistant	1	OPERATIONAL	T/OP COORD
GCU/Executive Support Sector	Policy Officer	2	OPERATIONAL ASC – COORD	PGM M/IMP 90% GEN-COORD 10%
GCU/Executive Support Sector	Communication and Information Officer	1	ASC – COORD	COMM 75% T/OP COORD 25%
GCU/Executive Support Sector	Communication and Information Assistant	1	ASC – CORD	COMM 50% ASC PUBL 50%
GCU/Executive Support Sector	Training Coordinator	1	OPERATIONAL	PGM M/IMP

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[13] Article 29(3) of the FFR specifies that a benchmarking exercise shall include a review of the efficiency of Agencies' horizontal services and a cost-benefit analysis of sharing services or transferring them entirely to another Agency or the Commission. Article 38(1) FFR states that taking part in the benchmarking exercise is one of the conditions for the modification of establishment plan up to 10% of authorised posts (except in the case of grades AD 13-16).

Organisational level	Job Title	Number of Posts	Screening Type	Screening Category
GCU/Strategy and Research Sector	Administrator for Reporting and Statistics	1	OPERATIONAL	GEN OPER
GCU/Strategy and Research Sector	Enterprise Architecture Officer	1	ASC – COORD	GEN COORD 50% ASC ICT 50%
GCU/Strategy and Research Sector	Research and Development Officer	1	OPERATIONAL	PGM M/IMP
GCU/Strategy and Research Sector	Corporate Governance & Risk Management Officer	1	OPERATIONAL/ ASC – COORD	GEN OPER 50% GEN COORD 50%
GCU/Strategy and Research Sector	Strategy Planning Officer	1	OPERATIONAL/ASC – COORD	GEN OPER 80% GEN COORD 20%
GCU/Strategy and Research Sector	Policy Expert in Home Affairs (SNE)	1	OPERATIONAL	PGM/M/IMP
Resources and Administration Department (RAD)	Head of RAD	1	ASC - ADMIN	RES DIR/HoA
RAD	Assistant to HoU	1	ASC - ADMIN	RES DIR/HoA
RAD	IT Infrastructure Officer	1	ASC - ADMIN	ICT
HRTU	Head of Unit	1	ASC - ADMIN	HR
HRTU	Assistant to HoU	1	ASC - ADMIN	HR
HRTU	HR Officer	1	ASC - ADMIN	HR
HRTU	HR Assistant	3	ASC - ADMIN	HR
HRTU	Staff Development Officer	1	ASC - ADMIN	HR
HRTU	Training Officer	1	ASC - ADMIN	HR
HRTU	Document Management Officer	1	ASC - ADMIN	DOC
HRTU	IT Assistant	1	ASC - ADMIN	ICT
Budget and Finance Unit (BFU)	Head of Unit	1	NEUTRAL	FIN/CONT
BFU	Assistant to HoU	1	NEUTRAL	FIN/CONT
BFU	Procurement and Contracts Officer	1	NEUTRAL	FIN/CONT
BFU	Procurement Officer	1	NEUTRAL	FIN/CONT
BFU	Contracts Officer	1	NEUTRAL	FIN/CONT
BFU	Logistics and Supplies Officer	1	ASC - ADMIN	LOG
BFU	Facility Officer	1	ASC - ADMIN	LOG
BFU	Administrative Assistant for Missions	1	NEUTRAL	FIN/CONT
BFU	Asset Management Assistant	1	NEUTRAL	FIN/CONT
BFU	Financial Assistant	1	NEUTRAL	FIN/CONT
BFU	Financial Officer	1	NEUTRAL	FIN/CONT
BFU	Financial Officer	1	NEUTRAL	FIN/CONT
RAD/Admin. Unit	Financial Assistant	1	NEUTRAL	FIN/CONT
RAD/Admin. Unit	Administrative Assistant	1	ASC - ADMIN	RES DIR/HoA
Operations Department (OD)	Head of Department	1	OPERATIONAL	T/OP COORD
OD	Assistant to the HoD	1	OPERATIONAL	T/OP COORD
OD	Building and Infrastructure Officer	1	ASC - ADMIN	LOG
Operations and Infrastructure Unit (OIU)	Head of Unit	1	OPERATIONAL	T/OP COORD
OIU	Assistant to the HoD	1	OPERATIONAL	T/OP COORD
OIU/ System Infrastructure	Process Manager	1	OPERATIONAL	PGM M/IMP
OIU/ System Infrastructure	Infrastructure Manager	1	OPERATIONAL	PGM M/IMP
OIU/ System Infrastructure	System Administrator	7	OPERATIONAL	GEN OPER
OIU/ System Infrastructure	Network Administrator	5	OPERATIONAL	GEN OPER
OIU/Service Desk	Service Desk Manager	1	OPERATIONAL	GEN OPER
OIU/Service Desk	Service Manager	1	OPERATIONAL	GEN OPER
OIU/Service Desk	Helpdesk Operator	17	OPERATIONAL	GEN OPER
OIU/Service Desk	Network Operations Officer	2	OPERATIONAL	GEN OPER

