



2017

DIRECTORATE
GENERAL
INFORMATICS

ANNUAL ACTIVITY REPORT

Annexes

DIGIT

Informatics

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ANNEXES

ANNEX 1: Statement of the Resources Director

I declare that in accordance with the Commission's communication on clarification of the responsibilities of the key actors in the domain of internal audit and internal control in the Commission¹, I have reported my advice and recommendations to the Director-General on the overall state of internal control in the DG.

I hereby certify that the information provided in Section 2 of the present AAR and in its annexes is, to the best of my knowledge, accurate and complete.

Brussels, 22 March 2018

Petra KNEUER

Signed

¹ Communication to the Commission: Clarification of the responsibilities of the key actors in the domain of internal audit and internal control in the Commission; SEC(2003)59 of 21.01.2003.

ANNEX 2: Reporting – Human Resources, Better Regulation, Information Management and External Communication

This annex is the annex of section 2.2 "Other organisational management dimensions".

Human Resource Management

Efforts to increase the percentage of female representation in middle management (indicator 1) have been continuously made throughout 2017. In order to institutionalise these efforts, in the context of the broader HR strategy, the DIGIT BC has drafted and launched a strategic programme to support the development of managerial potential among female colleagues in DIGIT ("Talent Scouting for Women in DIGIT"). This tailor-made scheme is offered to all eligible colleagues in DIGIT and aims to accompany individual development on the hand while creating a supportive network of female colleagues. Support provided within the scheme includes career guidance coaching, group coaching, preparation for interviews, lunchtime talks, and specific training paths.

SEC(2017)359 set the quantitative target of 3 first female appointments for DIGIT by 1 November 2019. In 2017 DIGIT has progressed by 1 first female appointment, leaving 2 further first female appointments to reach the target. 2 first female appointments are scheduled to come into effect in February 2018, meaning that DIGIT is well on track to fulfilling its commitment in this regard before the deadline of 01.11.2019. In regards to the overall staff engagement index and the percentage of staff who feel that the Commission cares about their well-being (indicators 2 & 3), DIGIT has reacted to the decrease of scores in the 2016 Staff Survey (compared to the 2014 baseline) by drafting and implementing a comprehensive Action Plan targeting the deficiencies identified in the Staff Survey. Amongst others, actions taken in this context include workshops / information sessions on better ways of working in open space, promoting a more flexible teleworking culture, an internal call for expression of interest of mobility and a more transparent management communication through weekly interactive video debriefs of the MM Meeting on Lync. Although there was no staff survey in 2017 to confirm this, these measures should strongly contribute to reaching the targets of indicators 1 & 2.

Furthermore, two major projects were successfully executed in 2017: the move to open space in the in MO15 and B-28 in February and the major reorganisation on March 2017. The sedimentation of the combined after-effects of the reorganisation and the move to the new building and the stabilisation of the management team in the course of 2017 should decrease uncertainty and trigger positive trends for the indicators of staff engagement and wellbeing.

Finally, in collaboration with the AMC and DG HR, DIGIT BC has continuously worked on refining and consolidating the processes around the new delivery model.

Objective: The DG deploys effectively its resources in support of the delivery of the Commission's priorities and core business, has a competent and engaged workforce, which is driven by an effective and gender-balanced management and which can deploy its full potential within supportive and healthy working conditions.

Indicator 1: Percentage of female representation in middle management

Source of data: Quantitative targets of first female appointments to be made per Directorate-General and service at middle management level by 1 November 2019 [SEC(2017)359]

Baseline (05/2017)	Target (decided at Commission level) (2019)	Latest known results (2017)
0	3	1

Indicator 2: Percentage of staff who feel that the Commission cares about their well-being

Source of data: Commission staff survey

Baseline (2014)	Target (2019)	Latest known results (2016)
34%	40%	30.4%

Indicator 3: Staff engagement index

Source of data: Commission staff survey

Baseline (2014)	Target (2019)	Latest known results (2016)
65.7%	69%	62.6%

Main outputs in 2017:

Description	Indicator	Target	Latest known results (2017)
HR-1 Refine and consolidate processes around the new HR Business Correspondent (BC) function to ensure the smooth implementation of the processes	a) HR BC role and responsibilities: Ad hoc info sessions to inform DIGIT management and staff about the main changes triggered by the new HR delivery model. Sharing of responsibilities and tasks between HR BC and AMC will also be explained. DG HR has also offered to participate in such info sessions.	a) At the beginning of 2017	a) Communication on new HR delivery model and responsibilities of BC / AMC has been continuously done in the form of information sessions, intranet articles and briefings in DIGIT newcomer's induction sessions.

<p>falling within the DG's responsibilities, in collaboration with DG HR. In particular, ensure that this new delivery model adequately supports staff engagement, well-being, talent management and gender-balance within DIGIT.</p>	<p>b) Staff engagement: Detailed analysis of the 2016 DIGIT staff survey results, followed by a concise action plan targeting the main issues identified in the survey. Amongst others, these actions should include reworked teleworking guidelines, enhanced leadership training for managers, introducing a 360° feedback mechanism and improving structures and procedures (in line with the planned reorganisation) for increased efficiency.</p> <p>c) Wellbeing: The action plan mentioned above will contain actions focussing on wellbeing (e.g. special needs furniture). A detailed follow-up report on the implementation progress of the action plan should ensure that the staff feels the management is listening to their needs and actually "walks the talk".</p> <p>d) Women in middle management: Building up on a well-established DIGIT tradition, networking events for women will be organised in order to share good practices on various areas related to</p>	<p>b) Analysis and action plan available in Q1 2017.</p> <p>c) Follow-up report on the implementation of the action plan (covering wellbeing related actions) in mid-2017.</p> <p>d) Networking events, dedicated coaching sessions, specific training path for women with management potential in 2017</p>	<p>b) The 2016 Staff Survey has been analysed in detail and a comprehensive action plan has been drafted (sent to DG HR in Q1 2017) to address the main issues identified. The main pillars of the action plan have then been implemented in the course of 2017.</p> <p>c) The implementation of the action plan was continuously reported to the Resource Director throughout the year and communicated to staff. Actions taken in the context of Wellbeing include information sessions on Open Space Wellbeing and promotion of a more flexible teleworking culture.</p> <p>d) Kick-off meeting to launch the scheme done in December. 19 colleagues currently participating in the scheme.</p>
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	<p>career progression, including preparing for interviews, stress management, addressing conflicts, etc. Management/leadership coaching will be offered to women eligible for middle management positions. Similar opportunities will also be open to AST staff aiming at team leader functions. Finally, specific training paths will be designed for women not yet eligible for management positions but already showing promising management potential in order to trigger leadership at an early stage of their career at DIGIT.</p>		
<p>HR-2 Move to the Black Pearl Coordinate and implement activities related to the move to the Black Pearl, as well as the reorganisation of teams within current B-28 building.</p>	<p>Move implemented</p>	<p>Q1 2017</p>	<p>Implemented as targeted: Move to Black Pearl in February 2017.</p>
<p>HR-3 Reorganisation</p>	<p>Reorganisation implemented</p>	<p>Q2 2017</p>	<p>Implemented as targeted: Reorganisation on 16.03.2017</p>
<p>HR-4 DIGIT all staff meeting Following an internal</p>	<p>Successfully engage all staff in a full day of workshops and collaborative events</p>	<p>Organisation of a DIGIT day by mid-2017</p>	<p>Implemented as targeted: DIGIT Day on 20.06.2017.</p>

reorganisation in DIGIT, engage all staff into the new structure and new ways of working, ensuring all come with a mindset that reflect the collaboration culture we want to see in our organisation.

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Information management aspects

Document management is a mature process in DIGIT, which is compliant with the corporate procedures. The latest results of the below indicators are promising, and show the improvement expected in 2017. As regards the third indicator, the percentage of HAN files shared with other DGs has increased in the course of the past year, a positive consequence of the decision taken by the Director-General of DIGIT.

Objective: Information and knowledge in your DG is shared and reusable by other DGs. Important documents are registered, filed and retrievable			
Indicator 1: Percentage of registered documents that are not filed (ratio)			
<i>Source of data: Hermes-Ares-Nomcom (HAN)² statistics</i>			
Baseline (2015)	Target (2020)	Latest known results (2017)	
2.28%	0%	0.43%	
Indicator 2: Percentage of HAN files readable/accessible by all units in the DG			
<i>Source of data: HAN statistics</i>			
Baseline (2015)	Target (2020)	Latest known results (2017)	
73.93%	80%	73.41%	
Indicator 3: Percentage of HAN files shared with other DGs			
<i>Source of data: HAN statistics</i>			
Baseline (2015)	Target (2020)	Latest known results (2017)	
0.25%	2%	24.18%	
Main outputs in 2017:			
Description	Indicator	Target	Latest known results (2017)
IM-1 Maintain effective document management system (mature procedure in DIGIT) If/where appropriate, review	Overall compliance with the composite indicator published annually by the Secretariat General.	Compliance maintained.	Compliance maintained

² Suite of tools designed to implement the e-Domec policy rules.

procedures in place with a view to optimise the process.			
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External communication activities

DIGIT's external communication activities are linked to and financed from the ISA² programme. The communication actions planned for 2017 aimed at promoting the outcomes of the programme by organising and participating in interoperability-related events and sharing information with the programme's stakeholders via the Joinup portal.

In the first semester of 2017, DIGIT actively communicated about its work on interoperability. It held two successful conferences (the 'Sharing and reuse' conference in Lisbon and the SEMIC conference in Valletta) and maintained the Joinup portal too.

Objective: Citizens perceive that the EU is working to improve their lives and engage with the EU. They feel that their concerns are taken into consideration in European decision making and they know about their rights in the EU.

Indicator : Percentage of EU citizens having a positive image of the EU

Source of data: Standard Eurobarometer (DG COMM budget) [monitored by DG COMM [here](#)].

Baseline (November 2014)	Target (2020)	Latest known results (2017)
Total "Positive": 39% Neutral: 37% Total "Negative": 22%	Positive image of the EU \geq 50%	Total "Positive": 40% Neutral: 37% Total "Negative": 21%

Main outputs in 2017:

Description	Indicator	Target	Latest known results (2017)
EC-1 Promotion of the ISA² programme: Constantly promote the use of the programme's outcomes through conferences, workshops, meetings, presentations,	a) Organise/participate in a number of high level conferences and interoperability related events.	a) The SEMIC (semantic interoperability action) and the <i>Sharing and reuse</i> conferences are successfully organised. Two workshops are organised with Member States on ISA ² solutions. ISA ² solutions are presented to more than 20 events over the year.	a) Both the SEMIC and the Sharing and reuse conferences have been successfully organized, in particular: Sharing and reuse (29/03/2017, Lisbon) has attracted more than 200 participants on-site and 650 online; SEMIC 2017

<p>electronic and paper publications, using a proper Communication strategy on Interoperability as the guiding instrument.</p>	<p>b) Degree of implementation of the Communication Strategy on Interoperability.</p>	<p>b) The Communication strategy on interoperability is implemented as planned.</p>	<p>(14/06/2017, Valletta) has attracted 220 participants on-site and 812 online.</p> <p>ISA² solutions were presented in 37 events in 2017 (participation of the stand and/or speaker).</p> <p>b) The communication strategy is implemented as it was planned. Some of the key activities were:</p> <ol style="list-style-type: none"> 1) Social media (Twitter, LinkedIn, Youtube) was actively use to promote ISA² activities (1.6 mln people impacted by the social media campaign for Sharing & Reuse, and 2.1 mln for SEMIC). 2) 75.000 visits on the ISA² website in 2017. 3) participation in the events to raise awareness about the programme.
<p>EC-2 Maintain the Joinup portal to communicate</p>	<p>Number of visits and downloads on Joinup.</p>	<p>Monthly average statistics on Joinup are at least: 25.000 visits and</p>	<p>Delivered as per target.</p>

with stakeholders, publish ISA ² products and facilitate community building.		2.000 downloads.	
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For external communication overall spending:

Annual communication spending (based on estimated commitments in €):				
	Baseline (2016):	Target (Year n):	Total amount spent Estimated commitments (2017)	Total of FTEs working on external communication
ISA ² related	600.000	630.000	630.000	2 FTEs (1 official + 1 trainee) + 2 FTE externals already accounted in the amount spent
Total:	600.000	630.000	630.00	2 FTEs



ANNEX 3: Draft annual accounts and financial reports

ANNEX 4: Materiality criteria

DIGIT has assessed that it would be adequate to apply the standard quantitative materiality threshold of 2% for expenditure, i.e. when the value of the transactions affected by the deficiency represents more than 2% ("at risk"/"exposure") of the budget of the ABB activity for the DG concerned.

The qualitative criteria applied when assessing the significance of any reputational event take into account:

- the extent of the event (number of affected stakeholders)
- consequences of the event (measured directly as the severity of impact on other EC Institutions, Member States administrative bodies, external suppliers/beneficiaries or the general public)
- the duration of the event (number of months until the situation is restored to business as usual and the effects of the event have been corrected).

ANNEX 5: Internal Control Template(s) for budget implementation (ICTs)

Procurement and Management of Appropriations

Stage 1 – Procurement

A - Planning

Main control objectives: Effectiveness, efficiency and economy. Compliance (legality and regularity).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs ³ and benefits of controls	Possible control indicators
The needs are not well defined (operationally and economically) and the decision to procure was inappropriate to meet the operational objectives	Publication of intended procurements / Work programme.	100% of the forecast procurements (open procedures with prior notification) are published in the OJEU (Prior Information Notice) and justified in a note addressed to the AO(D)	Costs: estimation of cost of staff involved.	Efficiency/Cost effectiveness: Proportion of overall cost of controls over total estimated (maximum) value of contracts
	Validation by AOD of the justification (economic, operation) for launching a procurement process.	100% of the forecast procurements	Benefits (qualitative): better value for money, deterrent effects, efficiency gains, system improvements and compliance with regulatory provisions, no litigation.	
	General orientation, objectives of the procurement and means are discussed in management meetings.	All major procurement procedures are discussed at the DIGIT Procurement Board chaired by the Director General.	Compliance with Internal procurement procedures and regulations and avoid missed opportunity of getting the wished services via internal resources or a framework contract already in place (n.q)	
	Multi-annual planning.	100% of the forecasted procurements.		

³ **Costs of controls:** For estimation purposes 1 HC= 1 FTE reflecting therefore a maximum amount of cost of controls. Estimation on resources is only available in Head Count units. FTE correspondence is not available for DIGIT and it is not considered cost-effective to obtain (no impact on the conclusion of the assessment).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs ³ and benefits of controls	Possible control indicators
<p>Discontinuation of the services provided due to a late contracting (poor planning and organisation of the procurement process).</p>	<p>Close monitoring of selection procedure embedded in the framework contract procedures</p>	<p>100% of framework contracts</p>	<p>Costs: estimation of cost of staff involved. Benefits (qualitative): better value for money, deterrent effects, efficiency gains, system improvements ,compliance with regulatory provisions, no litigation</p>	<p>Efficiency/Cost effectiveness: Proportion of overall cost of controls over total estimated (maximum) value of contracts</p>

B - Needs assessment & definition of needs

Main control objectives: Effectiveness, efficiency and economy. Compliance (legality and regularity).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs ⁴ and benefits of controls	Possible control indicators
<p>The best offer/s are not submitted due to the poor definition of the tender specifications.</p>	<p>AOSD supervision and approval of specifications.</p> <hr/> <p>Publication of intended procurements / Work programme.</p>	<p>100% of the specifications are scrutinised.</p> <hr/> <p>100% of the forecast procurements (open procedures with prior notification) are published in the OJEU (Prior Information Notice).</p>	<p>Costs: estimation of cost of staff involved.</p> <p>Benefits (qualitative): better value for money, deterrent effects, efficiency gains, system improvements and compliance with regulatory provisions, no litigation.</p> <p>The quality of specifications approved is optimal to receive offers with prices and conditions according to internal expectations and market prices (n.q).</p>	<p>Efficiency/Cost-Effectiveness:</p> <p>Proportion of overall cost of controls over total estimated (maximum) value of contracts</p> <p>Estimated average cost of controls per procurement procedure.</p>

⁴ **Costs of controls:** For estimation purposes 1 HC= 1 FTE reflecting therefore a maximum amount of cost of controls. Estimation on resources is only available in Head Count units. FTE correspondence is not available for DIGIT and it is not considered cost-effective to obtain (no impact on the conclusion of the assessment).

C – Selection of the offer & evaluation

Main control objectives: Effectiveness, efficiency and economy. Compliance (legality and regularity). Fraud prevention and detection.

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs ⁵ and benefits of controls	Possible control indicators
<p>The most economically advantageous offer not being selected, due to a biased, inaccurate or 'unfair' evaluation process.</p>	<p>Formal evaluation process: Opening committee and Evaluation committee.</p> <hr/> <p>Opening and Evaluation Committees' declaration of absence of conflict of interests.</p> <hr/> <p>Exclusion criteria documented.</p> <hr/> <p>Adequate communication to unsuccessful tenderers.</p> <hr/> <p>Standstill period, opportunity for unsuccessful tenderers to put forward their concerns on the decision.</p> <hr/> <p>Consultation of the DIGIT procurement Board and GAMA advisory body.</p>	<p>100% of the offers analysed. Depth: all documents transmitted.</p> <hr/> <p>100% of the members of the opening committee and the evaluation committee.</p> <hr/> <p>100%. Depth: required documents provided are consistent.</p> <hr/> <p>100%.</p> <hr/> <p>100% when conditions are fulfilled</p> <hr/> <p>Random selection by the GAMA body.</p>	<p>Costs: estimation of cost of staff involved in financial circuits.</p> <p>Benefits (qualitative): better value for money, deterrent effects, efficiency gains, system improvements and compliance with regulatory provisions, no litigation.</p>	<p>Efficiency/Cost-Effectiveness: Proportion of overall cost of controls over total estimated (maximum) value of contracts.</p> <p>Estimated average cost of controls per procurement procedure.</p> <p>Effectiveness: Numbers of 'valid' complaints or litigation cases filed.</p>
<p>Litigations harm the reputation of the Commission.</p>	<p>All pending legal challenges are closely monitored.</p>	<p>100% of litigation cases.</p>		

⁵ **Costs of controls:** For estimation purposes 1 HC= 1 FTE reflecting therefore a maximum amount of cost of controls. Estimation on resources is only available in Head Count units. FTE correspondence is not available for DIGIT and it is not considered cost-effective to obtain (no impact on the conclusion of the assessment).

