



# Annual Activity Report 2020

SECRETARIAT-GENERAL

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## THE SECRETARIAT-GENERAL IN BRIEF

The Secretariat-General is at the heart of the European Commission as an institution and of its civil service. Under the authority of the President, it serves the College, oversees the implementation of the Commission's political priorities, and ensures the collegiality, consistency, efficiency and regularity of the Commission's action. To this end, the Secretariat-General is tasked with a range of policy development, steering and coordination functions, upstream and downstream of the decisions of the Commission, internally and externally.

The Secretariat-General is the service of the President and closely coordinates its work with the other presidential and central services, which together ensure the smooth functioning of the institution. In particular, the Secretariat-General:

- ☑ designs the Commission's strategic objectives and operational priorities and shapes crosscutting policies;
- ☑ coordinates, facilitates, advises and arbitrates, so as to ensure the coherence, quality and timely delivery of policy, legislation and operations across policy areas and departments, in line with the principles of better regulation and evidence-based policy making;
- ☑ coordinates the control of the application of EU law by Commission departments;
- ☑ facilitates the smooth running of the Commission's decision-making processes through the operation of an efficient and modern registry;
- ☑ acts, together with the Cabinet of the President, as the guardian of fairness, objectivity, transparency and efficiency in the relationship between all members of the College;
- ☑ supports the Vice-Presidents in their coordination tasks, including the management of the Groups of Commissioners and Project Teams;
- ☑ acts as the interface between the Commission and the other European institutions, bodies, national Parliaments and non-governmental organisations and entities;
- ☑ supports the President of the Commission as member of the European Council and participant in Leaders' meetings and other informal summits;
- ☑ coordinates the Commission's work on policies with an external or international dimension, including the Union's external representation as provided for in the Treaties, and supports the President for all Summits with third countries, contacts with international partners and participation in international organisations and fora, notably the United Nations, the G7 and the G20; and acts as the Commission's interface with the European External Action Service;

- ☑ fosters the Commission's institutional competences, good governance and the development of a modern, service-oriented, transparent and responsible EU administration that works to the highest standards of ethics and integrity.

The Secretariat-General is also at the heart of the Commission's corporate governance structure, chairing and organising meetings of the Corporate Management Board, as well as a number of other specialised boards and groups, including the Information Technology and Cybersecurity Board, the Information Management Steering Board and the Group of Resource Directors. Additionally, one of the three Deputy Secretaries-General holds the role of the Commission's Chief Operating Officer.

The Secretariat-General is also responsible for a number of corporate policies and processes, including document management, business continuity and crisis management arrangements. Robust procedures and IT applications, such as the Decide system or GoPro, have been developed by the Secretariat-General in order to provide the best possible service to the Commission and to the other Directorates-General. All new applications rely on resilient systems built according to the accepted standards in the field.

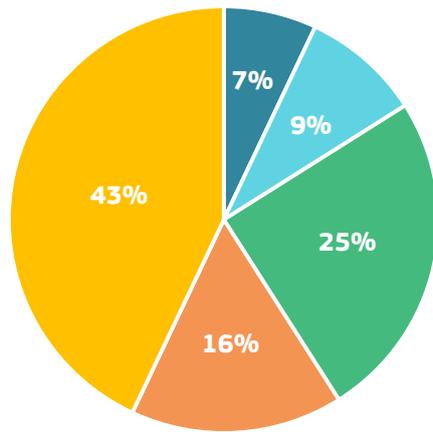
On 24 July 2020, the College decided to set up a new Recovery and Resilience Task Force (RECOVER) in the Secretariat-General. The taskforce, which reports to the President, will coordinate the analysis of draft national plans submitted under the new Recovery and Resilience Facility. The work of the taskforce will help to ensure that the plans deliver on the objectives of economic recovery and support the twin green and digital transitions. The taskforce will also be responsible for coordinating the European Semester.

The structure of the Secretariat-General reflects its unique role of supporting the collegial decision-making process and bringing services together in pursuit of common priorities. The Secretariat-General is structured around nine directorates. The Regulatory Scrutiny Board and the European Fiscal Board are independent entities administratively attached to the Secretariat-General.

While the Task Force for Relations with the United Kingdom (UKTF) was administratively part of the Secretariat-General's organisation chart its head served as the authorising officer by delegation until the end of its mandate on 28 February 2021. The UKTF annual activity report is therefore annexed separately to this report. Following the agreement with the United Kingdom, the remaining activities of the taskforce were fully integrated into the Secretariat-General on 1 March 2021.

The Secretariat-General is based in Brussels and, as of 1 March 2021, has 682 permanent staff members (active officials, temporary agents, contract agents and seconded national experts).