Organisational level	Job Title	Number of Posts	Screening Type	Screening Category
AMMU/Application Management	Head of Unit	1	OPERATIONAL	T/OP COORD
AMMU	Assistant to the HoU	1	OPERATIONAL	T/OP COORD
AMMU/Application Management	Application Manager	2	OPERATIONAL	GEN OPER
AMMU/Application Management	Application Manager / PAST team coord	1	OPERATIONAL	GEN OPER
AMMU/Production Application Support	Application Administrator	5	OPERATIONAL	GEN OPER
AMMU/Production Application Support	Application Administrator	2	OPERATIONAL	GEN OPER
AMMU/Production Application Support	Application Administrator Assistant	1	OPERATIONAL	GEN OPER
AMMU/Production Application Support	Application Administrator Assistant	4	OPERATIONAL	GEN OPER
AMMU/Production Application Support	Technical Release Coordinator CA	1	OPERATIONAL	GEN OPER
AMMU/Test Management	Test Manager/TST Team Coordinator	1	OPERATIONAL	GEN OPER
AMMU/Test Management	Test Engineer	5	OPERATIONAL	GEN OPER
AMMU/PMO	Project Manager	4	OPERATIONAL	PGM M/IMP
AMMU/PMO	Change Manager	1	OPERATIONAL	PGM M/IMP
AMMU/PMO	Customer Relationship Officer	2	OPERATIONAL	PGM M/IMP
AMMU/PMO	Quality Assurance Manager	1	OPERATIONAL	PGM M/IMP

Annex G: Building Blocks of Assurance

The building blocks of assurance underpin the reasonable assurance given by the Authorising Officer in his declaration of assurance of the Annual Activity Report. In summary:

Building block 1:

Assessment by management:

Based on the control procedures performed by staff of the Agency, a positive conclusion on the legality and regularity of transactions could be drawn. This conclusion takes into consideration the need for the Agency to maintain a high level of efficiency of its internal control environment and to constantly assess and strengthen existing controls in order to achieve then maintain full compliance with the requirements of the 16 ICSs adopted and to ensure the achievement of objectives in its annual work programme.

Register of exceptions:

The Agency has had a procedure in place for the registration of exceptions since 2013. Recently, a formal procedure for the registration and management of exceptions has been adopted. Its overall objective is to establish appropriate arrangements to ensure that any exceptional circumstance of significant instances of overriding controls or deviations from the established regulatory framework is well explained, registered and reported in accordance with the principle of transparency. An exception must be documented, justified and approved at the appropriate level before any action is taken.

In 2014, 3 deviations and/or exceptions from the established procedures were registered (see Annex D). The authorising officer has determined that such exceptions do not require a formal reservation in the declaration of assurance on the basis of materiality.

Building block 2: Audit results during the reporting period:

In July 2014 the European Court Auditors completed its first audit of the Agency's annual accounts for the year 2013. As a result, the Court issued a positive opinion on the transactions underlying the annual accounts. The Court issued a positive opinion on the reliability of the accounts with emphasis of matter[14]: the Court draws attention to the valuation of large-scale IT systems in the Agency's accounts.

The Court's observations were as follows:

- No insurance coverage for fixed tangible assets;
- The development of the Agency's Internal Control Standards was ongoing at the end of the year;
- Budget implementation rates were 96 % for commitment appropriations and 67 % for payment appropriations;
- Negotiations were still ongoing with Schengen associated countries for the contribution to the Agency's budget;
- Management effectiveness could be increased and administrative costs reduced if all staff were centralised in one location;
- Headquarters agreement with the host Member State, Estonia. Negotiations were still ongoing at the time of the audit.

