Annual Activity Report 2024

Annexes

INTERNAL AUDIT SERVICE

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ANNEX 1.A: Statement of the Director in charge of Risk Management and Internal Control

In accordance with Article 2 of the Service Level Agreement on the provision of support to the Internal Audit Service (IAS) by DG HR revised on 26 January 2024, the declaration of assurance is provided by DG HR's Internal Control Coordinator (see annex 1b below). This declaration should be viewed in conjunction with our declaration below, and supports the statement of assurance of our Director-General (included in Annex 1 of the IAS annual activity report).

I declare that in accordance with the Commission's communication on the internal control framework[1], I have reported my advice and recommendations on the overall state of internal control in the IAS to the Director-General.

I hereby certify that the information provided in the present Annual Activity Report and in its annexes is, to the best of my knowledge, accurate and complete.

Date: 31 March 2025

Cristiana Giacobbo

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[1] C(2017)2373 of 19.04.2017.

ANNEX 1.B: Statement of the "Shared resources services" DG Human Resources and Security

I declare that in accordance with the Commission's communication on the internal control framework[2], I have reported my advice and recommendations on the aspects of financial management and internal control in 2024 in the IAS that fall under the responsibility of DG HR.

I certify that, to the best of my knowledge, the information provided by my service for the Annual Activity Report is accurate and complete.

Date: 3 March 2025

Christian Linder

Director in charge of Risk Management and Internal Control in DG HR

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[2]   C(2017)2373 of 19.04.2017.

ANNEX 1.C DG HR's internal control and account services to the IAS in 2024

1. INTERNAL CONTROL

DG HR analyses the results of different controls in order to substantiate the Director General's assurance statement. These controls cover the part of the budget entrusted to DG HR by the IAS. The controls that are most relevant to the IAS Director-General's assurance statement, as formulated in the AAR standing instructions, are the ex-post controls, the sub delegated authorising officers' assurance reports and exceptions or non-compliance reports.

1.1 EX-POST CONTROL ON FINANCIAL TRANSACTIONS

The primary purpose of ex post controls is to estimate the DG's error rate and to ensure that the associated legality and regularity objective is achieved. The financial control objective is to ensure that the DG has reasonable assurance that the total amount of any financial operation authorised during the reporting year, which would not be in conformity with the applicable contractual or regulatory provisions, does not exceed 2% of the total expenditure. A second objective of the ex-post control campaigns is to identify and remedy any financial control weaknesses and enhance financial management, by also raising staff awareness on issues identified and corrective actions introduced.

The sampling method was designed to give rise to a meaningful result. Thus, a random and stratified sample based on a Monetary Unit Sampling (MUS) methodology was extracted.

The results of ex-post control performed in DG HR, although not specifically designed to focus on IAS financial management, covered the key processes and individual transactions (commitments, payments and recoveries) that would affect the assurance statement of the IAS.

No material errors were found in the sample. The transactions checked in the ex-post controls were generally acceptable with some minor shortcomings that were effectively addressed within the same control campaign. The estimated error rate resulting from the ex-post control campaign is 0% for 2024, in line with results of previous years.

These results confirm the robustness of the financial control mechanisms in place, demonstrating effective compliance with contractual and regulatory requirements. Furthermore, the campaign continues to enhance financial governance by identifying minor procedural improvements and raising staff awareness, thereby strengthening overall financial management.

1.2 ASSURANCE REPORTS AND REGISTER OF DEVIATIONS

DG HR's active authorising officers submitted reports to support the assurance statement of the Director General. Authorising Officers highlighted neither any problems nor significant weaknesses.

The analysis of DG HR's register of deviations indicates that, while procedures may not have been correctly applied in some cases, the associated transactions were generally accurate—meaning the correct amounts were duly paid to the intended beneficiaries, with no irregular disbursement of funds. Furthermore, necessary actions to strengthen

all related processes and procedures have been identified and will be implemented. None of the recorded deviations suggest a systemic weakness in the internal control system, nor are they associated with or linked to IAS activities.

2. ACCOUNTING AND FINANCIAL REPORTING

The accounting correspondent reviewed the accounts and checked the bookings made for the accounting closure. All the data in the AAR Annex 3 were checked and reconciled with the detailed financial reports.

DG BUDG assesses DG HR's accounting risk as low, which is in line with our own findings as well as the conclusions from the ECA over the past years. Moreover, on the key criterion on accounting quality, the performance for both DG HR and the IAS is considered outstanding.

Overall Result for the AAR of the IAS

The results of our work on financial management and reporting for the IAS indicate that there are no associated issues that would adversely affect the assurance statement of the Internal Auditor. On this basis, the internal control coordinator may provide the necessary assurance and sign the assurance statement included in Annex 1 of the AAR.

Christian Linder

Director in charge of Risk Management and Internal Control in DG HR

ANNEX 2: Performance tables

General objective A modern, high-performing and sustainable European Commission

Impact indicator 1.1 (corporate level): Image of the European Union

Explanation: This indicator is based on the question 'In general, does the EU conjure up for you a very positive, fairly positive, neutral, fairly negative or negative image?' The indicator gives the share of positive and fairly positive views on this question.