Stage 2 – Financial transactions

Main control objectives: Ensuring that the implementation of the contract is in compliance with the signed contract

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs⁶ and benefits of controls	Possible control indicators
<p>The products/services foreseen are not, totally or partially, provided in accordance with the technical description and requirements foreseen in the contract and/or the amounts paid exceed that due in accordance with the applicable contractual and regulatory provisions.</p>	<p>Operational and financial checks in accordance with the financial circuits.</p> <p>Operation authorisation by the AOSD.</p>	<p>100 % of financial transactions controlled ex-ante (commitments, signature contracts of and payments)</p>	<p>Costs: estimation of cost of staff involved.</p> <p>Benefits: better value for money, deterrent effects, efficiency gains, system improvements and compliance with regulatory provisions.</p> <p>Deterrence effect of controls (n.q)</p>	<p>Efficiency/Cost-Effectiveness:</p> <p>% of payments made on time</p> <p>Average time for payment</p> <p>Proportion of overall cost of controls over total amount of payments/ commitments made</p> <p>Average control cost per financial transaction (payments & commitments)</p>

⁶ **Costs of controls:** For estimation purposes 1 HC= 1 FTE reflecting therefore a maximum amount of cost of controls. Estimation on resources is only available in Head Count units. FTE correspondence is not available for DIGIT and it is not considered cost-effective to obtain (no impact on the conclusion of the assessment).

Stage 3 – Supervisory measures

Main control objectives: Ensuring that any weakness in the procedures (tender and financial transactions) is detected and corrected

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs ⁷ and benefits of controls	Possible control indicators
An error or non-compliance with regulatory and contractual provisions, including technical specifications, or a fraud is not prevented, detected or corrected by ex-ante control, prior to payment.	Supervisory desk review financial transactions	Representative sample (for financial transactions)	Costs: estimation of cost of staff involved. Benefits: Amount of payments made during the year for which there is reasonable assurance that were made free of material error (q).	Effectiveness: Amounts associated with errors detected (related to fraud, irregularities and error). In % over total checked Efficiency/Cost-effectiveness: Proportion of overall cost of controls over total amount of payments made
	Review of ex post results	Any systemic problem in procurement procedures and in financial transaction procedures are reported and analysed		
	Review of exceptions and non-compliance reports	At least once a year: Evaluation of non-compliance and exception reports	Deterrents & systematic weaknesses corrected to improve procedures and to better address related risks (n.q)	
	Review of incidents occurred during procurement procedures	Corrective measures taken if appropriate (cost - effectiveness criteria). Revision of procedures and/or checklists.		

⁷ **Costs of controls:** For estimation purposes 1 HC= 1 FTE reflecting therefore a maximum amount of cost of controls. Estimation on resources is only available in Head Count units. FTE correspondence is not available for DIGIT and it is not considered cost-effective to obtain (no impact on the conclusion of the assessment).

Revenues (charge-back services)

Main control objectives: Effectiveness, efficiency and economy. Compliance (legality and regularity).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs ⁸ and benefits of controls	Possible control indicators
Services not charged-back when due or services charged-back when not due leading to budget not being used for the intended purpose.	Costs of IT services are calculated on the basis of cost models that are regularly maintained and updated by an external consultant.	All services provided by Directorate C.	Costs: estimation of cost of staff involved. Benefits (n.q.) : The pooling of resources in order to achieve better services at a lesser cost	Cost of control of charge-back activities / Amount charged-back.
	Services, costs and performance indicators are defined and described in technical documents (services catalogues, Service Level Agreements (SLAs), hosting proposals, etc.) and administrative and budgetary provisions are set up in memoranda of understanding (MoUs) approved by the Customer and by DIGIT, service supplier.	All services funded using sub and co-delegations and recovery orders.		
Inaccurate calculation of costs of services resulting in mismatches between services delivered and amounts charged-back.	Information on the IT services and their costs are available on line on DIGIT web pages as well as on request.	All services	efficiency as know-how, capacities and resources developed can be made available for a fraction of what it would cost developing them internally or procuring them in the open market. benefits from economies of scale. the goods and services may not be available off-the-shelf	
	Specific information on the IT services delivered can be found in specific technical (SLAs, hosting proposals, etc.) and administrative (MoUs) documents.	All services.		
	For sub-delegations, DIGIT provides the Authorising Officer by Delegation (AOD) with a report to be annexed to the AAR.	100% of sub-delegations.		
	In some cases, a detailed report ("Rapport de gestion") is provided regularly, summarising the achievements and the use of resources (HR and financial execution).	For some specific services and activities.		
	Arrangements for monitoring of DIGIT's performance include systematic use of progress reports and Key Performance Indicators (KPIs).	100% of SLAs.		

⁸ **Costs of controls:** For estimation purposes 1 HC= 1 FTE reflecting therefore a maximum amount of cost of controls. Estimation on resources is only available in Head Count units. FTE correspondence is not available for DIGIT and it is not considered cost-effective to obtain (no impact on the conclusion of the assessment).

Non-Expenditure Items – (In)tangible Assets

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs ⁹ and benefits of controls	Possible control indicators
Recognition of the assets is not done at the right moment or not for the right amount	<p>Hierarchical validation of the operation with legal & financial circuits, within the authorising department</p> <p>Validation of DIGIT's local system by Accounting Officer</p>	100%	<p>Costs: estimation of cost of staff involved.</p> <p>Benefits: the total value of the significant errors detected / avoided and thus prevented in terms of the Commission's rights</p>	Effectiveness : value concerned
Assets- EU accounting rules are not respected	<p>EU rules for valuation & depreciation policy</p> <p>Clear procurement, accounting, inspection, depreciation and disinvestment rules; EU accounting rules</p> <p>(In)tangible assets and inventories follow formal procedure for disposal of assets</p>	<p>100% of the assets.</p> <p>Close follow up of inventory and depreciation</p>	<p>Costs: estimation of cost of staff involved.</p> <p>Benefits: Avoid the wrong imputation in accounting system and compliance with regulatory provisions.</p>	Effectiveness : number of findings about incorrect registration of items

⁹ **Costs of controls:** For estimation purposes 1 HC= 1 FTE reflecting therefore a maximum amount of cost of controls. Estimation on resources is only available in Head Count units. FTE correspondence is not available for DIGIT and it is not considered cost-effective to obtain (no impact on the conclusion of the assessment).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage frequency and depth	How to estimate the costs ⁹ and benefits of controls	Possible control indicators
<p>Failing to prevent, detect and correct negligence, irregularities, errors, losses or attempted fraud.</p>	<p>Controls aiming at safeguarding the assets it purchases and manages on behalf of all the DGs and services of the Commission:</p> <ul style="list-style-type: none"> Physical check of all assets and non-assets Itemised checks when writing off obsolete, lost or damaged goods, as well as on-going registration in ABAC Assets of all logistical movements (deliveries, moves, swaps, withdrawals, etc.) 	<p>100% during the life cycle of the items</p> <p>Physical check at least every two years</p>	<p>Costs: estimation of cost of staff involved</p>	<p>Effectiveness : number of findings</p>

Non-Expenditure Items - Information & IT security

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage and depth	How to estimate the costs ¹⁰ and benefits of controls	Possible control indicators
<p>Politically or economically motivated computer crime (hacking) to conduct sabotage or espionage against the Commission's IT systems.</p>	<p>increase the Commission's capability for detection, preventive and responsive measures</p> <p>ensure that key IT security processes are implemented consistently across the Commission for main corporate IT systems.</p> <p>improve global IT infrastructure security level through network and endpoint securisation and security oversight of key corporate systems</p>	<p>Application of IT security governance rules Commission wide</p>	<p>Costs : estimation of cost of staff involved (DIR S of DIGIT + all various stakeholders (end-users, technical staff, decision makers -> not quantifiable)</p> <p>Benefits : the number avoided breaches (annually) and thus preventing Commission's exposure</p>	<p>For more details see the implementation of the outputs foreseen in DIGIT's MP -> SOs 7, 8 and 9 in part 1 of this document</p>
<p>sabotage, destruction of critical documents, damage to equipment, theft of high-value equipment or sensitive information by external parties / contractors</p>	<p>organisation of meetings with HR/DS to standardise and reinforce the access security measures for external staff (use of a single Information system....)</p>	<p>Security rules and culture to be adjusted in view of latest technical developments and possibilities</p>	<p>Costs: estimation of cost of staff involved in protection management (various stakeholders -> not quantifiable)</p>	<p>Effectivenesss :</p> <p>Nr of reputational events due to weak physical / IT security rules (corporate)</p> <p>Nr of reputational events during the reporting year linked to issues of IT security failure (corporate)</p>
<p>Sensitive information is 'lost' (abused, made</p>	<p>Security clearance for contractors when needed.</p>		<p>Benefits: Avoid the non-</p>	

¹⁰ **Costs of controls:** For estimation purposes 1 HC= 1 FTE reflecting therefore a maximum amount of cost of controls. Estimation on resources is only available in Head Count units. FTE correspondence is not available for DIGIT and it is not considered cost-effective to obtain (no impact on the conclusion of the assessment).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	How to determine coverage and frequency	How to estimate the costs ¹⁰ and benefits of controls	Possible control indicators
public) or its integrity breached (data altered)	Close monitoring of physical and logical access rights	Yearly control by ICC on financial systems access rights	compliance with regulatory provisions and loss of information.	Cost-effectiveness : cost of protection management



ANNEX 6: Implementation through national or international public-sector bodies and bodies governed by private law with a public sector mission

(non applicable for DIGIT)



ANNEX 7: EAMR of the Union Delegations

(non applicable for DIGIT)



ANNEX 8: Decentralised agencies

(non applicable for DIGIT)

ANNEX 9: Evaluations and other studies finalised or cancelled during the year

No used in Annex 3 MP2017		Title	Reason ¹	Scope ²	Type ³	Associated DGs	Costs (EUR)	Comments ⁴	Reference ⁵
	I. Evaluations finalised or cancelled in 2017								
	a. Evaluations finalised in 2017								
	b. Evaluations cancelled in 2017								
	II. Other studies finalised or cancelled in 2017								
	a. Other studies finalised in 2017								
1		IT development procurement: examples of other large organisations	O	The analysis of outsourcing procedures and contracts in EU public administrations and member states for large framework contracts in the domain of IS developments.	I	DIGIT only	106,383.44	The study is linked to DIGIT's flagship service contract ESP DESIS, which needs to be relaunched and signed before Q3 2018. In 2014 it was awarded for approx. 900 m. EUR. The goal is to identify examples and best practices that could help us improve DIGIT's procurement procedure.	The study is not available outside the lead unit in charge of the study, as the questionnaires that were part of it contain information given to the contractor with an agreement to not distribute further.
	b. Other studies cancelled in 2017								
1		Open Source Strategy - situation in Europe	O	Usage of Open Source and Open Standards in EU public administrations, reusing available information.	n/a	CNECT, SG	25,000.00	To renew the OSS Strategy, the study will cover the evolution of the usage in public administration of Open Source software and standards, as well as their procurement model and the possible barrier for adoption. <u>The study has been cancelled by Senior Management for priority reasons.</u>	n/a

¹ Reason why the evaluation/other study was carried out, please align with Annex 3 of the MP 2017. The individual symbols used have the following meaning: L - legal act, LMFF - legal base of MFF instrument, FR - financial regulation, REFIT, REFIT/L, CWP - 'evaluate first', O - other (please specify in Comments)

² specify what programme/regulatory measure/initiative/policy area etc. has been covered

³ FC - fitness check, E - expenditure programme/measure, R - regulatory measure (not recognised as a FC), C - communication activity, I - internal Commission activity, O - other - please specify in the Comments

⁴ Allows to provide any comments related to the item (in particular changes compared to the planning). When relevant, the reasons for cancelling evaluations/ other studies also needs to be explained in this column.

⁵ For evaluations the references should be 1) number of its Evaluation Staff Working Document and number of the SWD's executive summary; 2) link to the supportive study of the SWD in EU bookshop. For other studies the references should be the link to EU bookshop or other reference where the 'other study' is published via different point.



ANNEX 10: Specific annexes related to "Financial Management"

(non applicable for DIGIT)

ANNEX 11: Specific annexes related to "Assessment of the effectiveness of the internal control systems" – Budget implementation tasks entrusted to other DGs and entities

From DIGIT to DG/Service	Budget line	Committed amount in 2017 (€)	Paid amount in 2017 (€)	Reported matters of material impact by the other service
CNECT	26.030100	0,00	172.163,82	none
COMP	26.030100	2.779.000,00	2.282.263,53	<p>GENIS</p> <p>We experienced problems with the capacity of the server during the integration of the supplementary information sheets in SANI2. A first upgrade of the server increasing its capacity was performed and extra measures for high availability may be taken in 2018.</p> <p>COMP eTrustEx</p> <p>The transmission limitations of the platform (number and size of files per transmission) are still proving quite challenging to serve the current business needs. The possibility of additional increases should be discussed with DG DIGIT in 2018.</p>
	26.035100	0,00	46.777,84	
EMPL	26	0,00	0,00	None
ESTAT	26.030100	1.568.366,58	959.681,68	None
FISMA	26.030100	1.155.025,16	830.457,83	None
GROW	26.030100	1.134.725,00	258.363,08	None
	26.035100	0,00	41.694,03	
JRC	26.030100	1.832.520,50	716.431,33	please refer to the two final pages of the report in ARES
	26.035100	0,00	808.243,01	
JUST	26.035100	0,00	57.835,00	None
MARE	26.035100	0,00	157.815,00	None
OP	26.030100	1.122.881,04	1.308.403,93	None
	26.035100	0,00	123.347,21	

SG	26.030100	420.000,00	402.696,70	During 2017, the Project Owner (SG.C3) of THEMIS faced some staff shortages. Therefore the analysis documents could not be reviewed and validated sufficiently quickly. This delayed the work of the development team and impacted the delivery date of the project. In agreement with all project's stakeholders, the project manager established an updated project plan with a new delivery date in Q4 2018. The analysis of the bridge between THEMIS and Decide due by the end of 2017 has also shifted because of a change of priorities in Decide. The analysis team will pursue its work during Q1 2018.
HR	XX.010301	707.609,24	536.272,91	None
OIL	XX.010301	49.314,03	48.742,19	None

ANNEX 12: Performance tables

Modernisation of public administration

General objective I: To help achieve the overall political objectives, the Commission will effectively and efficiently manage and safeguard assets and resources, and attract and develop the best talents			
Impact indicator: Staff engagement index in the Commission			
Source of the data: <i>European Commission</i>			
Baseline (2014)	Target (2020)	Latest known results (2016)	
65.3%	Increase	64.3%	
Specific objective 1: Drive modernisation and digitalisation of core processes, exploit new technologies and optimise IT investments			
Result indicator [KPI-1]: The digital transformation composite index (goes from 0% to 100%)			
Source of data: <i>DG DIGIT</i>			
Baseline (2015)	Milestone (2017)	Target (2020)	Latest known results (2017)
< 10%	Between 10% and 20%	Above 50%	25%
Main outputs in 2017:			
SER – DIGITAL TRANSFORMATION: AUTOMATION OF CORE CORPORATE PROCESSES			
Description	Indicator	Target	Latest known results (situation on 31/12/2017)
1-1 Compliance track a) This activity focuses on complying with the e-Procurement directives and the Financial Regulation through the rollout of the e-Submission and e-Invoicing functionality of e-Procurement.	a) Roll out e-Submission and e-Invoicing	In 2017: a.1) Roll out e-Submission in 15 DGs a.2) Roll out e-	Target partially met a.1) In 2017, e-Submission was rolled out in 12 new EC services (DG and EAs), and in 5 new Regulatory Agencies/Institutions. This brings the total onboarded entities to 32. a.2) For e-Invoicing, the

<p>b) This is further complemented by the implementation of SEDIA (once only principle for suppliers and participants).</p>	<p>b) Implementation of SEDIA phase 2¹¹</p>	<p>Invoicing to all DGs</p> <p>b) By end 2017</p>	<p>strategy applied was to approach the top suppliers of the EC and resulted in 37.484 electronic invoices received in 2017, (compared to 28.535 in 2016 = +31%).</p> <p>Target Met</p> <p>b) SEDIA progressed well: the Governance has been put in place. The Participant Register & validation services for eGrants can be used in the context of eProcurement since 1/1/2018. A SEDIA "Fund & Tenders Portal" project has been launched with the objective to deliver in Summer 2018.</p>
<p>1-2 Performance track This activity focuses on the rollout of the full post-award e-Procurement chain together with the implementation of direct grant management for e-Grants</p>	<p>a) Extension of the rollout of the full post-award eProcurement</p>	<p>a) Rollout in 8 DGs</p>	<p>Target met</p> <p>a) In 2017 a new governance around Grants and eProcurement, chaired by the GPSB was set up. The choice was made to invest on the new eProcurement target architecture and favour this to implement the Performance track. Therefore the scope of roll-outs in the current architecture was limited</p>