Main actions taken by the Agency on the Court's observations can be summarised as follows:

- A procurement procedure for insurance has been prepared and launched. It is scheduled to conclude in Q1 2015;

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[14] See note 6.3.1 to eu-LISA's 2013 annual accounts for more detail

- The Agency has invested significant effort in the further development of its internal control standards, establishing regular reviews, refining ownership of the individual actions associated with each standard and establishing a clear roadmap for the implementation of a quality management system in the organisation. The Agency has also established a regular internal compliance reporting as well as taking action to document its internal processes;
- Internal planning and reporting on budget implementation was further developed and refined;
- eu-LISA issued notifications to the Schengen associated countries for recovery of costs related to Title 3 of the Agency's budget for the period between 01/12/2012 and 31/12/2013. The process of ratification of agreements with these countries is still ongoing. . Once the respective national parliaments have ratified the agreements negotiated with the European Commission, the Agency will request the recovery of costs related to Titles 1 and 2;
- The Headquarters agreement with the Estonian Government was signed on 19 December 2014.

The below table provides a summary of the internal audits carried out in 2014 by the eu-LISA's Internal Audit (IAC) and the Internal Audit Service of the European Commission (IAS):

#	Internal Audits carried out in 2014	Recommendations made	Actions taken by the Agency in 2014
1	**IAC Audit on Budget Related Processes** Type: assurance; Fieldwork: March 2014; Deliverable: audit report + Agency's action plan.	1.Revise eu-LISA's financial circuit.	-First revision of financial circuit done in 2014; -Further revision of financial circuit will be done periodically following a strategy document agreed with the management. Risk assessment is integrated in the revision process.
		2. Put in place a procedure to control the access to accounting system ABAC.	- consolidated register of financial actors established; - review of access rights to ABAC done periodically in conjunction with review of financial circuit; - procedure for entering a new actor or change of responsibilities in ABAC will be included in the next revision of Financial Circuit planned early 2015.
		3. Reconsider the presentation of the Budget in order to ensure compliance with legal requirements.	2015 Budget prepared in strict compliance with article 37 of eu-LISA's Financial Regulation.
		4. Put in place a structured and comprehensive reporting on budgetary transfers.	- a registry of budget transfers has been established and maintained; - information about transfers are reported quarterly; - a procedure for budgetary transfers has been adopted.
		5. Put in place a compliance programme, a procedure for the issuance of service requests in operations, and a procedure on exceptions.	- procedure for the issuance of service requests in operations has been put in place; - a procedure for recording exceptions has been adopted and implemented.

#	Internal Audits carried out in 2014	Recommendations made	Actions taken by the Agency in 2014
2	**IAS Audit Risk Assessment** Type: advisory; Fieldwork: June for administrative processes in Tallinn and September 2014 for operational processes in Strasbourg; Deliverable: Strategic Internal Audit Plan 2015-2017 + Agency's action plan for risk areas	1. Risk area Business Continuity (not yet finalised, in process)	In order to bring the process under full control, the following activities will continue to be implemented in 2015: - corporate business continuity plan; - training, exercising and testing; - performance evaluation; - action plans.
		2. Risk area Performance appraisal, career development (in process)	The first Performance Appraisal for the year 2013 was completed in December 2014.
		3. Risk area Personal data protection (started in March 2014, not finalised yet)	Notifications and prior checking have been in place since Q4 2014.
		4. Risk area Facility management, logistics, security (seat agreement with Estonia)	In December 2014 the Agency signed the seat agreement with the Estonian Authorities.

Building block 3: Follow-up of reservations from previous reporting periods

The declaration of assurance of the Authorising Officer in the Annual Activity Report 2013 did not contain any reservations.

Annex H: Declaration of Assurance

The Executive Director of the EU Agency for the Operational Management of Large-Scale IT Systems has reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on the Executive Director's judgment and the information at his disposal, such as the results of self-assessment, ex-post controls, the observations of the Internal Audit Service and the lessons learned from the reports of the Courts of Auditors for the period prior to the year of this declaration.

Confirmation is given that we are not aware of anything not reported here which could harm the interests of eu-LISA or European Institutions in general.

Krum Garkov
Executive Director