Source of the data: Eurobarometer 102

Baseline (2019)	Interim Milestone (3) (2022)	Target (2024)	Latest known results (2024)
43% (EU 27)	Increase	Increase	**44%**

Specific objective 1: The IAS understands its audit environment and has a clear definition of its audit universe, which reflects the Commission and EU agencies and other autonomous bodies' objectives, priorities and risks.
Related to spending programme(s) N/A

Main outputs in 2024 (other important outputs):

Output	Indicator	Target	Status
Updated audit universe reflecting the Commission, Agencies and other EU bodies' organisation	Annual update of audit universe	By end 2024	The audit universe updated as part of next point – preparation of Audit Plan 2025 +
Revised audit universe reflecting the Commission and executive agencies' organisation	Revision of the audit universe for the next Strategic Audit Plan	Q4 2024	**Target met** Completed December 2024

Specific objective 2: The organisation of the IAS is adequate to cover the audit universe efficiently and effectively.
Related to spending programme(s) N/A

Main outputs in 2024 (other important outputs):

Output	Indicator	Target	Status
Implementation of actions aiming at improvement of the auditing process.	Implementation of the action plans defined in the framework of various initiatives, as approved by the Senior Management.	All 2024 planned actions implemented.	**Target met** On track

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3   In case of short- or medium-term objectives (all targets are set to be achieved in less than 3 years) the milestones column should be deleted from the table.

Specific objective 3: **Cover the high risk areas of the audit universe** *Related to spending programme(s) N/A*			
Main outputs in 2024 (other important outputs):			
Output	**Indicator**	**Target**	**Status**
Adoption of the annual audit plan 2024	Timeliness of the 2024 audit plan adoption	Q1 2024	**Target met** Adopted on 05/03/2024
Identification of high risks to be covered by the next strategic audit plan based on the revised audit universe of the Commission and Executive Agencies	Timeliness of the annual risk assessment for the strategic audit plan 2025+	Q4 2024	**Target met** On going – Risk assessment completed in Q4 2024. Calibration of risks performed in January/ February 2025
Strategic Audit Plan 2025+	Timeliness of the Strategic Audit Plan 2025+	Q4 2024	**Target met (slight delay)** Plan to be approved in Q1 2025
Coverage of the financial audit universe in Commission services and executive agencies allowing the delivery of an overall opinion without material scope limitations.	Assessment whether the audits in the last three years covered the material part of the financial audit universe	No material scope limitations at Commission level	**Target met** No material scope limitations at Commission level in the 2023 Overall opinion
Specific objective 4: **Deliver the strategic audit plans through the annual audit plans effectively and efficiently.** *Related to spending programme(s) N/A*			
Main outputs in 2024 (other important outputs):			
Output	**Indicator**	**Target**	**Status**
Audit and consulting engagements and strategic internal audit plans planned for 2024	Completion rate of the 2024 Audit Plan, after update of the Plan at mid-year.	100% of draft reports for C1 engagements included in the 2024 audit plan finalised by the end of December 2024[4].	**Target partially met** As at 31/01/2025: overall[5]: 95% Commission and executive agencies: 93% Decentralised agencies and other autonomous bodies: 97%

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[4]   Allowing for the issue of the Final reports by end of January 2025.

[5]   Decentralised Agencies and Other Autonomous bodies

Updated Audit Plan for 2024	Timely preparation and delivery on time of the mid-term review of the Audit Plan for 2024.	July 2024	**Target met** Delivered on 11/07/2024
Strategic Internal Audit Plans (SIAPs) to be finalised for each entity where the previous SIAP cycle has ended	Draft SIAPs issued[6]	December 2024	**Target partially met** 63% – 9 SIAPs issued (ACER, BEREC, CEDEFOP, EFCA, ERA, ETF, FRA, EU-OSHA, SNS JU) out of 14
Conclusions on the state of internal control as a contribution to the preparation of annual activity reports for 2023	Timely preparation and delivery to each individual Directorate-General, service of the Commission and executive agency	15 February 2024	**Target met** 49 notes issued by 13/02/2024
Time spent on direct audit work and audit support work by auditors	Percentage of time spent on direct and indirect audit work by auditors (efficiency indicator)	85% of total working time available in 2024	**Target partially met** 80% as of 31/12/2024
2023 Annual Report of the Internal Auditor (Article 118(4) of the Financial Regulation)	Report issued	June 2024	**Target met** Report issued on 11/06/2024
Overall opinion of the IAS on financial management in the Commission	Overall opinion issued	June 2024	**Target met** Report issued on 11/06/2024
Quarterly overview reports (or information notes) transmitted to the APC on the follow-up of IAS recommendations concerning Commission's Directorates-General and services	Reports finalised and transmitted in time to the APC (4 reports in total)	March, May, September and November 2024	**Target met (slight delay)** Reports transmitted on 25/03/2024, 30/04/2024, 02/08/2024 and 11/03/2025
Annual reports on the status of open critical and significantly delayed IAS recommendations to EU decentralised agencies and other autonomous bodies	Reports/notes finalised and timely transmitted to Directors and Management Boards, if an agency/body has such recommendations	March 2024	**Target met** 18 Notes issued at the end of February 2024

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[6] Allowing for the issue of the Final SIAP by end of January 2025

Specific objective 5: Meeting stakeholders' expectations (adding value and contributing to the improvement of the auditees' operations) *Related to spending programme(s) N/A*			
Main outputs in 2024 (other important outputs):			
Output	**Indicator**	**Target**	**Status**
Note on results of the IAS stakeholders' satisfaction survey.	Level of satisfaction of stakeholders	Issued in Q1 2024 Minimum 4 out of a scale of 5	**Target met** Note issued on 07/05/2024[7] 4.14
Results of satisfaction survey addressed to the audited services	Level of auditee satisfaction after each engagement (1 = low to 5 = high)	Average score between 4 and 5	**Target met** 4,23
Results of analysis of the implementation of recommendations	Level of implementation of IAS recommendations issued in the previous 5 years, whose initial target date has passed	Minimum 90%	**Target met** Commission and Decentralised Agencies: 91.1% (Commission: 93.6%; Decentralised Agencies: 86.7 %)