¹¹ The SEDIA phase 2 refers to the extension of the scope of the programme itself, from support to beneficiaries of grants only to the support to the entities participating in procurement, including the support from REA validation services.

			to business continuity (ie keeping electronic the successors of procedures already in eProcurement) and procedures where there is a positive cost/benefit analysis; the target shifted from 'rollout in new DGs' to 'rollout to specific procedures'. In 2017 according to these criteria, 10 new procedures were implemented: thanks to this progress, the eProcurement post-award solution is now used in 58 services for 40 procedures.
	b) Extension of the rollout of e-Grants for direct grants	b) Further rollout to 4 DGs	b) By the end of 2017, the e-Grants solution is deployed to 27 entities (14 Funding Programmes are fully supported + 7 Programmes partially).
1-3 Integration of e-procurement and e-grants The partial implementation of the Opsys project with involvement of both e-Procurement and e-Grants.	Pilot the convergence of e-Procurement and e-Grants	Pilot completed in 2017	Target rescheduled The OPSYS plan was defined mid-2017 and does not ambition to complete a pilot before 2018. In 2017, a major progress was made in terms of convergence through the establishment of a common governance for eGrants, SEDIA and eProcurement (GPS

			Board) and through the creation of DIGIT B1 Unit dedicated to manage this important dossier. The newly established GPSB allowed for driving a grant/procurement convergence plan on corporate level was agreed by including the adoption of a new harmonised technical target architecture for eProcurement (exploiting the foundation laid by the eGrants success story). The first eProcurement solution based on this harmonised architecture will be piloted in OPSYS Project - the solution being built for the DGs DEVCO/NEAR/FPI Programme – by end 2018.
<p>1-4 Preparatory work for the identification of core-corporate business priority processes to automate in addition to the processes currently automated or are in the process of being automated.</p> <p>a) Legislative lifecycle transformation (e.g. Decide, Better Regulation Portal)</p>	<p>Specific deliverables that are being defined with the client DGs.</p>	<p>Agreed deliverables delivered on time and accepted by the client.</p>	<p>Target met</p> <p>a) The Legislative lifecycle transformation was successfully achieved through the introduction of a set of new tools and measures. In terms of compliance with inter-institutional commitments, a first</p>

<p>b) HR processes transformation (from recruitment to payment and retirement and including Inter-institutional rollout)</p>			<p>version of a new drafting tool based on open source software (LEOS) was delivered . The register of delegated acts (REGDEL) went live as planned on December 12, 2017. Four releases of DECIDE were delivered on time.</p> <p>.</p> <p>b) With regards to HR processes transformation, the following was delivered:</p> <ol style="list-style-type: none"> 1. adaptation of SYSPER to support the second wave of the HR Modernisation pilot project. 8 Account Management Centres were established in DG HR together with a Business Correspondent function in each DG. 2. Staff Matters Portal (SMP) has been put in production, ensuring better communication and feedback in the HR domain. 3. Analysis and prototyping of ATLAS 4. Migration of the European Court of Auditors (ECA) to the COM instance of SYSPER by year end. <p>The inter-institutional roll out of SYSPER continues with the COUNCIL. 3500 active users will switch to</p>
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<p>c) Provision of new apps</p>			<p>SYSPER before end of 2018.</p> <p>5. a major revision of EPSO's data-model was released, setting the basis for a future-proof Talent Pool, designed around multilingualism, data management and integration.</p> <p>c) Two significant milestones, as part of existing or new applications, have been reached in 2018:</p> <ol style="list-style-type: none"> 1. Implementation of a new approval-driven workflow, reusable across policy areas in the Internal Market. The new workflow will be used for the first time for the implementation of the Regulation (EU) 2016/1628 on Non-Road Mobile Machinery. 2. BRIS, the new central platform that allows Member States to implement the 2012 Directive on interconnection of EU business registers, was delivered timely by its legal deadline on 8th June 2017. The central platform is managing 30,000 messages per day since the last few months.
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SER – DIGITAL TRANSFORMATION: BIG DATA AND DATA ANALYTICS SOLUTIONS

1-5 Develop an internal EC

Establishment of a Strategic plan

Strategic plan and


Target partially met



<p>stakeholder engagement plan on data analytics solutions and service provision in the domain of big data and data analytics</p>	<p>and implementation roadmap for the internal provision of corporate data analytics services</p>	<p>implementation roadmap available in Q2 2017</p>	<p>The stakeholder engagement plan is in a draft state because of the re-adjustment of the strategic objectives and planning of activities in the context of the positioning of DIGIT in this this area. The first version of the data strategy already contains the stakeholder map and a roadmap of activities accompanying the federated catalogue of services initiative.</p>
<p>1-6 Continue the piloting and develop the analytics infrastructure</p>	<p>Production of a federated catalogue of services together with the other DGs (The catalogue aims to provide services (data, tools and advisory services) by different DGs that can facilitate the use of data for policy-making purposes).</p>	<p>Catalogue of services available in Q4 2017</p>	<p>Target met</p> <p>The activity has been performed through three main tracks:</p> <ul style="list-style-type: none"> - Pilot projects on data analytics with partner DGs and Member States (social security policy in the Madrid city region). - Design of an analytics/Big Data Test Infrastructure to be used by the EU institutions and Members States public administrations. - In the context of the Data4Policy initiative, the Federated Catalogue of Services has been launched. The catalogue was finalised in 2017 and a pilot with the first set of services will be launched in January 2018. The opening to all DGs is expected in

			February 2018. Delays to the initial plans were due to the great interest generated by the initiative. More time was needed for DGs to provide all information related to the different data analytics services to be included in the catalogue.
SER – DIGITAL TRANSFORMATION: ARCHITECTURE COMPONENTS			
<p>1-7 Catalogue of Reusable Components Work on the definition of a Catalogue of Reusable Components – including the current 9 building blocks. Identify common IT needs between DGs that may turn into the development of new reusable components and extend the catalogue with this new set.</p>	Produce a Catalogue of Reusable Components and extend it with new components	<p>In 2017:</p> <p>a) Catalogue of Reusable Components available</p> <p>b) At least 5 additional components identified</p>	<p>Target met</p> <p>a) The catalogue of Reusable Components is available.</p> <p>b) There are 20 building blocks identified and documented in the catalogue (status can be consulted online).</p> <ul style="list-style-type: none"> The implementation of the new corporate BB governance is on-going. First progresses have been made in the area of eUI User Interface and Corporate Workflow.
<p>1-8 Rollout of the established set of 9 reusable components (CEF eIdentity and ECAS, Enterprise Search, eWorkflow, CEF e-Delivery, etc.).</p>	a) Roll out the current components to at least 20 re-use cases	a) At least 2 reuse cases (actual or committed) for each eWorkflow, eUI & eChecklist and 14 other reuse cases in Q4 2017	<p>Target met</p> <p>a)</p> <ul style="list-style-type: none"> e-UI - 8 projects reuse e-UI; 50 new projects are omitted to reuse; Reuse Status available. e-Workflow and

	b) Roll out e-Signature (eSeals) in ARES and other major processes	b) Implemented by end 2017.	<p>eCheckList – the strategy for those building blocks has been revisited for synchronisation with the new COMPASS Corporate initiative.</p> <p>Target partially met</p> <p>b) The roll out of e-signature in Ares could not be fully implemented because a legal analysis was still pending. This output will be fully implemented in due course during 2018. At the time being, the Electronic Signature Service Infrastructure has been rolled-out in 25% of the Commission's DGs.</p>
DATA, INFORMATION AND KNOWLEDGE MANAGEMENT			
1-9 Data, Information and Knowledge Management Develop capabilities in Data, Information and Knowledge management in line with the Commission Communication and Staff Working Document in this domain.	a) Production of a roadmap following the definition of work to be provided by SG	a) Q1 2017	<p>Targets a & b met</p> <p>a) The Information Management Steering Board (IMSB) approved the Work Programme 2017 and the strategic objectives against which this Work Programme will be measured not only for DIGIT but for the whole Commission.</p> <p>DIGIT participated as part of the Core Team supporting the IMSB together with SG and HR during the whole year, being an</p>

			<p>important actor in the preparation of all the meetings for the IMSB and IMT (Information Management Team), as well as in the preparation, monitoring and reporting of the Work Programme 2017 and strategic objectives paper.</p> <p>In Q3 and Q4 of 2017 DIGIT has played a key role in the preparation of the Work Programme 2018-2019 that will be adopted in January 2018.</p>
	b) Implementation according to roadmap	b) By end 2017	b) In parallel DIGIT has been actively working on the execution of the actions within the 2017 IMSB Work Programme.
<p>1-10 Collaboration (SER) Develop a corporate solution for internal collaboration by combining user-centric and document-centric platforms and management facility, including the integration of social networking features, as from the lessons learnt from the Yammer pilot.</p>	<p>The project is to be realised in successive phases over the period 2016-2020, in parallel tracks. Relevant procurement actions prepared and launched in view of setting up the new/evolving set of collaborative tools, platforms and services, within the DWP.</p>	<p>End 2017: availability of a consolidated set of corporate solutions, with integration points between them to support advanced collaboration patterns.</p>	<p>Target met </p> <p>During the course of 2017 DIGIT has launched the Collaboration Strategy for the EC. Consultation with all key stakeholders was ensured, and the results were presented to relevant fora such as the IT Board. The strategy calls for the streamlining of the various collaboration tools by 2020 in line with the evolution of the Digital Workplace. In the meantime the roadmap for the</p>

			<p>collaboration strategy has been defined. The technical integration of the tools has been showcased (via an integration between Jive & SharePoint). Coaching sessions and presentations have been held to give better guidelines in the use of the existing corporate offering (SG IT Spring days, DIGITec, etc.) Analysis is ongoing for defining the main feature set / user stories.</p>
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OPTIMISED IT INVESTMENT

<p>1-11 Corporate IT Governance Implementation of the IT governance provisions including the contribution of the IT Investments team to and its participation in the new IT governance structure. Among others:</p> <ul style="list-style-type: none"> - Assess the value and risks of IT Investments, identify synergies and best practices and provide advice and recommendations; - Identify the IT Investments that have the potential to become a standard or corporate system and those that should leverage such existing building blocks (see output 1-7 on reusable components); - Guide DGs on the allocation of the common budget for management 	<p>In general, bring increased coherence to the Commission's IT landscape among others by increasing re-use scenarios, finding synergies between DGs and involving DIGIT as catalyst when appropriate. In specific terms, implement the improvements identified at the evaluation of the IT board function planned for Q1 2017.</p>	<p>a) A plan for the implementation of all improvements identified at the evaluation of the IT Board function.</p>	<p>During 2017, IAS performed an audit on IT Governance and issued two recommendations, one that relates to reinforcing the role of the IT Board and the definition of a mid to long term Commission-wide strategy. The second relates to the oversight on corporate IT portfolio. These recommendations were addressed in a joint action plan (SG-DIGIT) sent to IAS on 20/02/2018. New targets will be set once the action plan has been approved.</p>
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<p>and information systems; - Strengthen the knowledge of the IT community through the organisation the Digital Stakeholder Forum.</p>		<p>b) The IT Board of November 2017 confirms it is satisfied with the progress made on implementing the improvements by that time.</p>	<p>Target met b) The IT Board confirmed its satisfaction on the work performed and progress made.</p>
<p>Work requested by the European Parliament</p>			
<p>1-12 Pilot project (PP) on the deployment of online eIDs and digital signatures by way of implementation of the eIDAS Regulation by the European Parliament and the Commission</p> <p>At the request of the European Parliament, DIGIT will implement this PP by the adaption and integration of eIDAS-compliant electronic identification and signature schemes.</p>	<p>Timely delivery</p>	<p>Agreed 2017 PP actions delivered on time</p>	<p>Target rescheduled</p> <p>The financing decision for this project was only approved end of October 2017, preventing us from launching the appropriate actions to complete the project. It was decided to make a global commitment, transfer the budget to 2018 and reschedule this activity in 2018.</p>
<p>1-13 Preparatory action (PA) on the Governance and Quality of Software Code - auditing of Free and Open Source software</p> <p>On the request of the European Parliament, DIGIT will implement this PA through additional code reviews and by extending the inventory and communities evaluation with the aim to set-up a continuous service allowing enhancement of the IT</p>	<p>Timely delivery</p>	<p>Agreed 2017 PA actions delivered on time</p>	<p>Target met</p> <p>Preparation of the administrative framework completed, ready for a full implementation of the PA during 2018-2019.</p>

infrastructure security.			
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General objective II: A Connected Digital Single Market

Impact indicator: Aggregate score in Digital Economy and Society Index (DESI) EU-28
Source of the data: [DESI](#)

Baseline (DESI 2015)	Target (2020)	Latest known results (DESI 2017)
0.50	Increase	0.52

Specific objective 2: Promote modernisation of European public administrations through the provision of interoperability solutions
Related spending programme: ISA²

Result indicator: Degree of alignment of National Interoperability Frameworks (NIF) with the revised European Interoperability Framework (EIF), as well as the degree of their implementation.
Source of data: Data extracted from the National Interoperability Framework Observatory.

Baseline (2015)	Milestone (2018)	Target (2020)	Latest known results (2017)
<ul style="list-style-type: none"> - NIFs/EIF alignment rate 72% - NIFs implementation rate 28% 	<ul style="list-style-type: none"> - NIFs/EIF alignment rate 80% - NIFs implementation rate 40% <p>As defined for the ISA² interim evaluation.</p>	<ul style="list-style-type: none"> - NIFs/EIF alignment rate 90% - NIFs implementation rate 60% <p>As defined for the ISA² final evaluation.</p>	<p>State of Play of Interoperability in Europe - Report 2016:</p> <ul style="list-style-type: none"> - The overall average of the NIF-EIF Alignment level for 2016 is 75% - The overall average of the NIF implementation level for 2016 is 56%

Completed evaluations: Annual reporting to the ISA² Committee - **Report on ISA² Work Programme 2017 execution**

Main outputs in 2017:

Important items linked to the ISA² programme

Description	Indicator	Target	Latest known results (situation on 31/12/2017)
2-1 Support the DSM strategy a) Support the implementation of the revised European	a) Support the implementation of the revised	a) In 2017, the monitoring mechanism by	Target met a) In 2017 the baseline of the monitoring

<p>Interoperability Framework (EIF), through the ISA² programme.</p> <p>b) Participate and contribute to relevant DSM actions such as the Catalogue of ICT Standards, the Single Digital Gateway, the eGovernment Action Plan 2016-2020, free flow of data initiative, etc.</p>	<p>EIF (as the EIF adopted in 2010 has been largely applied by Member States).</p> <p>b) Contribute to relevant DSM initiatives from the interoperability point of view.</p>	<p>the National Interoperability Framework Observatory (NIFO) will be adapted to take into account the revised version of the EIF and the monitoring of this new version application in Member States and associated supporting measures will be starting. Being the first year of application of the revised version the main objective is to have these services in place and operating.</p> <p>b) Establish links between ISA² and the EIF and other relevant DSM initiatives. The expected results for 2017 are: the public services semantic models and vocabularies taken on board by the Digital Single Gateway initiative as a supporting instrument, the ICT standards catalogue supported on the Joinup platform and to have the EIF and/or other</p>	<p>mechanism was created making the right links with existing EU policies that are currently or in the process of being monitored by other services of the Commission like DG Connect, DG Justice, DG Grow. The mechanism will be refined and tested in the field in early 2018 through pilots carried out with Bulgaria, Luxembourg Spain and some DGs.</p> <p>b) The Single Digital Gateway Regulation proposal was developed in close collaboration with DG GROW In fact, two new ISA2 funded actions have been launched in order to design the architecture of the Gateway and to create a common tool for on-line forms. Success stories on EIRA version 2.0 with BE, CZ and DK were published. Testimonials from European users on EIRA/CarTool have remarked the importance of the tool, stating that this represents a substantial contribution to</p>
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		interoperability specifications taken on board by other relevant initiatives including those in the eGovernment Action Plan.	interoperability, as it enables co-operation, sharing of experiences, best practices etc. to a degree that was not possible so far.)
<p>2-2 Perform interoperability and digital checks in EU legislation</p> <p>a) Ensure that, through participation to the Impact Assessment and Evaluation processes, interoperability and ICT are considered early at the legislation-making and evaluation stage. Identify common business processes that can be implemented through reuse of services, software and data resulting in better planning and cost and time savings.</p> <p>b) Interoperability barrier are identified, i.e. limitations in the reuse of data, imposition of specific technologies, standards, etc. and ICT</p>	<p>a) Run interoperability and digital checks and maintain an ICT Register of Roadmaps</p> <p>b) Offer targeted ICT impact assessment studies to DGs.</p>	<p>a) 100% of Inception Impact Assessment and Evaluation Roadmaps are screened, assessed for their ICT potential and maintained in an ICT Register of Roadmaps.</p> <p>A sample of maximum 100 pieces of legislation planned for evaluation under the CWP 2016 and 2017 are screened with the purpose to identify the potential of business processes harmonisation.</p> <p>b) High quality of produced studies to the satisfaction of customer DGs, evaluated by the</p>	<p>Target met</p> <p>a) All new Inception Impact Assessment roadmaps are screened for possible ICT impact. By the end of 2017, 263 roadmaps were scanned and a quarter of those were found to present some ICT implications. The latter has been reported to the IT Governance Board. In parallel to the above, a methodology for screening EU legislation under evaluation has been completed. While the final report on this screening activity is under finalisation, the first results suggest some 'business process harmonisation potential' for regulatory reporting.</p> <p>b) In 2017 three ICT Impact Assessments were completed and accepted by the DGs: 1) Schengen Information System II of DG HOME;</p>

implications are assessed.		Monitoring and evaluation action of the ISA ² programme according to pre-defined indicators and using also user surveys.	2) the European Criminal Records Interconnection System of DG JUST and 3) the e-evidence proposal and related system of DG JUST.
<p>2-3 Implement the ISA² annual work programme</p> <p>a) Prepare, negotiate, liaise with the Member States and Commission services; administer the annual work programme in accordance with the legal decision and the extended scope to businesses and citizens targeting different levels of administration; procure in accordance with procurement rules and programme's implementation plan and budget.</p> <p>b) Prepare next year's work programme.</p>	<p>a) Adopt and execute the 2017 work programme. Procure and implement actions as planned.</p> <p>b) Prepare the 2018 work programme.</p>	<p>a) The 2017 work programme is adopted and launched on time (Q1 2017); actions are procured within the planned time frame and budget as detailed in the work programme.</p> <p>b) The 2018 work programme is prepared as per legal basis; draft version following ISC ready by end of 2017.</p>	<p>Target met</p> <p>a) The 2017 ISA2 work programme was adopted on 23/03/2017. The ABC IV Framework Contract was signed in November 2017 based on which the procurement of the 2017 ISA2 actions is ongoing.</p> <p>b) The Work Programme 2018, was presented on 17/10/2017 to the ISA² Coordination Group. A first complete draft was sent to Inter-Service Consultation early December. The received comments were incorporated to deliver a first final draft on 22/1/2017, which was sent to the Members of the Committee. The ISA² Committee met on 24/01/2018 to give its formal opinion.</p>
2-4 Engage		In 2017:	Target met