Specific objective 6: To ensure that the work of the IAS is conducted in accordance with the IAS charter, its internal methodology and guidelines and internal auditing standards *Related to spending programme(s) N/A*			
Main outputs in 2024 (other important outputs):			
Output	**Indicator**	**Target**	**Status**
Gap analysis and action plan - revised IIA Standards	Timely development of the gap analysis and implementation of action plan	Gap analysis– Q2 2024 Action Plan – July 2024 Actions planned for 2024 implemented by Q4 2024	**Target met (slight delay)** Gap analysis completed in Q3 2024 Action Plan to be issued in Q1 2025
Implementation of actions aiming at improvement of the auditing process.	Implementation of the action plans defined by the working groups, as approved and decided by the Senior Management	Actions planned for 2024 implemented on time.	**Target met** On track

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[7]   Concerning the 2023 results of the stakeholders' satisfaction survey.

Engagements in the Commission, executive agencies, decentralised EU agencies and other autonomous bodies finalised in 2024[8]

N°	Auditees	Project Title	Project type
1	ACER	ACER - Stakeholder management and external communication	performance audit
2	AGRI	AGRI - Preparedness of DG AGRI in designing the assurance building model under the new CAP Strategic Plans Design of the assurance building model under the new CAP Strategic Plans	comprehensive audit
3	BEREC	BEREC - Strategic Risk Assessment including IT (2025-2027)	SIAP
4	BUDG	Controls set up by DG BUDG on the SUMMA programme in preparation for 'going live'	limited review
5	BUDG, CINEA, CNECT, EISMEA, ERCEA, HADEA, REA, RTD, SJ	The design of the control strategy for Horizon Europe	comprehensive audit
6	BUDG, HR, REA, RTD	Insight note on grants in direct management	insight note
7	BUDG, HR, SG	Assessment of HR needs in the Commission at corporate level (DG BUDG, DG HR, SG)	performance audit
8	CdT	IT security management in the Translation Centre	IT audit
9	CEDEFOP	IT governance and information security in CEDEFOP	IT audit
10	CEDEFOP	CEDEFOP - Strategic Risk Assessment including IT (2025-2027)	SIAP
11	CHIPS, CHIPS JU	CHIPS JU - Human resources management and ethics	comprehensive (standard audit)
12	CINEA	Horizon Europe - Grant management phase 1 in CINEA (from publication of the calls until signature of the grant agreements)	comprehensive audit
13	Clean Hydrogen	Operational synergies and stakeholder relations	performance audit
14	CLIMA	Implementation and monitoring of the Emission Trading System (ETS)	comprehensive audit
15	CNECT, COMP	In-depth risk assessment on the set-up of the Digital Services Act/Digital Market Act	in-depth risk assessment
16	COMP, ESTAT, FISMA,	Planning, programming, governance, and coordination of the Single Market Programme.	comprehensive audit

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[8] This list does not include the follow-up engagements which are performed to assess the implementation of recommendations issued in previous audits.

N°	Auditees	Project Title	Project type
	GROW, HaDEA, JUST, SANTE, TAXUD		
17	DIGIT	IT security risk management at the Commission	IT audit
18	DIGIT	The IT financing framework	comprehensive (standard audit)
19	EACEA	Performance of the management of experts for proposal evaluation	comprehensive audit
20	EASA	Confidentiality, availability and integrity of data in EASA	IT audit
21	EC	Insight note on organisation of ex-post audit functions	insight note
22	EC	Insight note on survey results	insight note
23	ECDC	Preparation, review and validation of external communication content	performance audit
24	ECFIN	Preparation of the Macro Financial Assistance Programme to enlargement and neighbourhood countries	comprehensive audit
25	EEA	EEA - Human resources management and ethics	comprehensive audit
26	EEAS, FPI, INTPA, NEAR, SG, TRADE	Allocation of human resources in EUDs (INTPA, NEAR, FPI, TRADE and EEAS)	comprehensive audit
27	EFCA	EFCA - Strategic Risk Assessment including IT (2025-2027)	SIAP
28	EFSA	End to end risk assessment process for generic mandates	comprehensive audit
29	EIT	EIT process for selection of new Knowledge and Innovation Communities (KICs)	comprehensive audit
30	ELA	Audit of the European Labour Authority's (ELA) Internal Control Framework (ICF)	comprehensive audit
31	EMA	Management of the lease of EMA's former office premises in London	comprehensive audit
32	EMPL, MARE, REGIO	Assurance building processes and audit strategy for the 2021-2027 programming period in DGs REGIO, EMPL and MARE	comprehensive audit
33	EMSA	EMSA - Human resources management and ethics	comprehensive audit
34	ENISA	ENISA - Procurement and contract management	comprehensive audit
35	EPF	Preparation process for EPF assistance measures	comprehensive audit
36	EPPO	EPPO - Limited review of building blocks of assurance	limited review

N°	Auditees	Project Title	Project type
37	ERA	ERA - Certification, authorisation and oversight activities performed under the 4th railway package	comprehensive (standard audit)
38	ERA	Information technology governance in ERA	IT audit
39	ERCEA	Horizon 2020 Grant management (phase IV - closure) in ERCEA	comprehensive audit
40	ETF	ETF - Digitalisation and review of the internal processes	comprehensive audit
41	ETF	ETF - Strategic Risk Assessment including IT (2025-2027)	SIAP
42	EUAA	EUAA - HR management	comprehensive audit
43	eu-LISA	EU-LISA - Procurement and contract management	comprehensive (standard audit)
44	EU-OSHA	ESENER and its secondary analyses	comprehensive (standard audit)
45	EU-OSHA	EU-OSHA - Strategic Risk Assessment including IT (2025-2027)	SIAP
46	Euro-HPC	EuroHPC - Planning, budgeting, monitoring and reporting	comprehensive audit
47	EUROJUST	EUROJUST - Human resources management and ethics	comprehensive audit
48	European Schools	Centralised accounting model in the European Schools	comprehensive audit
49	EUROPOL	EUROPOL - Information management strategy	performance audit
50	EUSPA	IT security and disaster recovery in EUSPA	IT audit
51	EUSPA	Management of structural service providers in EUSPA	comprehensive audit
52	FISMA	Human resources management	comprehensive audit
53	FPI	Controls over the financial management of the Common Security and Defence Policy mission implemented by the FPI	comprehensive audit
54	FRA	FRA - Strategic Risk Assessment including IT (2025-2027)	SIAP
55	FRONTEX	EBCG - Management of returns	comprehensive audit
56	IHI	Call topic development and stakeholder relations in the IHI JU	performance audit
57	INTPA	Indirect Management with Partner Countries	comprehensive (standard audit)
58	JRC	New Decommissioning instrument in JRC	comprehensive audit
59	MARE	MARE - Assurance building for expenditure under direct management in DG MARE	comprehensive audit

N°	Auditees	Project Title	Project type
60	PMO	Protection of personal data in PMO	comprehensive audit
61	REGIO	The European Union Solidarity Fund (EUSF)	comprehensive audit
62	SCIC	Procurement at SCIC	comprehensive audit
63	SNS JU	SNS JU - Strategic risk assessment including IT (SIAP 2025-2027)	SIAP
64	ECHO EEAS FPI **INTPA** NEAR	Anti-fraud strategy (ECHO, EEAS, FPI, **INTPA**, NEAR)[9]	comprehensive audit

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[9]   One of 5 report is expected to be issued after the cut-off date

ANNEX 3: Draft annual accounts and financial reports

All IAS budget lines are co-delegated TYPE2 (DGA > DGB) to DGs DIGIT and HR. Consequently, all payments are reported in the AARs (annex 3) of these DGs and financial reports of the IAS for the financial year 2024 show no figures.

Delegation and co-delegation

In accordance with Art 117(1) of the Financial Regulation, the Internal Auditor cannot be authorising officer and this ensures her independence. In the IAS, the AOD is Director C. The delegation and co-delegation to PMO, DG HR and DIGIT further increases this independence. These arrangements have also been introduced for efficiency reasons.

The IAS budget allocation is included under the heading "Administrative expenditure of the Audit policy area" and totalled around €29m in 2024. 98.48% of this expenditure was directly delegated to corporate services in accordance with the Commission's Internal Rules. The IAS was therefore accountable for the remaining 1.52%, which is however, co-delegated[10] to DGs HR and DIGIT.

The co-delegation to DG HR is supported by a Service Level Agreement, the co-delegation to DG DIGIT by a Memorandum of Understanding. As the budget is managed under the same Commission rules, the primary AOD (IAS) can rely on the legality and regularity, efficiency and cost-effectiveness of the controls in place in DG HR and DG DIGIT (secondary AODs). This expenditure is therefore covered by the Declaration of assurance of DGs HR and DIGIT.

Mission budget

The IAS is AOD for the mission budget (commitments), but this is co-delegated to DG HR. Therefore, DG HR performs the ex-post controls on mission expenditure in the framework of the service level agreements (SLA) with the IAS.

The PMO is AOD for the mission budget (payments), and performs its own ex-ante and ex-post controls.

Moreover, the IAS performs its own additional ex-ante controls to ensure compliance of its mission expenses with the Commission's Guide for missions and with the IAS specific guidance. In addition, a sample of reimbursements is controlled ex-post within the IAS at the beginning of the subsequent year.

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[10] Type II co-delegation, whereby the IAS is the primary AOD, while DGs HR and DIGIT are the secondary AODs. DG HR (missions and meetings 0.71 %) and DG DIGIT (IT development, 0.81%).

ANNEX 4: Financial Scorecard

All IAS budget lines are co-delegated TYPE2 (DGA > DGB) to DGs DIGIT and HR. Consequently, all payments indicators are reported in the AARs (annex 4) of these DGs.

ANNEX 5: Materiality criteria

This annex provides detailed explanation on how the AOD defined the materiality threshold as a basis for determining significant weaknesses that should be subject to a formal reservation to her declaration.

In the analysis leading to the decision on whether to issue reservations or not, the IAS used the following criteria:

Qualitative assessment

- Non achievement of an important objective/obligation

Quantitative assessment

- In order to be considered "material" in quantitative terms, failings must have a direct financial impact on the budget, affecting a significant proportion of total commitment appropriations or payments. In line with internal guidelines a weakness would have been considered 'material' only if there is a direct financial impact or risk of loss of more than 2% of the overall IAS budget.

Assessment of reputational events

- A significant reputational risk for the IAS or the Commission: given the nature and sensitivity of IAS work, any impediment to the fulfilment of IAS obligations as laid down in the Financial Regulation could have a significant impact on the reputation of the Commission and should be explicitly mentioned.

De minimis' threshold for financial reservations

Since 2019[11], a 'de minimis' threshold for financial reservations has been introduced. Quantified AAR reservations related to residual error rates above the 2% materiality threshold, are deemed not substantial for segments representing less than 5% of a DG's total payments and with a financial impact below EUR 5 million. In such cases, quantified reservations are no longer needed.