<p>interoperability stakeholders through:</p> <p>a) specific actions, including those contributing to the rolling plan of the Communication on Data, information and knowledge management.</p> <p>b) liaising with internal and external stakeholders on interoperability</p>	<p>a) Identify and promote standards for corporate data and metadata management for use by the European Commission and facilitate that the Commission's information systems become interoperable</p> <p>b.1) support the activities of the Inter-service Group for the quality and innovation of Public Administrations (IGPA)</p> <p>b.2) engage with external interoperability stakeholders.</p>	<p>a) Ensure the reuse of interoperability specifications (like that of the EIF) by the Commission internal services – when working on projects or new initiatives – measured by the NIFO (see output 2-1).</p> <p>b.1) Provide inputs to and attend IGPA meetings (internal stakeholders)</p> <p>b.2) Invitations from national administrations and participation in events in Member States. Participation of stakeholders in ISA² working groups and actions in</p>	<p>a) The EIF will be taken into account in the design of the architecture of the Single Digital Gateway. In addition to that, advice has been given to several services of the Commission through interservice consultations to align IT systems supporting EU policies to the EIF. Finally, in 2018 NIFO will start monitoring in piloting phase the implementation of the EIF in some Commission systems.</p> <p>b1) Two IGPA meetings under DIGIT chairmanship have taken place in 2017. Additionally, a cross DG/CAB seminar has been organised to raise the profile of Public Administrations as a key enabler for effective policy delivery</p> <p>b.2) Deployment of EIRA/CarTool in PL, CZ, Greek National Centre for Public Administration and Local Government has trained 215 public servants in IMAPS; CEN TC434 adopts EIRA for e-Procurement; In this context, DIGIT was</p>
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<p>c) Communication actions presented under Part 2, section D on 'External communication' but targeting also internal Commission services.</p>		<p>general.</p>	<p>recognised as the reference organisation in interoperability; for the records, NATO will adopt EIRA to create the NATO Interoperability Reference Architecture; EUROCONTROL will adopt EIRA/CARTool and CAMSS.</p> <p>c) please refer to Part 2 section D on 'External Communication'</p>
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Other important outputs

<p>2-5 Connecting Europe Facility (CEF) In relation with the "eGovernment Action Plan 2016-2020", roll out CEF Building Blocks in the Member States and within the European Commission and provide test services for the public and private sectors.</p>	<p>The performance in rolling out building blocks</p>	<p>In 2017:</p> <p>a) Increase the reuse of Building Blocks by CEF's Sector Specific Digital Service Infrastructure by 5% from the existing 64%</p> <p>b) Increase the reuse of Building Blocks by Policy Systems projects and Corporate Systems projects by 5% from the existing reuse rate of 12% and 56% respectively.</p>	<p>Target met</p> <p>In Q3 of 2017, the reuse of CEF Building Blocks by CEF's Sector Specific Digital Service Infrastructures had increased 16%, meaning, from 64% to the current 80%.</p> <p>In the end of 2017, the reuse of Building Blocks by Policy Systems projects and Corporate Systems projects had increased 7% and 12% respectively, meaning that 19% of the Policy Systems projects and 67% of the Corporate Systems projects are currently reusing or committed to reuse at least one CEF Building Block.</p>
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Create the digital workplace of the future

General objective I: To help achieve the overall political objectives, the Commission will effectively and efficiently manage and safeguard assets and resources, and attract and develop the best talents			
Impact indicator: Staff engagement index in the Commission			
Source of data: <i>European Commission</i>			
Baseline (2014)	Target (2020)	Latest known results (2016)	
65.3%	Increase	64.3%	
Specific objective 3: Promote modernisation of European public administrations through the provision of interoperability solutions			
Result indicator [KPI-2]: Overall satisfaction level of the end users with the digital workplace solutions provided by DIGIT			
Source of data: <i>IT Workplace solutions – User satisfaction survey. This survey started in 2015 and it is done annually. The results of the survey compare to the Key Performance Indicator (KPI) defined in the ITIC SLA.</i>			
Baseline (2015)	Milestone (2017)	Target (2020)	Latest known results (2017)
Target set in the SLA (80%) achieved	Maintain end user satisfaction at least at the level of 80%.	Maintain end user satisfaction at least at the level of 80%.	82% of the respondents agree or mostly agree with the statement "Overall, I am satisfied with the IT workplace solutions and support provided by DIGIT."
Main outputs in 2017:			
SER – DIGITAL WORKPLACE: DIGITAL WORKPLACE OF THE FUTURE			
Description	Indicator	Target	Latest known results (situation on 31/12/2017)
3-1 Devices			Target met
a) Revise allocation policies for IT equipment	a) Approval of allocation policies	a) By 31/12/2017	a) Information concerning fine-tuning allocation policies has been collected during Q3-Q4 2017. The results of the IT Annual Survey 2017 were presented in the Project Review Meeting of 27.11 and they will be

<p>b) Improve user experience on mobile devices, allowing for better productivity on the move</p>	<p>b) Deployment status of new mobile device management configuration</p>	<p>b) Deployed by 31/12/2017</p>	<p>considered. The annual revision of corporate IT equipment allocation policies, whose publication is expected in the course of Q1, will take account of the changes introduced by the new framework contracts signed in 2017 (i.e. PrinCESse II Lot 1 and Lot 2 for printing and scanning equipment, as well as MEQ IV Lot 1 and Lot 2 for mobile computing equipment). These framework contracts are the contractual enablers of the Digital Workplace (DWP) and will usher in a whole new generation of devices across the EC installed base.</p> <p>b) A new functionality has been rolled out in production for iOS BYOD users, allowing them to use the native e-mail client. End users have been informed accordingly.</p>
<p>3-2 Office automation</p> <p>a) Upgrade and migration of the backoffice Windows infrastructure (e.g.: Active Directory, Landesk and other services) to a new, secure-by-design architecture</p> <p>b) Start the rollout of the new digital workplace platform based on Windows 10, Office 2016 and LibreOffice (note: start date will depend upon the choices</p>	<p>a) Rollout status</p> <p>b) Deployment status of the Windows 10 platform</p>	<p>a) Design completed and rollout started in 2017 (completion in 2018)</p> <p>b) Start the deployment to EC users in 2017</p>	<p>Target met</p> <p>a) Design completed and rollout started with the pilot phase. Production environment to be set-up in 2018.</p> <p>b) Windows 10 and Office 2016 rollout on going with nearly 1,000 users at 31/12/2017.</p> <p>LibreOffice is available to all Windows 10 users</p>

and planning on the backoffice upgrade)			as a self-service package on EC Store (the EC's software store on Windows 10). Training course is being developed with DTS.
3-3 Email & Calendaring Migration towards a new e-mail solution (note: start date will depend upon the strategic choices made and the planning on the backoffice upgrade under point 3-2)	Rollout status	Design done, rollout started (completion in 2018)	Target partially met A detailed design of the future MS Exchange 2016 architecture in Net1 has been produced and documented. The design of its detailed implementation, and the validation of all operational aspects of (and of the transition to) the future system, are progressing. The configuration of the future infrastructure's hardware servers has been launched. Tentative timeline for completion of this phase is March 2018. The principle of an implementation model for an E-mail Secure Gateway solution has been adopted, leading to the procurement of one of the shortlisted candidate solutions. The configuration phase of this solution has been launched, with a view to implementing its initial stage of protection within two months.
3-4 Unified Communication (UC) a) Corporate wide rollout of basic UC solution	a) Rollout status	a) Aligned with the rollout of the Windows 10 platform (point 3-2/b)	Target partially met a) PMO, OIB, DIGIT, TF-50, SRSS, SG and CNET enrolled in UCC. Mini UCC pilots organised (IRM teams deployed) for ENV-

<p>b) Start of the phase-out of legacy telephony</p>	<p>b) Status of migration plan</p>	<p>b) Analysis and design done, migration plan ready</p>	<p>CLIMA, GROW, REGIO, ESTAT, TAXUD, AGRI and some agencies. -Deployment on-going for HR The interconnection of UCC with the VC environment has been implemented successfully. Assessment and implementation of Skype for Business (SfB) on mobile devices has started.</p> <p>b) UC deployment continues as planned, in parallel with legacy telephony. As of today, the following statistics have been provided :</p> <ol style="list-style-type: none"> 1. The number of users configured in SfB with collaboration only : 4055 2. The number of users configured in SfB with collaboration and telephony : 3050 <p>Total number of users configured in SfB : 7105</p>
<p>3-5 Integration and Identity & Access Management a) Seamless access to cloud services through EU login</p> <p>b) Simplify access to services: less passwords, more security</p>	<p>a) Deployment status</p> <p>b) Internet password removal status</p>	<p>a) Hybrid platform deployed in 2017</p> <p>b) Removed by 06/2017</p>	<p>Target partially met</p> <p>a) Test environment already set-up. New configurations and use cases to be validated in 2018.</p> <p>b) During the pilot phase in DIGIT, the password for Internet Explorer and Edge has been removed. It proved impossible for the other browsers Chrome and Firefox. The removal settings are now integral part of Windows 10</p>

			configuration, which is currently deployed across the board.
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General objective I: To help achieve the overall political objectives, the Commission will effectively and efficiently manage and safeguard assets and resources, and attract and develop the best talents

Impact indicator: Staff engagement index in the Commission
Source of data: *European Commission*

Baseline (2014)	Target (2020)	Latest known results (2016)
65.3%	Increase	64.3%

Specific objective 4: Standardised and centralised management of end-user IT equipment and support services

Result indicator: Overall satisfaction with the support provided by the IT Helpdesk (call centre & proximity teams)

Source of data: *IT Workplace solutions – User satisfaction survey. This survey started in 2015 and it is done annually. The results of the survey compare to the Key Performance Indicator (KPI) defined in the ITIC SLA.*

Baseline (2015)	Milestone (2017)	Target (2020)	Latest known results (2017)
Target set in the SLA (80%) achieved	Maintain end user satisfaction with the support provided by the IT Helpdesk at least at the level of 80%.	Maintain end user satisfaction with the support provided by the IT Helpdesk at least at the level of 80%.	90% of the respondents agree or mostly agree with the statement "Overall I am satisfied with the IT support provided by the IT Helpdesk (call centre; proximity teams)."

Main outputs in 2017:
SER – CONSOLIDATION AND STANDARDISATION: CENTRALISED MANAGEMENT OF IT EQUIPMENT

Description	Indicator	Target	Latest known results (situation on 31/12/2017)
4-1 Centralise IT equipment management	Finalisation status	Finalised by 31/12/2017	Target met The centralisation of IT equipment now applies across the whole Commission. The full



			benefits on end user productivity will gradually become effective, probably within 3 to 4 years, depending on the life cycle of end user IT equipment (4 to 5 years for PCs) and the limited administrative budget allocated to IT expenditures.
4-2 Optimise IT logistics processes	Deployment status of new processes ("move users without IT")	Extended pilot to all ITIC DGs by 31/12/2017	<p>Target partially met</p> <p>The "Fixed IT" policy now applies in all but 8 DGs of the Commission. Its efficiency was confirmed in 2017 over 2016, as 60% moves were saved whenever the "no-move" policy could be applied. In total, 13% of requested moves of IT devices were spared in 2017 generating savings of 191,000 €. The last 8 DGs have planned to join in 2018. However, the benefits of the Fixed IT policy will be only fully earned when the transition from desktop to docked laptop and the migration to Windows10 are completed, as per the digital workplace strategy. In the meantime, the temporary mix of desktops, laptops and docked laptops in the IT- installed base of the Commission still</p>

			prevents the straightforward application of the Fixed IT policy to moves.
4-3 Explore new paradigms and channels for user support (full automatisisation of support tasks, self-service functionalities, live chat for interaction with users, end user knowledge base, service desk video conferencing, etc.)	Identification and development of new channels for user support ¹²	New channels for user support identified and developed	Target met The EC store (APP store for EC software) is available on Win10. My IT Support (MITS) is now the standard tool for requesting IT services. All common IT requests are available through MITS. The Digital Workplace Projects comes with enhanced features and new ways of working.

¹² Please note that in 2017 MP the related target originally put in place for this output was the drafting of a strategy on the future user support paradigm. Due to internal reorganisation, the target and consequent indicator was modified, and the development of new tools for enhancing user support was finally established.

Create the data centre of the future

General objective I: To help achieve the overall political objectives, the Commission will effectively and efficiently manage and safeguard assets and resources, and attract and develop the best talents			
Impact indicator: Staff engagement index in the Commission			
Source of data: <i>European Commission</i>			
Baseline (2014)	Target (2020)	Latest known results (2016)	
65.3%	Increase	64.3%	
Specific objective 5: Modernised data centre operations towards a hybrid cloud			
Result indicator: Satisfaction of IT professionals with data centre operations			
Source of data: <i>DIGIT IRM satisfaction survey run annually with a sample of DGs</i>			
Baseline (2015)	Milestone (2017)	Target (2020)	Latest known results (2017)
Overall satisfaction between 65 and 70%.	Increased satisfaction by a minimum of 10% as compared to baseline.	User satisfaction between 85 and 90%.	Due to internal reorganisation, the Unit originally assigned as Business Owner of this indicator has changed. The new Unit responsible is currently assessing the feasibility of a similar survey, aiming at launching it and obtaining the relevant indicator in 2018.
Main outputs in 2017:			
Description	Indicator	Target	Latest known results (situation on 31/12/2017)
5-1 Cloud brokering by providing Cloud resources and managing the contract.	Cloud broker services (i.e. delivery of cloud services to European Commission and other EU entities in a uniform and structured way "as a service") available in pilot.	In 2017 Started in 2017	Target met Regarding cloud broker services, brokerage MoUs and Specific Agreements, as well as the process of provisioning cloud accounts to EUIs, have been standardised. The automatic inclusion of

			<p>cloud service costs in Unified Reporting (for Commission DGs) has been successfully prototyped. Blueprints for cloud deployments have been developed to standardise security and operational aspects.</p> <p>Early Adopters and Security WGs were organised with large EUI participation to share experiences and gather requirements for the next call for tender. Direct meetings with major cloud service providers were conducted to analyse the cloud market and its future evolution.</p> <p>Following the mandate of the Cloud II, an inter-institutional group was formed in December 2017, to foster EUI collaboration towards a joint next call for tender for cloud services – which would bring together all current cloud efforts (including the Agencies EFSA cloud contract).</p>
	Preparation of the next call for tender.		
5-2 Integration of cloud sourcing into Data Centre delivery model	Status of cloud connectivity between providers and DIGIT Data Centre	Cloud connectivity operational by 31/12/2017	<p>Target met</p> <p>The connectivity between the EC Data Centre and the provider is operational via two dedicated lines</p>

			<p>(Brussels and Luxembourg) since November 2017.</p> <p>The EC-provider connectivity is further supported by the successful development and deployment of the "EC CloudNet" inter-connectivity platform on the provider, offering secure common network services to EC customers of the provider.</p> <p>In terms of service delivery, the integration of cloud based sourcing as part of the DIGIT Data Centre services has advanced well. Several services have entered into production in 2017 and now form an integral part of the DIGIT Service Catalogue available to clients in the DGs.</p>
<p>5-3 DevOps New services for the developer community: - developer workstation - continuous integration - end-to-end monitoring</p>	<p>Service catalogue extension with new services</p>	<p>New services for developers available in service catalogue</p>	<p>Target met</p> <p>A new service for the developer community has entered into production in 2017, and is available to all DGs through the DIGIT Service Catalogue.</p> <p>The service is a milestone in the evolution of possibilities for the large IT development community at the</p>

			<p>Commission. Through a comprehensive cloud-based environment, the service combines increased agility for the development process with enhanced security.</p> <p>In addition to the above offering, a complementary service for developers offering live visibility on user-experience and application behaviour has been released to pilot DGs.</p>
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General objective I: To help achieve the overall political objectives, the Commission will effectively and efficiently manage and safeguard assets and resources, and attract and develop the best talents

Impact indicator: Staff engagement index in the Commission

Source of data: *European Commission*

Baseline (2014)	Target (2020)	Latest known results (2016)
65.3%	Increase	64.3%

Specific objective 6: Consolidated data centres

Result indicator [KPI-3]: Consolidation level of data centres

Source of data: *DG DIGIT*

Baseline (2015)	Milestone (2017)	Target (2019)	Latest known results (2017)
No consolidation so far, but inventory of Local Data Centres (LDC) completed.	<ul style="list-style-type: none"> - New corporate data centre in Betzdorf operational, old JMO data centre phased out. - Consolidation of the other corporate data 	<ul style="list-style-type: none"> - 80% of all LDC consolidated into the corporate data centre and Cloud. - Full consolidation of the DIGIT corporate data 	<p>The programme for the Consolidation of Local Data Centres has advanced well.</p> <p>Activities are ongoing within 11 DGs, with 1 LDC already fully consolidated and 5 (new) consolidation</p>

	centres (Bech, Host) well on its way. - The LDC of 5 DGs are integrated ¹³ into the DIGIT Infrastructure. - First case of local data centre fully consolidated (ESTAT).	centre into two main sites (Betzdorf and Windhof).	processes launched and having progressed in 2017.”
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Main outputs in 2017:

SER – CONSOLIDATION AND STANDARDISATION: CONSOLIDATED LOCAL DATA ROOMS



Description	Indicator	Target	Latest known results (situation on 31/12/2017)
6-1 Data centre consolidation	a) Number of local DCs consolidated b) Status of consolidation of corporate DCs	a) Consolidation finalised for ESTAT, Consolidation of five new local DCs started (GROW, COMP, TRADE, NEAR, TAXUD) b) Master plan finalised	Target met Activities are ongoing with 11 DGs as follows: <ul style="list-style-type: none"> • 1 LDC consolidated (NEAR); • 2 LDCs consolidations ongoing (ESTAT, COMP); • 3 due diligence studies completed (GROW, DEVCO, TRADE). • First case of local data centre fully consolidated (NEAR).
6-2 Relocation of the JMO data centre	Complete the relocation of the JMO data centre to the new	Delivery date: April 2017	Target met Action completed.