As almost the entire IAS budget is co-delegated to DGs HR and DIGIT, the impact of reservations in their AAR on the budget of the IAS will also be taken into consideration.

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[11]   Agreement of the Corporate Management Board of 30/4/2019.

ANNEX 6: Relevant Control System(s) for budget implementation (RCSs)

Mission expenses

Main internal control objectives: To ensure compliance of the mission expenses with the Commission's Guide to Missions and Authorised Travel and IAS specific guidance[12].

Ex-ante

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
The mission expenses will not be in compliance with rules and guidelines and/or not be cost-effective.	Ex-ante validation of the opportunity of the mission (justification, location, number of staff, duration, etc.)	100% ex-ante validation by the direct superior and AOD	**Effectiveness** (1) number/% of missions modified as a consequence of the validation by the direct superior (should be above "0" otherwise the control might be exaggerated – not cost-effective) (2) number/% of missions rejected for correction by the ex-ante verifier because of an "unsatisfactory justification" after having been validated for this aspect by the direct superior (should be very low, otherwise the control by the direct superior is not effective). **Efficiency** (1) time to approve (2) number of complaints. **Economy** = estimation of cost of staff involved + ratio between costs and the total amount spent on missions
	Ex-ante verification of the travel orders and claims for reimbursement	100% ex-ante control by the verifying officer	**Effectiveness** (1) ineligible amounts identified by ex-ante control (2) number/% of cases of irregularity or divergence from best practice identified and corrected (3) number/% of complaints (from travellers and PMO) **Efficiency** (1) Time to approve (2) number/% of complaints (3) number/% of missions rescheduled because of

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[12] Payments are not included in the main control objectives as they are executed by the entrusted entity, PMO, subject to similar management governance modalities. The corresponding controls are reported by the PMO in their AAR.

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
			missed deadlines in ex-ante approval). **Economy** = estimation of cost of staff involved + ratio between cost of staff and total amount spent on missions reputational damage.

Ex-post

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
	Independent ex-post control	Ex-post control of representative sample of expenses by the resources team.	**Effectiveness** (1) ineligible amounts identified by ex-post control (2) number/% of cases rejected/returned for correction by PMO (3) number/% of irregularities or divergence from best practice identified **Efficiency** Timeliness of the ex-post controls. **Economy** = estimation of cost of staff involved + ratio between cost of staff and total amount spent on missions **Benefits** (1) Qualitative assessment of the preventive effect (2) Qualitative assessment of the avoidance of reputational damage.
	Exception reporting	See ex-ante verification and ex-post control.	**Cost** = estimation of cost of staff involved **Benefits** = Qualitative assessment of the value of transparent reporting of exceptions and its learning effect.

ANNEX 7: Specific annexes related to "Financial Management"

1. **Reports and documentation considered for the assessment of the DG's functioning in view of the AOD's assurance:**

- the reports from Authorising Officers in the Directorates-General/Services (AOD) managing budget appropriations in co-delegation. DG HR analyses the results of different controls in order to substantiate the IAS assurance statement. These controls cover the part of the budget entrusted to DG HR by the IAS. The controls that are most relevant to the IAS assurance statement, as formulated in the AAR standing instructions, are the ex-post controls, the sub-delegated authorising officers' assurance reports and exceptions or non-compliance reports;

- the contribution by the Director in charge of Risk Management and Internal Control (RMIC), including the results of internal control monitoring at Directorate-General level;

- the reports on recorded exceptions, non-compliance events and any cases of 'confirmation of instructions' (Article 92(3) of the Financial Regulation), if applicable;

- the internal and external quality assessments (IQA and EQA) on the IAS audit activities.

The systematic analysis of the available evidence provides sufficient guarantees as to the completeness and reliability of the information reported and results in the full coverage of the budget delegated to the AOD of DG IAS.

2. **Financial Regulation: Additional reporting requirements resulting from the 2018 and 2024 revisions**

In line with the requirements of the Financial Regulation, the IAS reports for the year 2024:

1) no such cases of any in-kind donation made to the Union, for the purposes of humanitarian aid, emergency support, civil protection or crisis management aid (FR art 25.3)

   1. no such cases of "confirmation of instructions" (FR art 92.3)

   2. no such cases of financing not linked to costs (FR art 125.3)

   3. no such Financial Framework Partnerships >4 years (FR art 131.4)

2) no such cases of flat-rates >7% for funding indirect costs (FR art 184.6)

3) no such derogations from the principle of non-retroactivity pursuant to Article 196 of the Financial Regulation.

   4. no such cases of financial support to third parties >EUR 60 000 (FR art 207)

4) no such of non-financial donations provided in the form of services, supplies or works (FR art 244.3)

3. Table Y on the estimated "cost of controls" at Commission level

Overview of IAS's estimated cost of controls at Commission (EC) level:

IAS Mission Expenditure – Control System[13]	Ex ante controls			Ex post controls			Total	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	EC total costs	*related funds managed/concerned*[14] *	Ratio (%) *(a)/(b)*	EC total costs	total value verified and/or audited	Ratio (%) *(d)/(e)*	EC total estimated cost of controls *(a)+(d)*	Ratio (%) *(g)/(b)*
	€9.173,20/year[15]	€149.562,40	6,13%	€951,75/year[16]	€50.405,28	1,88%	€10.124,95	6,76%[14]

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[13] These are the IAS-internal costs of control relating to mission expenditure; more costs are incurred by PMO when processing the IAS mission orders and mission expense declarations.

[14] Related funds managed/concerned = expenses for missions, which took place in 2024 (Situation as at 31/12/2024)

[15] Based on time spent on the controls and the cost of the related staff: 6.8% of AST/SC FTE €134.900/year.

[16] Based on time spent on the controls and the cost of the related staff: 0,45% of AD FTE €211.500/year.

ANNEX 8: Reporting on the internal and external audits and assessing the effectiveness of Internal control systems

Not appliclable

ANNEX 9: Specific annexes related to "Control results" and "Assurance: Reservations"

A. Annex related to "Control results" – Table X: Estimated risk at payment and at closure

Not applicable.

The IAS makes no payments.

For a number of years now, around 98% of the administrative expenditure of the IAS is directly delegated to the PMO, DG HR and DG DIGIT, in accordance with the Commission's Internal Rules.

The IAS is therefore accountable for the remaining 1,52% of its administrative budget, which is however co-delegated to DG HR (based on a service level agreement for the provision of support services to the IAS in the area of human resources and financial management) and DG DIGIT (supported by a memorandum of understanding).

In both cases, the IAS remains responsible for the strategic decisions and the planning-related aspects.

As the budget is managed under the same Commission rules, the primary AOD (i.e. the IAS) can in principle rely on the legality and regularity, efficiency and cost-effectiveness of the controls in place in DGs HR and DIGIT (as secondary AODs). This expenditure is covered by the Declarations of Assurance of these Directorates-General.

Table X : Estimated risk at payment and at closure

IAS	"payments made" (FY; EUR)	minus new prefinancing [plus retentions made] (FY; EUR)	plus cleared prefinancing [minus retentions released and deductions of expenditure made by MS] (FY; EUR)	= "relevant expenditure" (FY; EUR)	Detected error rate or equivalent estimates	estimated risk at payment (FY; EUR)	Adjusted Average Recoveries and Corrections (adjusted ARC; %)	estimated future corrections (FY; EUR)	estimated risk at closure	
									(FY; EUR)	(FY; %)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Item 1	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
[Department X] total	*EUR*	*EUR*	*EUR*	*EUR*	*%*	*EUR*	*%*	*EUR*	*EUR*	*%*
				Overall risk at payment in %	n/a			**Overall risk at closure in %**		n/a

B. Reservations

Not applicable.

ANNEX 10: Reporting – Human resources, digital transformation and information management and sound environmental management

Human resource management

Objective 7: The IAS employs a competent and engaged workforce and contributes to gender equality at all levels of management to effectively deliver on the Commission's priorities and core business		
Indicator 7.1: Number and percentage of first female appointments to middle management positions **Source of data: SEC(2020)146 and SEC(2023)200**		
Baseline 12/2019	**Target** (2024)	**Latest known results** 2024
4 out of 11 (36%)	2023-2024 target: 1 first female appointment	No new middle management appointment in 2024 ; the appointment made in 2023 was done before the new target was set up). Female proportion at the middle management level is currently 4 out of 12 (33%)
Indicator 7.2: IAS staff engagement index **Source of data: Commission staff surveys**		
Baseline 2018	**Target** 2024	**Latest known results** 2023
69% (Commission)		73% (Commission)
75% (IAS)	To be equal to or above the Commission average	82% (IAS)

Main outputs in 2024:			
Output	**Indicator**	**Target**	**Status**
Strategic development			
Implementation of the HR corporate guidance	Timeliness of implementation	100% of applicable guidance timely implemented	**Target met** The IAS has implemented the HR corporate strategy and the latest IAS Risk Management and Internal Control Surveys.
Staff Engagement			
Maintain level of staff engagement (HR survey)	Keep IAS staff engagement index in line with Commission average, and possibly increase further	IAS indicator: ≥ Commission average	**Target met** 82% > 73 % (EC Average in the staff survey 2023)
Staff retention and recruitment			

Promote the image of the IAS and the profession of internal auditor within the Commission.	Implementation status of ad hoc actions decided as parto of the IAS HR strategy	100% of planned 2024 actions implemented	**Target met** 100% of planned actions implemented.

Capacity building

IAS auditors who have one or more professional audit qualifications	Percentage of staff certified (79.5% in 2019)	Minimum 70%	**Target met** 74% of staff certified on 31/12/2024
Adequacy of the (updated) Internal Audit Training Programme (IATP)	Level of satisfaction of IAS staff with the structured training	Minimum 80%	**Target met** 85% (based on evaluations received until 31/12/2024)
As part of the IATP, offering ad hoc auditors forum events to the internal audit community	Number of Auditors' forum events organised per year	Minimum 6 events	**Target met.** 7 auditors forum events Posting on IAS intranet of several events organised by other DGs, ECA and EU Agencies

Digital transformation and information management

Objective 10: The IAS is using innovative, trusted digital solutions for better policy-shaping, information management and administrative processes to forge a truly digitally transformed, user-focused and data-driven Commission		
Indicator 10.1: Degree of implementation of the digital strategy principles by the most important IT solutions **Source of data: IAS internal with support of DIGIT**		
Baseline delivered in 2019	**Target** 2024	**Latest known results** 2024
Definition of the context, impact and outcomes of the project.	Project completed Interim milestone (2020): initiation and planning phase completed.	**Target met** The IAS Digital strategy 2022-2024 has been successfully implemented. New IAS digital strategy 2025+ has been drafted and is pending approval.
Average score on the implementation of the **core principles**[17] defined by the EC	Average score of implementation:	**Target partially met.** - TeamMate: 88%.