¹³ Please note that the 'integration' refers to the launch of the process of consolidation, and not to the consolidation itself. For this reason, we can consider the target of the output 6.1 as 'fully met' since the consolidation of 5 new local Data Centres started in 2017, and therefore KPI 3 can be considered as successfully achieved.

	Betzdorf site		<p>Additionally, as regards the BETZ Data Centre, on top of the three operational rooms, the Luxembourg authority (CTIE) has launched the public procurement process for the fittings of the remaining two rooms. DIGIT has provided the specifications for the Cft. DIGIT will participate as main actor of the evaluation Committee. It is expected to have at least an additional room operational in 2018.</p>
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Better IT Security

General objective I: To help achieve the overall political objectives, the Commission will effectively and efficiently manage and safeguard assets and resources, and attract and develop the best talents			
Impact indicator: Staff engagement index in the Commission			
Source of data: <i>European Commission</i>			
Baseline (2014)	Target (2020)	Latest known results (2016)	
65.3%	Increase	64.3%	
Specific objective 7: Strengthened cyber-resilience			
Result indicator [KPI-4]: Improvement of cyber-resilience will be measured using a measure of IT security capability that provides an indication of the overall level of development of IT security across a range of critical fields from the assurance that the basic IT security procedures are respected to fully developed quality assurance			
Source of data: <i>DG DIGIT</i>			
Baseline (2015)	Milestone (2017)	Target (2020)	Latest known results (2017)
IT security capability levels are low, below 3 on the process maturity scale of ISO 15504 (5 Optimizing, 4 Predictable, 3 Established, 2 Managed, 1 Performed, 0 Incomplete)	Achievement of level 1 in all core processes identified and level 2 in 50% of critical processes (asset management, vulnerability management, system administration).	Achievement of level 3 or above (established, predictable or optimizing) in the most critical processes (to be defined) and at least 2 in the processes defined as core.	Milestone met. ¹⁴ Major progresses have been made allowing to significantly improve IT security processes maturity: <ul style="list-style-type: none"> Core processes: level 1 (performed) for identified core has been achieved Critical process: Out of the three identified critical processes: Level 2 (Managed) has been reached for one (Vulnerability management) and is in the finalisation phase for the two

¹⁴ End 2017 not all the core processes have been identified yet. Exhaustive list will be finalised in 2018.

			others (Technical asset management and System administration).
Main outputs in 2017:			
SER – ICT SECURITY: BETTER IT SECURITY SERVICES			
Description	Indicator	Target	Latest known results (situation on 31/12/2017)
<p>7-1 IT Security processes Identify critical IT systems and ensure that for each individual IT system the key IT security processes are in place, in line with good practices and recommendations, through:</p> <p>a) Technical asset management</p> <p>b) Vulnerability management (VM)</p>	<p>a) Percentage of key corporate systems covered by corporate technical asset management tool and procedures</p> <p>b-1) Completion of deployment of new corporate Vulnerability scanning tools and Processes</p> <p>b-2) Percentage of key corporate systems using</p>	<p>a) Majority of key corporate systems covered by new corporate Technical Asset management tool and procedures in 2017.</p> <p>b-1) New corporate vulnerability scanning tool and processes operational by the end of 2017</p> <p>b-2) 100% of key corporate systems using</p>	<p>See individual status of each sub-output</p> <p>Target partially met a) Solution for 'Central asset repository for Vulnerability management' has been selected, acquired and setup. High-level processes to support operation has been defined but is still under finalisation (fine-tuning) This will be finalised in 2018.</p> <p>Target met b-1 and 2) New corporate vulnerability scanning tool and processes definition and deployment have been finalised in 2017 and is now operational for most of key corporate systems.</p>

<p>c) Secure system administration</p>	<p>corporate VM procedure</p> <p>b-3) Percentage of key corporate systems achieving their time-to-patch rate targets.</p> <p>c-1) Progress in corporate procedure for secure system administration development.</p> <p>c-2) Percentage of key corporate systems covered by the new secure system administration procedure</p>	<p>corporate VM procedure.</p> <p>b-3) Majority of key corporate systems achieving their time-to-patch rate targets.</p> <p>c-1) Corporate procedure for secure system administration defined in 2017</p> <p>c-2) Majority of key corporate systems covered by the new secure system administration procedure</p>	<p>b-3) Enforcement of achievement of time-to-patch rate for key corporate systems is ongoing.</p> <p>Target rescheduled</p>
<p>7-2 Infrastructure security Provide a secure infrastructure, reducing risks for the IT systems and different users across the board, through:</p> <p>a) Network segregation, Network security and Network encryption</p>	<p>a-1) Progress of the corporate network segregation project</p> <p>a-2) Progress on Network Access Control solution development</p>	<p>a-1) Segregated network architecture finalised and implementation started</p> <p>a-2) Network Access Control solution tested, validated and</p>	<p>Target met a-1) Network segregation DWP: The architecture is segregated by default (tiering concept of the new HELLO domain). Cloud On Prem: new greenfield infrastructure for the Data Centre where "segregation by default" will be applied. First IS are expected to be on-boarded Q4/2018.</p> <p>Target met a-2) Network access control (NAC) Design done (as part of the DWP design).</p>

<p>b) Endpoint security</p> <p>c) Secure software development environment</p> <p>d) Security by consolidation</p>	<p>a-3) Progress on HTTPS everywhere policy definition</p> <p>b) Percentage of non-standard office PCs (local admin and/or non-standard software usage)</p> <p>c) Percentage of developers using the new segregated and secure developer environment</p> <p>d-1) Number of IT systems hosted in SHS</p> <p>d-2) Progress in the definition of Cloud policy and</p>	<p>ready for implementation.</p> <p>a-3) HTTPS everywhere policy defined</p> <p>b) 5% of non-standard office PCs</p> <p>c) All DIGIT developers use the new segregated and secure developer environment</p> <p>d-1) 10 IT systems hosted in SHS</p> <p>d-2) Cloud policy and framework for outsourcing</p>	<p>Implementation ongoing in the frame of the secure end-point deployment process for DWP.</p> <p>Target partially met a-3) Network encryption SHS : HTTPS is enforced end-to-end Network encryption between DC's.</p> <p>b) Endpoint security DWP: lot of new security features implemented: no local admin rights, strong user authentication, device authentication on the internal networks (wired and wireless) and from remote location.</p> <p>Target met c) Secure software development environment Service4Developers: is available</p> <p>Target Met d-1) 10 IT systems hosted in SHS - 2 information systems live (SANTE/EUCEG, EEAS/PWGP) - 13 IS in on-boarding phase</p>
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	framework for outsourcing.	defined.	
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General objective I: To help achieve the overall political objectives, the Commission will effectively and efficiently manage and safeguard assets and resources, and attract and develop the best talents

Impact indicator: Staff engagement index in the Commission
Source of data: *European Commission*

Baseline (2014)	Target (2020)	Latest known results (2016)
65.3%	Increase	64.3%

Specific objective 8: Provision of IT security operations

Result indicator 1: Efficiency of vulnerability patching expressed as a percentage of systems compliant with the time-to-patch rate targets. The time-to-patch rate measures in terms of days the time from identification of the vulnerability to effective patching. A set of time-to-patch rate targets are required to reflect different criticality of the vulnerabilities and information systems.

Source of data: *DG DIGIT*

Baseline (2015)	Milestone (2017)	Target (2020)	Latest known results (2017)
Time-to-patch rate is high for systems managed by DIGIT (ITIC environment and DIGIT data centres) but unsatisfactory at overall corporate level.	Increase by 50% the number of systems achieving their time-to-patch rate targets.	Compliance with the time-to-patch rate targets for at least 90% of systems in the EC IT environment.	The end-to-end vulnerability process, documented in 2015 and field-tested throughout 2016, is operational and covers all IT systems in the EC corporate environment. The process systematically includes time-to-patch progress monitoring, confirming that the <u>increase by 50% of the number of systems achieving their time-to-patch rate targets has been reached</u> , except for the cases where patching has to be delayed due to business continuity reasons (duly justified cases, recorded and followed up as "exceptions")

Result indicator 2: Coverage/accessibility of the corporate incident response service

provided by DIGIT (percentage of system owners aware of and using the service of CSIRC)

Source of data: *DG DIGIT*

Baseline (2015)	Milestone (2017)	Target (2020)	Latest known results (2017)
CSIRC service is available and present in DIGIT service catalogue but many stakeholders, including system owners, are still not aware of it or do not use it.	Include measurement of system owners' awareness and assessment of accessibility of the corporate incident response service provided by DIGIT.	At least 90% of system owners aware and using the service.	According to the indicators provided by the CSIRC Team, the level of system owners' awareness and assessment of accessibility of the corporate incident response service has reached 47% in 2017. We expect that this rate will grow further as from this year.

Main outputs in 2017:



SER – ICT SECURITY: BETTER IT SECURITY SERVICES

Description	Indicator	Target	Latest known results (situation on 31/12/2017)
<p>8-1 Monitoring and response Maintain and develop the operational cyber-defence capabilities, improve their maturity through the following main activities: a) Security monitoring and detection capabilities improvement (SOC)</p>	<p>a) Percentage of key corporate systems monitored</p>	<p>a) All of the key corporate systems monitored</p>	<p>See individual status of each sub-output</p> <p>Rescheduled</p> <p>a) Operational problems experienced with the new Council Framework contract (contractor not able to provide suitable offers for service providers hiring), have delayed the reinforcement planned in 2017 of the Security Detection and Monitoring team (SOC).</p>

<p>b) Security incident response capabilities improvement (CSIRC)</p> <p>c) IT Security infrastructure consolidation in Luxembourg (SOE)</p>	<p>b) Performance of the corporate cyber-security incident response service</p> <p>c) Completion of IT Security infrastructure deployment in Luxembourg</p>	<p>b) All identified/ notified security incidents handled with response time improved by 10% compared to 2016.</p> <p>c) IT Security infrastructure deployment finalised in Luxembourg in 2017</p>	<p>This has heavily delayed the realisation of MP output target. Focus has been set on developing and consolidating detection and monitoring of critical systems/infrastructure involved in SHS programme.</p> <p>Target Met</p> <p>b) Continuous actions undertaken to improve service maturity and efficiency have allowed to slightly improve security incident response time. This is confirmed by 2017 service statistics that shows a global response time improvement of 15%.</p> <p>c.1) Rescheduled Due to modification made to 2017 budget programming, the project aiming at providing DIGIT.S with security infrastructure backup solution has been postponed to 2018.</p> <p>c.2) Target met On the other hand, progresses have been made on the deployment of the security operations infrastructure. This includes the critical migration of Security monitoring infrastructure (ArcSight NG), the reinforcement</p>
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d) IT Security infrastructure setup in Brussels (SOE)	d) Completion of IT Security infrastructure deployment in Brussels	d) 50% of IT Security infrastructure deployed and setup in Brussels in 2017	<p>of physical security of DIGIT.S' premises and machine room, security solution deployment and machine room setup finalisation MP output target 'IT Security infrastructure deployment finalised in Luxembourg in 2017 ' can therefore be considered as 'Partially reached' for 2017.</p> <p>Rescheduled</p> <p>d) Due to modifications made to 2017 budget programming, the project setup IT Security operation infrastructure in Brussels has been postponed to 2018 and will be finalised in due course during this year.</p>
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General objective I:

To help achieve the overall political objectives, the Commission will effectively and efficiently manage and safeguard assets and resources, and attract and develop the best talents

Impact indicator: Staff engagement index in the Commission

Source of data: *European Commission*

Baseline (2014)	Target (2020)	Latest known results (2016)
65.3%	Increase	64.3%

Specific objective 9:

Better IT security decision making

Result indicator: Corporate level compliance with IT security rules

Source of data: *The annual survey of HR.DS will be taken over by DIGIT S.*

Baseline (2015)	Milestone (2017)	Target (2020)	Latest known results (2017)
50%	70%	80%	Objective reached

Main outputs in 2017:

SER – ICT SECURITY: BETTER IT SECURITY SERVICES AND PARTIAL CENTRALISATION OF THE LISO ROLE



Description	Indicator	Target	Latest known results (situation on 31/12/2017)
<p>9-1 IT security governance and policy</p> <p><u>IT security governance</u> a) Ensure that senior management is informed about corporate IT security posture (security threats and risks) to support IT security governance and decision process.</p> <p>b) Partial centralisation of LISO role</p>	<p><u>IT security governance</u> a-1) Progress in the setup of global process for IT security posture (security threats and risks) assessment, consolidation and reporting to senior management</p> <p>a-2) Percentage of key corporate systems covered by global process for IT security posture (security threats and risks) assessment, consolidation and reporting to senior management</p> <p>a-3) Progress in the definition of Quick scan process for IT systems</p> <p>a-4) Percentage of key corporate systems covered by Quick scan process for IT systems</p> <p>b) Progress in LISO role</p>	<p><u>IT security governance</u> a-1) Process defined and operational in Q2 2017</p> <p>a-2) Majority of key corporate systems covered by the new process in 2017</p> <p>a-3) Process defined and operational in Q2 2017</p> <p>a-4) Majority of key corporate systems covered by the new process</p> <p>b-1) LISO service requirements</p>	<p>See individual status of each sub-output</p> <p>Target met <u>IT security governance</u> a1+a2+a3+a4) Both IT security posture and Quick scan processes are operational and covering majority of key corporate systems. Quarterly reports on IT security are presented regularly to DIGIT Senior Management (DISB meetings) and to the Information Security Steering Board (ISSB). ISSB yearly report is under finalisation for 2017. MP output target can therefore be considered as reached.</p> <p>Target partially met b) In the second half of 2017, an extensive</p>

<p><u>IT security policy</u> c) Specification, documentation, review, approval and dissemination of the implementing rules for the new IT security policy decision</p> <p>d) Advice and consultancy on the technical and regulatory</p>	<p>centralisation</p> <p><u>IT security policy</u> c-1) New implementing rules for the new IT security policy decision adopted</p> <p>c-2) Plan for revision of standards defined</p> <p>d-1) Progress in the setup of Advice and</p>	<p>defined in Q2 2017</p> <p>b-2) LISO service pilot completed with 2 DGs by end 2017.</p> <p><u>IT security policy</u> c-1) By end 2017</p> <p>c-2) Q2 2017</p> <p>d-1) Service operational by end 2017</p>	<p>consultation of the Resources Directors was organised, to get a view on the specific requirements of the DGs and provide them with further clarifications on how the service is conceived for the pilot delivery. The DGs and other Commission services participating in the pilot implementation of the LISO service have been identified.</p> <p>Target met <u>IT security policy</u> c) New implementing rules for the new IT security policy decision have been adopted and published. Technical IT security standards drafting: Plan for standard revision has been defined. Additional : Web security standard has been drafted and Password standard is ready for adoption (foreseen in DISB 26/1/2018) MP output target 'Specification, documentation, review, approval and dissemination of the implementing rules for the new IT security policy decision' can therefore be considered as reached.</p> <p>Target met d1+d2) Service is now operational. Continuous advice and</p>
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<p>aspects of IT security policy and its implementation</p> <p>e) Secure system lifecycle (S2LC) to support system owners with the existing standards.</p> <p><i>IT security strategy</i></p>	<p>consultancy for IT security policy technical and regulatory aspects and implementation service.</p> <p>d-2) Efficiency of Advice and consultancy for IT security policy technical and regulatory aspects, and, implementation service.</p> <p>e) Progress in piloting Secure System Lifecycle (S2LC)</p> <p><i>IT security</i></p>	<p>d-2) Reduced response time: 80% of answers to be provided within 5 working days</p> <p>e) Secure System Lifecycle (S2LC) piloted by end 2017</p> <p><i>IT security</i></p>	<p>consultancy is provided to the LISO network and other stakeholders on IT security policy related issues. LISOs are also engaged in projects on diverse IT Security topics for DG's. In addition to this an IT security portal has been set up with a first draft of Implementing Rules interactive guideline to improve information sharing and response time to stakeholders' requests. This has allowed to reach the objective of having 80% of answers to be provided within 5 working days.</p> <p>Target partially met</p> <p>e) Definition of global security processes for a Secure System Life-Cycle (S²LC) was delayed. Nevertheless the delivery of global follow-up of systems through S²LC Should be finalised by Q1 2018. The first draft definition of an IT Security Risk Management Methodology (ITSRM²) for the Commission, with basic tools, has been delivered as planned; finalisation and deployment are ongoing Risk Management reviews and Advices and participation in Risk Management processes are currently done on ad-hoc basis as planned.</p> <p>Target Met</p> <p><i>IT security strategy</i></p>
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<p>f) Monitoring of the implementation of the IT security strategy</p> <p>g) Annual revision and update of the corporate IT security strategy</p>	<p><u>strategy</u></p> <p>f) Status updates to ISSB and DISB</p> <p>g) Progress on the preparation and adoption of the revised strategy</p>	<p><u>strategy</u></p> <p>f) Updates available at the ISSB and DISB meetings</p> <p>g) Annual review of the strategy completed and the updated version of the strategy submitted to ISSB for adoption by the end 2017.</p>	<p>f) In 2017 DIGIT.S has performed regular monitoring of the progress in the implementation of the strategy (via DISB) and has report to ISSB (yearly report) about the status of the implementation of the IT Security strategy at the end of the year</p> <p>Target met</p> <p>g) A global review of the IT Security strategy has been performed end 2017. Following IAS Audit on Corporate IT Strategy, an Action Plan has been defined for the future (see section 2.1.3).</p>
<p>9-2 IT security awareness raising</p> <p>Continuity of structured programme for cyber-security awareness raising among various stakeholders (end-users, technical staff, decision makers)</p>	<p>a-1) Coverage of target groups by corporate awareness raising programme</p> <p>a-2) Percentage of users covered in each target group</p>	<p>a-1) 3 different target groups in Q1 2017.</p> <p>a-2) At least 50% of users covered in each target group.</p>	<p>Target met</p> <p>a) Implementation of the corporate programme for cyber security awareness raising for all Commission staff is progressing as planned with between others:</p> <ul style="list-style-type: none"> - Information sessions for end-users in 18 DGs, specific sessions organised for technical staff (ITIC Helpdesk, Webmasters, BC teams, PMO IT team); - Several briefings for Higher Management and for Cabinet members; - 12 Cyber Aware Lunch talks organised with invited experts;



			MP output target can therefore be considered as reached.
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Optimise DIGIT's delivery

General objective I: To help achieve the overall political objectives, the Commission will effectively and efficiently manage and safeguard assets and resources, and attract and develop the best talents			
Impact indicator: Staff engagement index in the Commission			
Source of data: <i>European Commission</i>			
Baseline (2014)	Target (2020)	Latest known results (2016)	
65.3%	Increase	64.3%	
Specific objective 10: Increased customer focus			
Result indicator: Degree of the implementation of DIGIT's Customer Orientation Strategy			
Source of data: <i>DG DIGIT</i>			
Baseline (2015)	Milestone (2017)	Target (2020)	Latest known results (2017)
DIGIT's Customer Orientation Strategy endorsed by DIGIT's senior management.	All actions of the Customer Orientation Roadmap are implemented in 2017.	If necessary, implementation of corrective actions and/or additional actions complementary to the roadmap.	The Customer Orientation Roadmap actions are under implementation in 2017. Major steps have taken with the CRM function being in place.
Main outputs in 2017:			
Description	Indicator	Target	Latest known results (situation on 31/12/2017)
10-1 Coordinate the implementation of the Customer Orientation Roadmap	Progress of the implementation of the Customer Orientation Roadmap (source: Customer Orientation Strategy and Roadmap).	15 out of the 15 tracks of the Customer Orientation Roadmap implemented as per end of 2017.	Target met Correction: there are only 14 tracks – not 15. All tracks were under implementation in 2017. Major steps have been achieved with the CRM function being in place. First deliverables in place for all tracks.


General objective I: To help achieve the overall political objectives, the Commission will effectively and efficiently manage and safeguard assets and resources, and attract and develop the best talents			
Impact indicator: Staff engagement index in the Commission			
Source of data: <i>European Commission</i>			
Baseline (2014)	Target (2020)	Latest known results (2016)	
65.3%	Increase	64.3%	
Specific objective 11: Optimised resources management			
Result indicator [KPI-5]: Availability of a management system allowing flexible allocation of resources to priorities			
Source of data: <i>DG DIGIT</i>			
Baseline (2015)	Milestone (2017)	Target (2020)	Latest known results (2017)
DIGIT defined a methodology in order to assess the priority and the maturity of its processes, and the adequacy of the resources (staff) allocation. It resulted in the identification of exact staff needs essential to ensure the achievement of priorities as well as potential optimisation areas. It is used as a support for an optimised reallocation of vacant posts to priorities. This priority identification relies on DIGIT's Work Programme, which provides an accurate picture of DIGIT's activities and also establishes a link with the HR allocation, budget allocation and risks, providing staff and management with a clear and dynamic picture of its	<ul style="list-style-type: none"> - Further alignment of DIGIT's Work Programme and budget structure; - Identification of priorities, resources needs and optimisation potentials embedded in the annual planning exercise. 	<p>Availability of a management system embedded in DIGIT's operations which:</p> <ul style="list-style-type: none"> - allows flexible allocation of DIGIT's resources (staff and budget) to its priorities; - is owned and used by DIGIT's management. 	<ul style="list-style-type: none"> - Budget input structure for 2018 detailed and 2019 Draft Budget (DB) were prepared based on lessons learned from 2017 budgetary exercise; - DIGIT's senior management team (SMT) was invited to provide top-down inputs on priorities, before start of the budgetary exercise; - Budgetary request input sheets contains priorities per activity, as well as additional priorities as indicated by DIGIT's SMT

activities, resources and goals.			
Main outputs in 2017:			
Description	Indicator	Target	Latest known results (situation on 31/12/2017)
11-1 Consolidate the strategic planning and monitoring activities (internal governance) relying on DIGIT's Work Programme (WP) resulting in: - optimised budget and human resources allocation along DIGIT's priorities - portfolio management activities, including regular monitoring, feeding into structured and timely decision making.	a) WP used for supporting priority management, staff allocation and budget (re)programming .	a) Budget (re)programming and monitoring aligned with the WP, priority management discussions based on the WP, funded and non-funded projects/operations clearly identified, budget and HR information kept up to date in the WP.	Target met a) Budget (re)programming is fully aligned with the WP as maintained in GovIs2 with all the activities (projects/operations). Budget information is fully up-to-date and HR information is based on the best effort estimations.
	b-c) Regular monitoring of activities in the WP, the results of which are shared with the (senior) management tailored to their needs.	b) Up to date information documented in the WP on the state of play of projects and operations at least three times per year and more frequently where deemed necessary (specific priorities, identified implementation risks, etc.). c) Availability of dashboards – customised to the needs of the	b) Programme structure (logical grouping of activities with common objectives) introduced to enable appropriate level of management and reporting to the SMT. PMB - Priority Management Board - established in Feb 2017 – as a facility for strategic monitoring and priority management; c) design of the dashboard is ongoing on the basis of monitoring of Management Plan's

		(senior) management – presenting the implementation status of activities in order to support decision taking.	outputs and additional priority items as proposed by the Senior Management Team.
	d) Availability and implementation of a process to approve new projects/changes at senior management level.	d) All new projects/changes are submitted to a centralised approval process and documented and monitored in the WP.	d) new projects are checked within Local Governance Team before being submitted to PMB for final approval
<p>11-2 Review of the organisation of financial management in DIGIT:</p> <p>a) Financial Information System Setup:</p> <ul style="list-style-type: none"> – Extend operational eModules to further contracts/transactions – Analyse and test additional modules – Decommission and replacement of Syslog DG and AAForms <p>b) Review of Financial Circuits:</p> <ul style="list-style-type: none"> – Simplify & decentralise financial circuits – Harmonise and document financial circuits <p>c) Balance of ex ante & ex post controls:</p> <ul style="list-style-type: none"> – Adapt and streamline financial controls 	<p>a) Number of transactions (commitments and payments) processed via eProcurement modules</p> <p>b) Implement updated financial circuits</p> <p>c) Full documentation of checks, including risks.</p>	<p>By 2017:</p> <p>a) eRequest / eOrdering: 50%; eFulfilment: 50%; eInvoicing: 90%</p> <p>b) Harmonised financial circuits: reduce the number of alternative circuits to a common one by decentralising authorisation from financial unit to operational units.</p> <p>c) Complete analysis and review of controls on</p>	<p>Target partially met Results for 2017</p> <p>a) The results are slightly below target as some planned activities have been postponed: eRequest/eOrdering: 53%; eFulfilment 47% eInvoicing:80%</p> <p>b) Due to some organisational changes e. g. re-organisation of DIGIT the review of the financial circuits was launched, but will continue in 2018.</p> <p>c) The actions planned under a) and b) will impact how ex-ante and ex-post controls will be</p>

<p>based on a systematic risk assessment.</p> <ul style="list-style-type: none"> – Complement ex ante controls with risk-based ex post controls. 	<p>Methodology for sampling and review.</p>	<p>commitments and payments based on systematic risk analysis. Implementation depends on progress of the review of financial circuits</p>	<p>performed in the future.</p>
<p>11-3 Streamline budgetary programming in DIGIT:</p> <p>a) Consolidated cost model fine-tuned and streamlined in order to ease extraction of trustworthy analytical data.</p> <p>b) Optimise the alignment between this cost model, the DIGIT WP, the Services catalogue and the chargeback systems, including the</p>	<p>a) Analytical data from the consolidated DIGIT cost model is agreed amongst all parties and ready to be used for budget programming and chargeback.</p> <p>b) Cost model results enable valuing all WP services and are ready to be used for Service catalogue and</p>	<p>a) Final version of consolidated cost model. Version agreed to become master data for the future.</p> <p>b) Alignment of WP services with the cost model and the Catalogue. Documentation of chargeable</p>	<p>Target partially met</p> <p>a) And b) The DIGIT consolidated cost model progressed well and a draft version including for the first time an exhaustive overview of DIGIT's services and their costs was prepared. For formal approval it was presented internally to the DIGIT Steering Committee and also discussed in the GDR subgroup chargeback. The groups identified certain areas for improvement and added further requirements which will be incorporated in 2018. DIGIT is targeting an endorsement in 2018.</p>

<p>consolidation of the Memoranda of Understandings.</p> <p>c) Improved Budget Programming:</p> <ul style="list-style-type: none"> - Design phase to replace Syslog DG and develop a tool ensuring adapted analytical budget programming and follow-up; - Alignment with DIGIT's work programme (systematic identification of projects & activities); - Develop business budget control and intelligence capacities to justify and documents both estimates and actuals; - Multiannual estimates to cover the lifetime of projects; - Production of periodic reports and scoreboards. 	<p>charge back services.</p> <p>c) Budget programming improved:</p> <ul style="list-style-type: none"> - All needed functionalities are identified and agreed by stakeholders. They are included in the setup of the new budgetary module that will replace Syslog DG; - Budget identified for all Processes and projects of the DIGIT WP; - No major remarks from DG BUDG regarding the DB request justification; - Consolidation of IT budget on a reduced number of budget lines; - Satisfaction level of internal stakeholders. 	<p>services in the Catalogue. Endorsed pricing strategy. Agreed basis for charge back and consolidated cost model.</p> <p>c) DIGIT's action implemented. Design phase of the project to replace Syslog DG finished by end 2017.</p>	<p>c)</p> <ul style="list-style-type: none"> - The scope of developing new budget tools has been broadened to incorporate not only budget but also operational, programming and financial needs. A The kick-off was held by Q4 2017 and the design is expected to be finalised in 2018. - Multi-annual views are available but further necessary development of budget control and intelligence covering lifetime of the projects will be dependent on the finalisation of the above mentioned IT tool - Alignment with WP has been fully achieved in 2017 and ad-hoc reporting ensured - Number of budget lines used was strongly reduced from 414 lines in
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			<p>2016 to 274 lines in 2017</p> <ul style="list-style-type: none">- A workshop to improve the whole budget/programming/priority management processes and to reach client satisfaction has been performed by June 28th and was followed by an action plan fully implemented by YE 2017
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Annex 3 Financial Reports - DG DIGIT - Financial Year 2017

Table 1 : Commitments

Table 2 : Payments

Table 3 : Commitments to be settled

Table 4 : Balance Sheet

Table 5 : Statement of Financial Performance

Table 5 Bis: Off Balance Sheet

Table 6 : Average Payment Times

Table 7 : Income

Table 8 : Recovery of undue Payments

Table 9 : Ageing Balance of Recovery Orders

Table 10 : Waivers of Recovery Orders

Table 11 : Negotiated Procedures (excluding Building Contracts)

Table 12 : Summary of Procedures (excluding Building Contracts)

Table 13 : Building Contracts

Table 14 : Contracts declared Secret

Additional comments

TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2017 (in Mio €)

Chapter		Payment appropriations authorised *	Payments made	%	
		1	2	3=2/1	
Title 01 Economic and financial affairs					
01	01 01	Administrative expenditure of the 'Economic and financial affairs' policy area	0,12915621	0,12915621	100,00 %
	01 02	Economic and monetary union	0,08305067	0,08305067	100,00 %
	01 04	Financial operations and instruments	0,4175058	0,4175058	100,00 %
Total Title 01			0,62971268	0,62971268	100,00%
Title 02 Internal market, industry, entrepreneurship and SMEs					
02	02 01	Administrative expenditure of the 'Internal market, industry, entrepreneurship and SMEs' policy area	1,29990578	0,87248806	67,12 %
	02 02	Competitiveness of enterprises and small and medium-sized enterprises (COSME)	0,2345683	0,0099693	4,25 %
	02 03	Internal market for goods and services	1,33644474	1,33644474	100,00 %
Total Title 02			2,87091882	2,2189021	77,29%
Title 04 Employment, social affairs and inclusion					
04	04 01	Administrative expenditure of the 'Employment, social affairs and inclusion' policy area	0,89644464	0,7537405	84,08 %
	04 02	European Social Fund	0,02520013	0,02520013	100,00 %
	04 03	Employment, Social Affairs and Inclusion	0,85610618	0,85145857	99,46 %
Total Title 04			1,77775095	1,6303992	91,71%
Title 05 Agriculture and rural development					
05	05 01	Administrative expenditure of the 'Agriculture and rural development' policy area	0,21109478	0,1411214	66,85 %
	05 04	Rural development	0,30781429	0,30661427	99,61 %
	05 08	Policy strategy and coordination of the 'Agriculture and rural development' policy area	0,44021464	0,35652159	80,99 %
Total Title 05			0,95912371	0,80425726	83,85%
Title 06 Mobility and transport					
06	06 01	Administrative expenditure of the 'Mobility and transport' policy area	0,39758625	0,20978925	52,77 %
	06 02	European transport policy	0,65660123	0,62651141	95,42 %
Total Title 06			1,05418748	0,83630066	79,33%
Title 07 Environment					
07	07 01	Administrative expenditure of the 'Environment' policy area	0,56127999	0,14131784	25,18 %
	07 02	Environmental policy at Union and international level	0	0,029999	
Total Title 07			0,56127999	0,17131684	30,52%
Title 08 Research and innovation					
08	08 01	Administrative expenditure of the 'Research and innovation' policy area	14,07427716	9,32846066	66,28 %
Total Title 08			14,07427716	9,32846066	66,28%
Title 09 Communications networks, content and technology					
09	09 01	Administrative expenditure of the 'Communications networks, content and technology' policy area	2,67362285	1,26787751	47,42 %
	09 03	Connecting Europe Facility (CEF) - Telecommunications networks	10,5377413	10,4619163	99,28 %

	09 04	Horizon 2020	0,10862727	0,10862727	100,00 %
Total Title 09			13,31999142	11,83842108	88,88%
Title 10 Direct research					
10	10 01	Administrative expenditure of the 'Direct research' policy area	2,39855636	0,9608248	40,06 %
Total Title 10			2,39855636	0,9608248	40,06%
Title 11 Maritime affairs and fisheries					
11	11 01	Administrative expenditure of the 'Maritime affairs and fisheries' policy area	0,07185705	0,03680396	51,22 %
	11 06	European Maritime and Fisheries Fund (EMFF)	0,42000677	0,4195554	99,89 %
Total Title 11			0,49186382	0,45635936	92,78%
Title 13 Regional and urban policy					
13	13 01	Administrative expenditure of the 'Regional and urban policy' policy area	2,40558867	0,96553169	40,14 %
	13 03	European Regional Development Fund and other regional operations	0	0,58368121	
Total Title 13			2,40558867	1,5492129	64,40%
Title 14 Taxation and customs union					
14	14 01	Administrative expenditure of the 'Taxation and customs union' policy area	0,0704609	0,0704269	99,95 %
	14 02	Customs	4,17896158	4,11540197	98,48 %
	14 03	Taxation	0,16701337	0,16336362	97,81 %
	14 04	Policy strategy and coordination	0,012495	0,003675	29,41 %
Total Title 14			4,42893085	4,35286749	98,28%
Title 15 Education and culture					
15	15 01	Administrative expenditure of the 'Education and culture' policy area	2,16506797	0,8611838	39,78 %
Total Title 15			2,16506797	0,8611838	39,78%
Title 16 Communication					
16	16 01	Administrative expenditure of the 'Communication' policy area	0,89728601	0,76186537	84,91 %
	16 03	Communication actions	5,5428855	5,40967502	97,60 %
Total Title 16			6,44017151	6,17154039	95,83%
Title 17 Health and food safety					
17	17 01	Administrative expenditure of the 'Health and food safety' policy area	0,99637965	0,8281155	83,11 %
	17 03	Public health	0,50127457	0,50127457	100,00 %
	17 04	Food and feed safety, animal health, animal welfare and plant health	1,4605859	1,03168813	70,64 %
Total Title 17			2,95824012	2,3610782	79,81%
Title 18 Migration and home affairs					
18	18 01	Administrative expenditure of the 'Migration and home affairs' policy area	0,77511236	0,39135036	50,49 %
	18 02	Internal security	3,89024721	3,89024721	100,00 %
	18 03	Asylum and migration	0,23053881	0,09459802	41,03 %
Total Title 18			4,89589838	4,37619559	89,38%
Title 20 Trade					
20	20 02	Trade policy	0,05813915	0,05813915	100,00 %