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[17] From 2021, services are required to provide a state-of-play on the implementation of the 11 core principles defined by the EC Digital Strategy for the top 3 most expensive IT solutions that they own. For each of these solutions, this will

Digital Strategy: - TeamMate: 56%. - Innovation & digital auditing: 0%.	- TeamMate+: 94%. - Innovation & digital auditing: 94%.	- Innovation & digital auditing: 88%.

Baseline 2019	Target 2024	Latest known results 2024
100%. The IAS met the 2019 target (Identification of key datasets and ownership)[18].	100%.	**Target met.** 100%.

Main outputs in 2024:

Output	Indicator	Target	Status
Audit management tool			
Migration/upgrade of IAS audit management system	TeamMate+ migrated and used by all IAS staff	TeamMate+ used by all IAS staff by end of 2024	**Target partially met** Gradual migration started in Q4 2024 and to be completed throughout 2025. Access to TM+ granted to all IAS staff
	TeamMate+ migrated and used by all IAS staff	TeamMate+ used for in-depth risk assessment in 2024	**Target met** TeamMate+ was used for in-depth risk assessment in Q4 2024
Digital transformation			
Initiatives supporting business transformation	Completion of actions defined for 2024 in the IAS Digital strategy 2022-2024	90% of actions defined for 2024 in the IAS Digital strategy 2022-2024 successfully implemented.	**Target met** 35 of 39 actions marked as completed (90%). Additional 3 marked as partially achieved, and 1 as not achieved.
	Staff using data analytics and visualisation tools for their audit testing or operational management activities.	50% of IAS staff using data analytics or visualisation tools in the course of 2024	**Target met** In 2024, over 84% of IAS users used QlikSense data analysis and visualization with average of 49 users per month

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be expressed as an average of the scores reflecting the degree of implementation of each of the 11 principles ("2-well"/"1-partially"/"0-not implemented").

[18] The IAS completed the actions addressing the first, third and fourth principle. However, the data assets identified did not qualify for the second principle, as they contain information only relevant for internal audit purposes and are not shared.

Encourage IAS staff members to enhance digital skills and knowledge	Participation in digital skills courses	60% of IAS staff followed at least one digital skills training by end of 2024	**Target met** By end of Q3 2024 at least 50% of IAS staff participated in at least 1 IT training. In Q4 75% of IAS staff participated in training on the new audit management system, and 75% in Auditors' Forum on Text Mining
	Participants in Cybersecurity knowledge assessments	IAS participation above 70%	**Target partially met** In 2024 52% of IAS staff participated in cybersecurity knowledge assessments.
	Cyber Security knowledge strength	IAS overall score above 60%	**Target met** In 2024 IAS reached 90 % Cybersecurity knowledge score
Enhance staff skills and competences for effective use of data, information and knowledge, particularly related to the Data Management activities including reporting	Participants trained on EC Data Platform supported tools (e.g. PowerBI, KNIME)	2 or more IAS participants	**Target met.** At least 7 IAS participants trained
Use corporate tools for collaboration and document exchange	Percentage of sites used for collaboration between IAS and external stakeholders (DA and JU) to be on in s-CIRCABC (migrated from CIRCABC or newly created)	100% by end of 2024	**Target met.** All collaborative sites with DAOBs were migrated to S-CIRCABC
	Number of collaborative sites migrated to SharePoint Online/Teams or CIRCABC	100% by end of 2024	**Target met** All IAS collaborative sites migrated to SP Online/Teams
	Number of IAS Units using M365 collaboration tools (Teams/SharePoint online)	100% by the end of 2024	**Target met** All IAS units used M365 tools.
Establish more resilient and secure digital workplace	Integration of EU Login with IAS IT tools, including new version of TeamMate, SaaS tools	100% of IAS IT systems using EU Login authentication by the end of 2024	**Target met** New TeamMate version (TeamMate+ production environment, IAS Qlik Sense and IAS Celonis integrated with EU Login.
	IT security risk	100% all IT	**Target met**

	assessments and security plans created and/or reviewed	systems owned by the IAS to have an ITSP created and annually reviewed. 100% of defined security measures to be implemented in line with their implementation deadline	All IAS owned IT systems have an ITSP. For TeamMate+ an updated risk assessment has been made and the updated ITSP is in the review/approval process. All defined security measures have been implemented.
	Percentage of attestation of compliance for 55 IT priority controls for IAS CIS resulting from IT security compliance self-assessment through GRC (ServiceNow)	100% of controls attested as Compliant or with approved Exception for all CIS until the end of 2024	**Target met** All IAS owned IT systems have been assessed as compliant for the 55 IT priority controls.
Implementing corporate data governance and data policies for its key data assets included in the EC data inventory.	Percentage of implementation of the corporate principles for data governance for the IAS' key data assets.	100% implementation	**Target met** All IAS key data assets are registered in the EC data catalogue in line with the corporate principles.
Personal data protection			
Awareness raising activities on data protection compliance (e.g. structural and ad-hoc trainings)	% of staff informed	100% of staff informed	**Target met** 100% staff was reached with awareness information on personal data protection
To check content of Internal Audit Training Programme for consistency with provisions on data protection	Updated Internal Audit Training Programme	Internal audit training programme updated	**Target met** Internal Audit Training Programme is updated.
All newcomers follow training on data protection	% of newcomers participated	100% of newcomers participated	**Target met** 100% of newcomers participated in training on data protection. There were 2 internal training sessions. Moreover, all newcomers were invited to register to the mandatory training on Protection of personal data – Introduction.
All processing operations are reflected in the records	% of records updated	100% of record updated	**Target met** 100% achieved according to the bienniall update.

Sound environmental management

Objective 11: The IAS takes full account of its environmental impact in all its actions and actively promotes measures to reduce the environmental impact of its daily operations.

Indicator 11.1: Environmental performance in the Commission.

Source of data: Environmental Statement 2018 results and Environmental Statement 2024

Baseline (2019)	Interim milestone (2021)	Target (2023 and 2030)	Latest known results 2024[19] (data 2023)
Energy consumption of buildings (MWh / person): 10.34	- 14%	-12% in 2023 (- 22% in 2030	**Target met (2023)** -38%
Water use (m³ / person): 18.33	- 36%	-5% in 2023 (- 10% in 2030)	**Target met (2023)** -39%
Office paper consumption (sheets / person / day): 18.7	- 74%	-15% in 2023 (- 29% in 2030)	**Target met (2023)** -73%
Office paper consumption (sheets / person / day) IAS specific: - 10%.	-40% (2020) (teleworking due to Covid).	Achieve reduction of 10% / year.	**Target met (2024)** Paper consumption in 2024 decreased by 10% compared to 2023, 66% compared to 2019 and 71% compared to 2018.
CO_2 emissions from buildings (tonnes / person): 210 483	- 40%	-38% in 2030	**Target met (2023)** -30%
VeloMai participation – IAS statistics - 22 cyclistes (2018). 29 cyclists (2019) - 473kg CO_2 saved (2018), 789kg CO_2 saved (2019).	1) 21 participants 2) 417 kg CO2 saved	50 cyclistes 1000kg CO2 saved.	**Target partially met (2024)** 1) 33 participants 2) 587 kg CO2 saved
Non-hazardous waste generation (tonnes / person): -11%	- 45%	Achieve greater reduction.	**Target met (2023)** -50%

Main results and outputs in 2024:

I. More efficient use of resources (energy, water, paper)

Output	Indicator	Target (2019 as baseline)	Status
Update and implement the IAS EMAS action plan	(1) Update the IAS-EMAS plan (2) Implementation of the IAS-EMAS plan by the IAS EMAS team	(1) Update of the plan Q1 2024 (2) Implementation of	**Target partially met** (1) Plan was updated in Q1 2024 (2) 17 out of 19 actions completed. 2 in progress

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[19] The latest validated Environmental Statement is the one for 2024 (data 2023) available on EC website.

		the actions planned for 2024	

I. Reducing emissions from staff and expert' business travel and reducing CO2 and other atmospheric emissions

Output	Indicator	Target	Status
Sustainable mobility (missions)	% of reduction of CO_2 emissions compared with 2019	50% reduction compared to 2019	**Target partially met** 20% reduction (2024 vs 2019).
	CO2 (t) emissions from DG's missions (% means of transportation used)	Under 0.2 tCO2 per person	**Target not met** 0.366 tons of CO2 per person (based on 150 IAS staff).
Sustainable mobility (commuting)	Number of IAS participants in VeloMai	At least 40	**Target partially met** 33 participants. However, even if not achieving the IAS ambitious target, the IAS again achieved the 2nd place among all EC departments.
	Amount of CO_2 saved with VeloMai	800 kg CO_2 reduction	**Target partially met** 587 kg CO2. Same comment as above.
Gradual increased number and use of videoconferencing (VC) meeting rooms for meetings with stakeholders (to replace business trips)	Number of VC meeting rooms	2 IAS VC meeting rooms in MADO	**Target met** In addition, VC equipment installed in the office of the Director-General and the Director.C increasing the offer for organising hybrid meetings

II. Reducing resource use in buildings and workspace (energy)
More efficient use of resources (energy):

Output	Indicator	Target (2019 as baseline)	Status
Participation in corporate energy saving actions through building closure.	DG building participating in: - end of year energy saving action - summer energy saving action	IAS MADO building to participate in at least one of the energy savings actions (end of year and/or summer).	**Target met** IAS MADO building closed for two weeks in summer (5/8 to 16/8) and 11 days at end of year (23/12 to 02/01)
Reduction of office paper use in the framework of EMAS corporate campaigns through paperless working methods	Number of sheets/person/days	-5% compared to 2023 -50% compared to 2019	**Target met** Paper consumption in 2024 decreased by 10% compared to 2023, 66% compared to 2019 and

and/or staff awareness actions			73% compared to 2018.

III. Organise sustainable events

Output	Indicator	Target (2019 as baseline)	Status
Implementation of the EC Guidelines for sustainable meetings and events	% of green events (Green event checklist completed with actions identified and implemented)	100% of IAS events	**Target met** 100% of events organised considered sustainable aspects.

IV. Circular economy (public procurement (GPP), waste, biodiversity and sustainable food)

Output	Indicator	Target (2019 as baseline)	Status
See section on staff awareness	See section on staff awareness	See section on staff awareness	**Target met** See section on staff awareness

V. Staff awareness

Output	Indicator	Target (2019 as baseline)	Status
Local staff awareness actions on: - Energy and water use - Paper consumption - Digital mindfulness - GPP – biodiversity - Waste reduction/sorting - Mobility	% of staff informed Number of awareness actions (e.g. through IAS Intracomm news, IAS EMAS Intracomm page, IAS newsletter, IAS staff e-mails) on related topics	100% of staff informed 1 awareness action for each area.	**Target met** - 100% of staff informed. - All topics listed under the Output column were covered. - Information on various EMAS related topics shared with all units EMAS articles in IAS newsletter

ANNEX 11: Implementation through non EU entrusted entities and/or EU Trust Funds

Not applicable

ANNEX 12: EAMR of the Union Delegations

Not applicable

ANNEX 13: Decentralised agencies and other EU bodies

Not applicable

ANNEX 14: Reporting on the Recovery and Resilience Facility

Not applicable