Total Title 20			0,05813915	0,05813915	100,00%
Title 21 International cooperation and development					
21	21 01	Administrative expenditure of the 'International cooperation and development' policy area	8,48916749	4,68168212	55,15 %
Total Title 21			8,48916749	4,68168212	55,15%
Title 22 Neighbourhood and enlargement negotiations					
22	22 01	Administrative expenditure of the 'Neighbourhood and enlargement negotiations' policy area	2,79272206	0,58028637	20,78 %
	22 02	Enlargement process and strategy	0,0017	0	0,00 %
Total Title 22			2,79442206	0,58028637	20,77%
Title 23 Humanitarian aid and civil protection					
23	23 01	Administrative expenditure of the 'Humanitarian aid and civil protection' policy area	0,10467671	0,03791746	36,22 %
	23 03	The Union Civil Protection Mechanism	0,211282	0,201282	95,27 %
	23 04	EU Aid Volunteers initiative	0,09842	0,06188	62,87 %
Total Title 23			0,41437871	0,30107946	72,66%
Title 24 Fight against fraud					
24	24 01	Administrative expenditure of the 'Fight against fraud' policy area	1,10445593	0,55294226	50,06 %
Total Title 24			1,10445593	0,55294226	50,06%
Title 25 Commission's policy coordination and legal advice					
25	25 01	Administrative expenditure of the 'Commission's policy coordination and legal advice' policy area	12,58778085	6,88250994	54,68 %
Total Title 25			12,58778085	6,88250994	54,68%
Title 26 Commission's administration					
26	26 01	Administrative expenditure of the 'Commission's administration' policy area	49,30813107	25,89870904	52,52 %
	26 03	Services to public administrations, businesses and citizens	26,2341385	24,3960081	92,99 %
Total Title 26			75,54226957	50,29471714	66,58%
Title 27 Budget					
27	27 01	Administrative expenditure of the 'Budget' policy area	1,72446086	0,23677789	13,73 %
Total Title 27			1,72446086	0,23677789	13,73%
Title 28 Audit					
28	28 01	Administrative expenditure of the 'Audit' policy area	0,35183982	0,13282698	37,75 %
Total Title 28			0,35183982	0,13282698	37,75%
Title 29 Statistics					
29	29 01	Administrative expenditure of the 'Statistics' policy area	0,3145862	0,10828446	34,42 %
	29 02	The European statistical programme	3,57326325	3,57631332	100,09 %
Total Title 29			3,88784945	3,68459778	94,77%
Title 31 Language services					
31	31 01	Administrative expenditure of the 'Language services' policy area	3,0970369	1,30226148	42,05 %
Total Title 31			3,0970369	1,30226148	42,05%
Title 32 Energy					
32	32 01	Administrative expenditure in the 'Energy' policy area	0,41666606	0,20654703	49,57 %
	32 02	Conventional and renewable energy	0,09953737	0,09953737	100,00 %

	32 03	Nuclear energy	0,05815098	0,05815098	100,00 %
Total Title 32			0,57435441	0,36423538	63,42%
Title 33 Justice and consumers					
33	33 01	Administrative expenditure of the 'Justice and consumers' policy area	0,88713748	0,53477183	60,28 %
	33 02	Rights, Equality and Citizenship	0,08781544	0,08497432	96,76 %
	33 03	Justice	0,47631411	0,48375911	101,56 %
	33 04	Consumer programme	0,72145331	0,72145331	100,00 %
Total Title 33			2,17272034	1,82495857	83,99%
Title 34 Climate action					
34	34 01	Administrative expenditure in the 'Climate action' policy area	2,85369318	1,24509587	43,63 %
	34 02	Climate action at Union and international level	0	0,1246	
Total Title 34			2,85369318	1,36969587	48,00%
Title XX Administrative Expenditure allocated to policy areas					
XX	XX 01	Administrative Expenditure allocated to policy areas	228,7883154	147,0909796	64,29 %
Total Title XX			228,7883154	147,0909796	64,29%
Total DG DIGIT			405,872444	267,904723	66,01 %

* Payment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous payment appropriations for the period (e.g. internal and external assigned revenue).

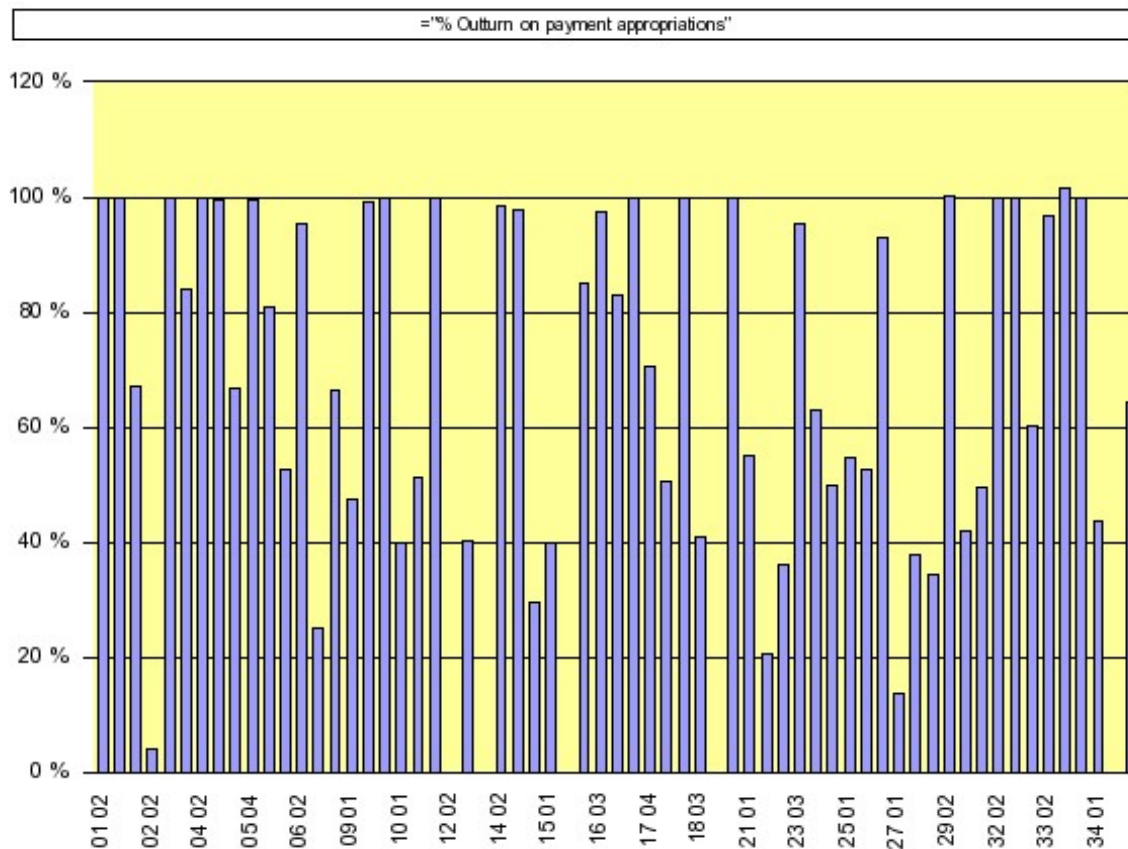


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2017 (in Mio €)

Chapter			2017 Commitments to be settled				Commitments to be settled from financial years previous to 2017	Total of commitments to be settled at end of financial year 2017	Total of commitments to be settled at end of financial year 2016
			Commitments 2017	Payments 2017	RAL 2017	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
Title 01 : Economic and financial affairs									
01	01 01	Administrative expenditure of the 'Economic and financial affairs' policy area	0	0,00	0	0,00 %	0,00	0,00	0,13
	01 02	Economic and monetary union	0,19778771	0,08	0,11473704	58,01 %	0,00	0,11	0,00
	01 04	Financial operations and instruments	0,20161978	0,15	0,0511	25,34 %	0,00	0,05	0,27
Total Title 01			0,39940749	0,23	0,16583704	41,52%	0	0,16583704	0,39618686
Title 02 : Internal market, industry, entrepreneurship and SMEs									
02	02 01	Administrative expenditure of the 'Internal market, industry, entrepreneurship and SMEs' policy area	0,51456632	0,09	0,42741672	83,06 %	0,00	0,43	0,79
	02 02	Competitiveness of enterprises and small and medium-sized enterprises (COSME)	0,23415856	0,00	0,23415856	100,00 %	0,00	0,23	0,01
	02 03	Internal market for goods and services	1,20391686	0,20	1,00392377	83,39 %	0,03	1,04	1,17
Total Title 02			1,95264174	0,29	1,66549905	85,29%	0,03423622	1,69973527	1,96599663
Title 04 : Employment, social affairs and inclusion									
04	04 01	Administrative expenditure of the 'Employment, social affairs and inclusion' policy area	0,33402382	0,19	0,14233382	42,61 %	0,00	0,14	0,56
	04 02	European Social Fund	0,09658064	0,03	0,07138051	73,91 %	0,00	0,07	0,00
	04 03	Employment, Social Affairs and Inclusion	0,67014892	0,43	0,24038181	35,87 %	0,00	0,24	0,42
Total Title 04			1,10075338	0,65	0,45409614	41,25%	0,00292752	0,45702366	0,98666948
Title 05 : Agriculture and rural development									
05	05 01	Administrative expenditure of the 'Agriculture and rural development' policy area	0,07464774	0,01	0,06952634	93,14 %	0,00	0,07	0,14

	05 04	Rural development	0,25909896	0,00	0,25909896	100,00 %	0,00	0,26	0,31
	05 08	Policy strategy and coordination of the 'Agriculture and rural development' policy area	0,13125692	0,00	0,13125692	100,00 %	0,00	0,13	0,36
Total Title 05			0,46500362	0,01	0,45988222	98,90%	0,00035	0,46023222	0,79967892
Title 06 : Mobility and transport									
06	06 01	Administrative expenditure of the 'Mobility and transport' policy area	0,187547	0,00	0,187547	100,00 %	0,00	0,19	0,21
	06 02	European transport policy	0,75125913	0,00	0,75125913	100,00 %	0,05	0,80	0,68
Total Title 06			0,93880613	0,00	0,93880613	100,00%	0,05001	0,98881613	0,88631066
Title 07 : Environment									
07	07 01	Administrative expenditure of the 'Environment' policy area	0,43632743	0,02	0,41988215	96,23 %	0,00	0,42	0,12
	07 02	Environmental policy at Union and international level	0	0,00	0	0,00 %	0,00	0,00	0,03
Total Title 07			0,43632743	0,02	0,41988215	96,23%	0	0,41988215	0,15495156
Title 08 : Research and innovation									
08	08 01	Administrative expenditure of the 'Research and innovation' policy area	8,49318523	3,79	4,70124355	55,35 %	0,00	4,70	5,58
Total Title 08			8,49318523	3,79	4,70124355	55,35%	0	4,70124355	5,58055899
Title 09 : Communications networks, content and technology									
09	09 01	Administrative expenditure of the 'Communications networks, content and technology' policy area	1,47138979	0,04	1,42752034	97,02 %	0,00	1,43	1,22
	09 03	Connecting Europe Facility (CEF) - Telecommunications networks	3,336488	0,15	3,18721661	95,53 %	10,51	13,70	20,83
	09 04	Horizon 2020	0,344995	0,01	0,33856746	98,14 %	0,00	0,34	0,10
Total Title 09			5,15287279	0,20	4,95330441	96,13%	10,51326487	15,46656928	22,15519901
Title 10 : Direct research									
10	10 01	Administrative expenditure of the 'Direct research' policy area	1,45815521	0,02	1,43725521	98,57 %	0,00	1,44	0,94
Total Title 10			1,45815521	0,02	1,43725521	98,57%	0	1,43725521	0,9399248

Title 11 : Maritime affairs and fisheries									
11	11 01	Administrative expenditure of the 'Maritime affairs and fisheries' policy area	0,05096593	0,02	0,03488825	68,45 %	0,00	0,03	0,02
	11 06	European Maritime and Fisheries Fund (EMFF)	0,83969669	0,15	0,69073004	82,26 %	0,00	0,69	0,27
Total Title 11			0,89066262	0,17	0,72561829	81,47%	0,00032938	0,72594767	0,29196399
Title 12 : Financial stability, financial services and capital markets union									
12	12 02	Financial services and capital markets	0,1394589	0,00	0,1394589	100,00 %	0,00	0,14	0,00
Total Title 12			0,1394589	0,00	0,1394589	100,00%	0	0,1394589	0
Title 13 : Regional and urban policy									
13	13 01	Administrative expenditure of the 'Regional and urban policy' policy area	1,43403444	0,00	1,43403444	100,00 %	0,00	1,43	0,97
	13 03	European Regional Development Fund and other regional operations	0,34259157	0,32	0,02502238	7,30 %	0,00	0,03	0,27
Total Title 13			1,77662601	0,32	1,45905682	82,13%	0,0003	1,45935682	1,24049976
Title 14 : Taxation and customs union									
14	14 01	Administrative expenditure of the 'Taxation and customs union' policy area	0	0,00	0	0,00 %	0,00	0,00	0,07
	14 02	Customs	2,95787787	1,12	1,84100107	62,24 %	0,23	2,07	3,24
	14 03	Taxation	0,54633264	0,00	0,54288264	99,37 %	0,00	0,55	0,16
	14 04	Policy strategy and coordination	0,218	0,00	0,214325	98,31 %	0,00	0,21	0,00
Total Title 14			3,72221051	1,12	2,59820871	69,80%	0,23418678	2,83239549	3,46786521
Title 15 : Education and culture									
15	15 01	Administrative expenditure of the 'Education and culture' policy area	1,25766073	0,05	1,20385437	95,72 %	0,00	1,20	0,91
	15 02	Erasmus+	0,08376392	0,00	0,08376392	100,00 %	0,00	0,08	0,00
Total Title 15			1,34142465	0,05	1,28761829	95,99%	0	1,28761829	0,9067832
Title 16 : Communication									

16	16 01	Administrative expenditure of the 'Communication' policy area	0,46190759	0,33	0,13512398	29,25 %	0,00	0,14	0,44
	16 03	Communication actions	6,42156216	1,07	5,35238926	83,35 %	0,08	5,43	4,42
Total Title 16			6,88346975	1,40	5,48751324	79,72%	0,07557356	5,5630868	4,85780266
Title 17 : Health and food safety									
17	17 01	Administrative expenditure of the 'Health and food safety' policy area	0,54874965	0,38	0,16826415	30,66 %	0,00	0,17	0,45
	17 03	Public health	0,62713515	0,30	0,32802196	52,30 %	0,00	0,33	0,20
	17 04	Food and feed safety, animal health, animal welfare and plant health	1,019439	0,27	0,74781101	73,36 %	0,00	0,75	0,76
Total Title 17			2,1953238	0,95	1,24409712	56,67%	0,0002	1,24429712	1,4100899
Title 18 : Migration and home affairs									
18	18 01	Administrative expenditure of the 'Migration and home affairs' policy area	0,38288617	0,00	0,38288617	100,00 %	0,00	0,38	0,39
	18 02	Internal security	4,5118926	3,83	0,6858734	15,20 %	0,00	0,69	0,06
	18 03	Asylum and migration	0,37800651	0,00	0,37800651	100,00 %	0,00	0,38	0,09
	18 04	Fostering European citizenship	0,2234	0,00	0,2234	100,00 %	0,00	0,22	0,00
Total Title 18			5,49618528	3,83	1,67016608	30,39%	0	1,67016608	0,55017639
Title 20 : Trade									
20	20 02	Trade policy	0,26796573	0,06	0,20982658	78,30 %	0,00	0,21	0,00
Total Title 20			0,26796573	0,06	0,20982658	78,30%	0	0,20982658	0
Title 21 : International cooperation and development									
21	21 01	Administrative expenditure of the 'International cooperation and development' policy area	6,03215911	2,24	3,79615797	62,93 %	0,00	3,80	2,46
Total Title 21			6,03215911	2,24	3,79615797	62,93%	0	3,79615797	2,45582149
Title 22 : Neighbourhood and enlargement negotiations									

22	22 01	Administrative expenditure of the 'Neighbourhood and enlargement negotiations' policy area	2,51598092	0,30	2,21200671	87,92 %	0,00	2,21	0,28
Total Title 22			2,51598092	0,30	2,21200671	87,92%	0	2,21200671	0,27631216
Title 23 : Humanitarian aid and civil protection									
23	23 01	Administrative expenditure of the 'Humanitarian aid and civil protection' policy area	0,09870925	0,03	0,06675925	67,63 %	0,00	0,07	0,01
	23 03	The Union Civil Protection Mechanism	0,23251168	0,00	0,23251168	100,00 %	0,00	0,23	0,20
	23 04	EU Aid Volunteers initiative	0,26499612	0,06	0,20311612	76,65 %	0,00	0,20	0,00
Total Title 23			0,59621705	0,09	0,50238705	84,26%	0	0,50238705	0,20724946
Title 24 : Fight against fraud									
24	24 01	Administrative expenditure of the 'Fight against fraud' policy area	0,56948023	0,02	0,5509149	96,74 %	0,00	0,55	0,53
Total Title 24			0,56948023	0,02	0,5509149	96,74%	0	0,5509149	0,53437696
Title 25 : Commission's policy coordination and legal advice									
25	25 01	Administrative expenditure of the 'Commission's policy coordination and legal advice' policy area	7,67911029	1,89	5,79176518	75,42 %	0,00	5,79	5,06
Total Title 25			7,67911029	1,89	5,79176518	75,42%	0	5,79176518	5,05812899
Title 26 : Commission's administration									
26	26 01	Administrative expenditure of the 'Commission's administration' policy area	29,42129035	11,06	18,36393389	62,42 %	0,00	18,36	15,68
	26 03	Services to public administrations, businesses and citizens	32,6364659	2,46	30,17667115	92,46 %	8,62	38,80	31,13
Total Title 26			62,05775625	13,52	48,54060504	78,22%	8,62239517	57,16300021	46,8122463
Title 27 : Budget									
27	27 01	Administrative expenditure of the 'Budget' policy area	1,48333814	0,00	1,48221307	99,92 %	0,00	1,48	0,24
Total Title 27			1,48333814	0,00	1,48221307	99,92%	0	1,48221307	0,24042486
Title 28 : Audit									
28	28 01	Administrative expenditure of the 'Audit' policy area	0,22038297	0,00	0,21889581	99,33 %	0,00	0,22	0,13

Total Title 28			0,22038297	0,00	0,21889581	99,33%	0	0,21889581	0,13133982
Title 29 : Statistics									
29	29 01	Administrative expenditure of the 'Statistics' policy area	0,23303164	0,03	0,20626138	88,51 %	0,00	0,21	0,08
	29 02	The European statistical programme	3,56393317	0,36	3,1991392	89,76 %	0,02	3,22	3,24
Total Title 29			3,79696481	0,39	3,40540058	89,69%	0,01659418	3,42199476	3,31948857
Title 31 : Language services									
31	31 01	Administrative expenditure of the 'Language services' policy area	1,80688219	0,01	1,79379896	99,28 %	0,00	1,79	1,29
Total Title 31			1,80688219	0,01	1,79379896	99,28%	0	1,79379896	1,28917825
Title 32 : Energy									
32	32 01	Administrative expenditure in the 'Energy' policy area	0,21011902	0,00	0,21011902	100,00 %	0,00	0,21	0,21
	32 02	Conventional and renewable energy	0,21864838	0,00	0,21864838	100,00 %	0,00	0,22	0,10
	32 03	Nuclear energy	0,053	0,00	0,053	100,00 %	0,00	0,05	0,06
Total Title 32			0,4817674	0,00	0,4817674	100,00%	0	0,4817674	0,36423539
Title 33 : Justice and consumers									
33	33 01	Administrative expenditure of the 'Justice and consumers' policy area	0,47086659	0,12	0,35163615	74,68 %	0,00	0,35	0,42
	33 02	Rights, Equality and Citizenship	0,17993117	0,00	0,17993117	100,00 %	0,00	0,18	0,09
	33 03	Justice	0,5515933	0,04	0,5153683	93,43 %	0,03	0,54	0,48
	33 04	Consumer programme	0,40560174	0,35	0,05738743	14,15 %	0,00	0,06	0,37
Total Title 33			1,6079928	0,50	1,10432305	68,68%	0,02875	1,13307305	1,35020939
Title 34 : Climate action									
34	34 01	Administrative expenditure in the 'Climate action' policy area	1,61485427	0,01	1,60779257	99,56 %	0,00	1,61	1,24
	34 02	Climate action at Union and international level	0,00559823	0,00	0,00559823	100,00 %	0,00	0,01	0,12

Total Title 34			1,6204525	0,01	1,6133908	99,56%	0,0001	1,6134908	1,36273417
Title XX : Administrative Expenditure allocated to policy areas									
XX	XX 01	Administrative Expenditure allocated to policy areas	174,0361814	97,29	76,74858321	44,10 %	0,00	76,75	50,48
Total Title XX			174,0361814	97,29	76,74858321	44,10%	0	76,74858321	50,4780883
Total DG DIGIT			307,6151463	129,36	178,2595797	57,95 %	19,57921768	197,8387973	160,4704921



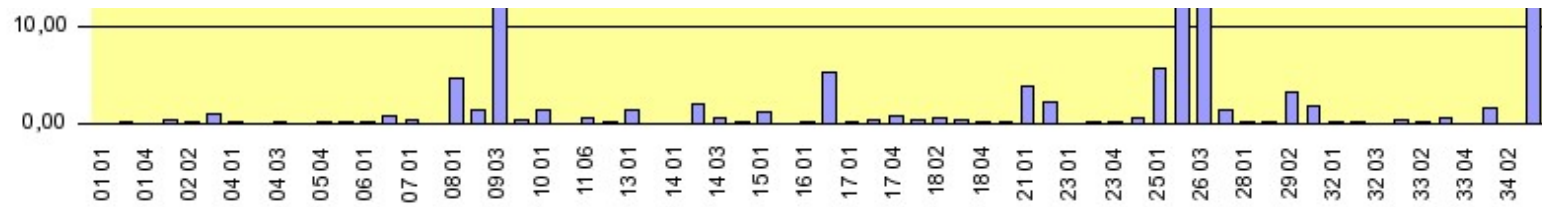


TABLE 4 : BALANCE SHEET DIGIT

BALANCE SHEET	2017	2016
A.I. NON CURRENT ASSETS	43888347,65	44454675,05
A.I.1. Intangible Assets	7.106.850,44	8.363.691,76
A.I.2. Property, Plant and Equipment	36.781.497,21	36.090.983,29
A.II. CURRENT ASSETS	749565,92	566011,69
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	741.903,02	564.920,71
A.II.6. Cash and Cash Equivalents	7.662,90	1.090,98
ASSETS	44637913,57	45020686,74
P.I. NON CURRENT LIABILITIES	-6060780,28	-2840925,56
P.I.3. Non-Current Financial Liabilities	-6.060.780,28	-2.840.925,56
P.II. CURRENT LIABILITIES	-2978366,77	-3997174,29
P.II.3. Current Financial Liabilities	-2.880.600,32	-2.845.798,88
P.II.4. Current Payables	-97.766,45	-1.151.375,41
P.II.5. Current Accrued Charges & Defrd Income	0,00	0,00
LIABILITIES	-9039147,05	-6838099,85
NET ASSETS (ASSETS less LIABILITIES)	35598766,52	38.182.586,89
P.III.2. Accumulated Surplus/Deficit	734.073.179,00	549578657,9
Non-allocated central (surplus)/deficit*	-769.671.945,52	-587761244,8
TOTAL	0,00	0,00

It should be noted that the balance sheet and statement of financial performance presented in Annex 3 to this Annual Activity Report, represent only the assets, liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and statement of financial performance they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still

TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE DIGIT

STATEMENT OF FINANCIAL PERFORMANCE	2017	2016
II.1 REVENUES	-24928597,86	-27044682,03
II.1.1. NON-EXCHANGE REVENUES	-185222,24	-530635,55
II.1.1.6. OTHER NON-EXCHANGE REVENUES	-185.222,24	-530.635,55
II.1.2. EXCHANGE REVENUES	-24743375,62	-26514046,48
II.1.2.2. OTHER EXCHANGE REVENUE	-24.743.375,62	-26.514.046,48
II.2. EXPENSES	262412469,8	211250267
II.2. EXPENSES	262412469,8	211250267
II.2.10. OTHER EXPENSES	237.771.194,70	190.579.858,37
II.2.2. EXP IMPLM BY COMMISS&EX.AGENC. (DM)	24.789.503,22	20.869.803,40
II.2.6. STAFF AND PENSION COSTS	-420.050,00	-610.620,95
II.2.8. FINANCE COSTS	271.821,91	411.226,18
STATEMENT OF FINANCIAL PERFORMANCE	237.483.871,97	184.205.584,97

Explanatory Notes (facultative):

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Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

TABLE 5bis : OFF BALANCE SHEET DIGIT

OFF BALANCE	2017	2016
OB.1. Contingent Assets	13928843,5	30120163,5
GR for performance	13.928.843,50	30.120.163,50
OB.3. Other Significant Disclosures	-446769,21	-856552,89
OB.3.2. Comm against app. not yet consumed		0,00
OB.3.5. Operating lease commitments	-446.769,21	-856.552,89
OB.4. Balancing Accounts	-13482074,29	-29263610,61
OB.4. Balancing Accounts	-13.482.074,29	-29.263.610,61
OFF BALANCE	0,00	0,00

Explanatory Notes (facultative):

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It should be noted that the balance sheet and statement of financial performance presented in Annex 3 to this Annual Activity Report, represent only the assets, liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and statement of financial performance they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

TABLE 6: AVERAGE PAYMENT TIMES FOR 2017 - DG DIGIT

Legal Times							
Maximum Payment Time (Days)	Total Number of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
30	7554	7439	98,48 %	11,90791773	115	1,52 %	49,92173913
60	196	196	100,00 %	8,571428571			

Total Number of Payments	7750	7635	98,52 %		115	1,48 %	
Average Net Payment Time	12,3876129			11,82226588			49,92173913
Average Gross Payment Time	13,52929032			12,93084479			53,26086957

Suspensions							
Average Report Approval Suspension Days	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
0	37	236	3,05 %	7750	#####	5,13 %	#####

Late Interest paid in 2017			
DG	GL Account	Description	Amount (Eur)
DIGIT	65010100	Interest on late payment of charges New FR	8 359,21
			8 359,21

TABLE 7 : SITUATION ON REVENUE AND INCOME IN 2017

Chapter		Revenue and income recognized			Revenue and income cashed from			Outstanding balance
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	
		1	2	3=1+2	4	5	6=4+5	7=3-6
55	REVENUE FROM THE PROCEEDS OF SERVICES SUPPLIED AND WORK CARRIED OUT	18274445,91	485325,55	18759771,46	18016234,82	485325,55	18501560,37	258211,09
57	OTHER CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH THE ADMINISTRATIVE OPERATION OF THE INSTITUTION	5057768,13	90460,77	5148228,9	4759298,44	90460,77	4849759,21	298469,69
66	OTHER CONTRIBUTIONS AND REFUNDS	1249980,76	0	1249980,76	1249980,76	0	1249980,76	0
90	MISCELLANEOUS REVENUE	185222,24	0	185222,24	0	0	0	185222,24
Total DG DIGIT		24767417,04	575786,32	25343203,36	24025514,02	575786,32	24601300,34	741903,02

**TABLE 8 : RECOVERY OF PAYMENTS
(Number of Recovery Contexts and corresponding Transaction Amount)**

Year of Origin (commitment)	Total undue payments recovered		Total transactions in recovery context(incl. non-qualified)		% Qualified/Total RC	
	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount
No Link			362	19247727,82		
Sub-Total			362	19247727,82		

EXPENSES BUDGET	Error		Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context(incl. non-qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES												
NON ELIGIBLE IN COST CLAIMS												
CREDIT NOTES									254	20.634.449,73		
Sub-Total									254	20634449,73		
GRAND TOTAL									616	39882177,55		

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2017 FOR DIGIT

	Number at 1/01/2017	Number at 31/12/2017	Evolution	Open Amount (Eur) at 1/01/2017	Open Amount (Eur) at 31/12/2017	Evolution
2016	23		-100,00 %	575.786,32		-100,00 %
2017		15			744.713,45	
	23	15	-34,78 %	575.786,32	744.713,45	29,34 %

TABLE 10 : RECOVERY ORDER WAIVERS IN 2017 >= EUR 100.000

	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments

Total DG DIGIT	
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Number of RO waivers	
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Justifications:

Please enter the text directly (no copy/paste of formatted text which would then disappear when saving the document in pdf), use "ctrl+enter" to go to the next line and "enter" to validate your typing.

TABLE 11 : CENSUS OF NEGOTIATED PROCEDURES - DG DIGIT - 2017

Internal Procedures > € 60,000

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
Art. 134.1(b) (Without prior publication) Work of art, technical reasons or protection of exclusive rights	4	292.545.867,40
Art. 134.1(e) (Without prior publication) Additional services and works which, through unforeseen circumstances, have become necessary	1	90.837.000,00
Art. 134.1(e) (Without prior publication) New services or works consisting in the repetition of similar services or works	1	44.200.000,00
Total	6	427.582.867,40

TABLE 12 : SUMMARY OF PROCEDURES OF DG DIGIT EXCLUDING BUILDING CONTRACTS

Internal Procedures > € 60,000

Procedure Legal base	Number of Procedures	Amount (€)
Exceptional Negotiated Procedure without publication of a contract notice (Art. 134 RAP)	6	427.582.867,40
Open Procedure (Art. 104(1) (a) FR)	4	786.829.004,18
Procedure launched by a non-ABAC institution - For migration only *	2	23.805.000,00
Total	12	1.238.216.871,58

* Institutions do not have ABAC, so DIGIT encodes them in the system for transactions purposes only.

Additional Comments:

JUSTIFICATION FOR DG DIGIT'S INTENSIVE RECOURSE TO NEGOTIATED PROCEDURES

The following considerations justify the fact that the recourse by DG DIGIT to negotiated procedure without prior publication of a contract notice referred to in points (a) to (f) of Art. 134(a) RAP is distinctly higher than the average recorded for the Commission: DIGIT plays a pivotal role providing digital services in order to give support to other Commission departments in many areas (business, workplace, and infrastructure solutions). DIGIT therefore provides a contractual framework that caters, among others, for the needs of the Commission's central infrastructure, as well as the implementation of the digital workplace initiative. In complex and highly sensitive files, DIGIT has to ensure the continuity of critical networks currently used not only by the Commission services but also by Member States and regulatory agencies in the context of police co-operation, asylum policy, foreign policy, civil protection, money laundering, etc., in which cases DIGIT may have to implement political and organisational decisions with great impact on the ongoing contracts volumes or lead to the conclusion of new contracts. DIGIT's role as facilitator and service provider vis-à-vis other DGs and EUIs impose on it the obligation as chef de file to conduct negotiated procedures (NPs) on behalf of other entities. This is the case of software products or central services used throughout the Commission but for which DIGIT's share is often marginal. Thus, other DGs/EUIs usually do not have to lead NPs on their own, even if they are the main or exclusive users of the resulting contractual framework. This is reflected in the statistics of the use of NPs in the Commission with DIGIT having a distinctly higher than average proportion of conducted NPs, but actually using a small part of the procured services. In particular, with regard to the procedures for continued use of proprietary software and associated services (Article 134(1)(b) RAP), DIGIT has to ensure contractual coverage for the software and associated services needs for all the DGs and, where appropriate, other institutions, agencies and bodies (EUIs). It has therefore to protect the investments made in relation to proprietary licenses, necessary upgrades, maintenance and developments while ensuring the continuity of the existing applications in compliance with the applicable procurement rules. With this objective in mind, DIGIT has to conclude negotiated procedures in areas where the services or supplies can only be provided by a single economic operator, either because competition is absent for technical reasons and/or because the protection of exclusive rights including the protection of intellectual property rights must be ensured. Changing the provider for those software products would involve major delays and considerable human and financial investments exceeding significantly the volume of the current contracts. That is why the existing and accepted technical captivity imposes the acquisition of the specific proprietary software and there exist no reasonable alternatives or substitutes that would guarantee business continuity.

CORRECTIVE MEASURES TAKEN TO REDUCE THE NUMBER OF NEGOTIATED PROCEDURES

In order to avoid or limit the resort to negotiated procedures, DIGIT is systematically applying mitigating and corrective measures along the following lines:

Since the key condition to replace negotiated procedures with open calls for tenders is to ensure sufficient time for preparation before launching the procedure, in 2015 DIGIT created a new body at the senior management level - DIGIT Procurement Board (DPB), which is responsible to define DIGIT's procurement strategy and to monitor its implementation. Strategic files and related strategy papers are presented to the DPB at least two years in advance and this allows to assess thoroughly the strategic dimension of procurement, including the choice of the best suited procurement procedure and the measures envisaged to gradually reduce captivity and increase competition. One of the particular purposes of preparing the strategy is to contribute gradually to reduce situations of captivity with a specific supplier. Additionally, the orientation documents that give the start of each procurement procedure systematically contain a dedicated section on captivity management focusing on the measures taken to avoid present and future lock-in situations resulting from procurement.

In the case of acquisition of proprietary software, an alternative approach that leads to decrease of the volume and number of the negotiated procedures is the use of open source solutions when this is technically justified, secure and economically viable. In order to strengthen this approach, in the current version of its Open Source Strategy DG DIGIT committed to ensure a level playing field to open source software when procuring new software solutions.

Concerning the procedures for provision of new services consisting in the repetition of similar services (ceiling increases of existing service contracts), in order to avoid unplanned negotiated procedures, DIGIT carefully prepares and conducts through the EUSurvey platform detailed surveys among the participating DGs and EUIs, aiming at achieving as precise as possible estimations on the volume and the structure of the services and products to be procured. To better screen the actual consumption during the contract implementation and limit the excessive use by some DGs or EUIs of the procured services or supplies, after the introduction of the LCK (Legal Commitments Kernel) in the late 2017, for newly signed FWCs DG DIGIT has been encoding systematically the ceiling not only per EUI, but also per DG, which is a novel feature of the system. This allows close monitoring by DG DIGIT of the ceiling expenditure and will help in the next years to prevent the depletion of the budgetary ceiling too fast after the contract signature; it should hopefully put DIGIT in a better position to be able to plan new calls for tender well ahead of the exhausting of the budgetary ceilings, instead of launching negotiated procedures for ceiling increases.

TABLE 13 : BUILDING CONTRACTS

Legal base	Contract Number	Contractor Name	Description	Amount (€)

TABLE 14 : CONTRACTS DECLARED SECRET

Legal base	Contract Number	Contractor Name	Description	Amount (€)