## Budget expenditures



- Regulatory fitness and performance
- European Citizens' Initiative
- Historical Archives of the EU
- Registries and Publications
- Administrative Expenses

## EXECUTIVE SUMMARY

This Annual Activity Report is a management report of the Secretary-General to the College of Commissioners. Annual Activity Reports are the main instrument of management accountability within the Commission and constitute the basis on which the College takes political responsibility for the decisions it takes, as well as for the coordinating, executive and management functions it exercises, as laid down in the Treaties<sup>1</sup>.

### A. Key results and progress towards the achievement of the Commission's general objectives and DG's specific objectives (executive summary of section 1)

2020 was the first full year of the von der Leyen Commission and of the implementation of the new headline ambitions. It was also marked by the outbreak of the COVID-19 pandemic. The Secretariat-General was at the heart of the Commission's **comprehensive response to all aspects of the pandemic**, from the immediate crisis response to the longer-term economic recovery plan. This year's report contains a dedicated section on the role of the Secretariat-General in coordinating the COVID-19 pandemic response.

In 2020, the Secretariat-General steered and coordinated, together with the Directorate-General for Budget, the negotiation of the **2021-2027 multiannual financial framework**, which was adopted in December 2020, and **NextGenerationEU**, a temporary instrument designed to boost the economic recovery and support the green and digital transitions. Together, the multiannual financial framework for 2021-2027 and NextGenerationEU form the largest package ever financed through the EU budget, worth around EUR 1.8 trillion.

The Secretariat-General also began to play a central role in the implementation of the centrepiece of NextGenerationEU, the **Recovery and Resilience Facility**. The newly-created Recovery and Resilience Taskforce supports Member States in the elaboration of their Recovery and Resilience Plans, making sure these comply with regulatory requirements and that the proposed investments and reforms will provide strong support to a sustainable economic recovery. This role will continue in 2021 with the formal assessment of the draft plans, the preparation of the legal measures for their approval, and monitoring of implementation.

A core function of the Secretariat-General is to support the delivery of the President's political priorities by **coordinating the policy process** from the initial stages of policy planning to adoption and implementation. In 2020 the Secretariat-General was active in all priority areas, ensuring the efficient delivery of the Commission work programme and overseeing the huge range of activities necessary to respond to the COVID-19 pandemic. It also continued to lead on a range of corporate policies, such as the Commission's better agenda, data protection and the greening of the Commission.

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<sup>1</sup> Article 17(1) of the Treaty on European Union.

The **European Green Deal and digital transition** are at the core of the Commission's political agenda and will help drive the economic recovery. The European Green Deal aims to turn Europe into the first climate-neutral continent by 2050, boosting the economy and improving the health and quality of life of Europeans, while protecting biodiversity and the climate. The Secretariat-General coordinated work on 12 major green deal initiatives in 2020, from the proposal establishing the Just Transition Fund, to a new biodiversity strategy, and the new Circular Economy Action Plan. The Secretariat-General also coordinated the preparatory work on a range of key initiatives contributing to the objective of a **Europe fit for the digital age** such as the communication on secure 5G deployment in the EU, the new industrial strategy and two proposals at the core of the institution's ambitions to make this Europe's Digital Decade: the Digital Services Act and the Digital Markets Act.

The protection of the **Rule of Law** is another high priority of the von der Leyen Commission. The Commission has set up a comprehensive European Rule of Law Mechanism, with an EU-wide scope and objective annual reporting by the European Commission. The Secretariat-General is at the centre of steering and coordinating this annual report, covering areas such as justice systems, anti-corruption frameworks, media pluralism and freedom, and other institutional issues linked to checks and balances. The first edition of the report was published in September 2020.

A new **Taskforce on Equality** was created to work on the implementation of the new Gender Equality Strategy adopted in 2020. The Secretariat-General provides the Secretariat for this taskforce, which will work to ensure smooth and high quality delivery of key initiatives of the Commission in the field of equality and non-discrimination.

The Secretariat-General also played an important role in steering work on the Commission's **external policies**, including by providing the secretariat for the newly established Group for External Coordination. In 2020 this included developing a new proposal for a stronger transatlantic agenda on global cooperation and the political agreement on the next Partnership Agreement between the EU and the Organisation of African and Caribbean and Pacific States (OACPS).

The Secretariat-General has continued to invest significant efforts in the **better regulation agenda**, and the REFIT programme. This includes developing the new 'One In, One Out' approach introduced by President von der Leyen, to simplify and reduce the bureaucratic burden for people and businesses at EU level. The independent Regulatory Scrutiny Board contributes to the implementation of the Better Regulation agenda. The main focus in 2020 was on scrutinising impact assessments and fitness checks.

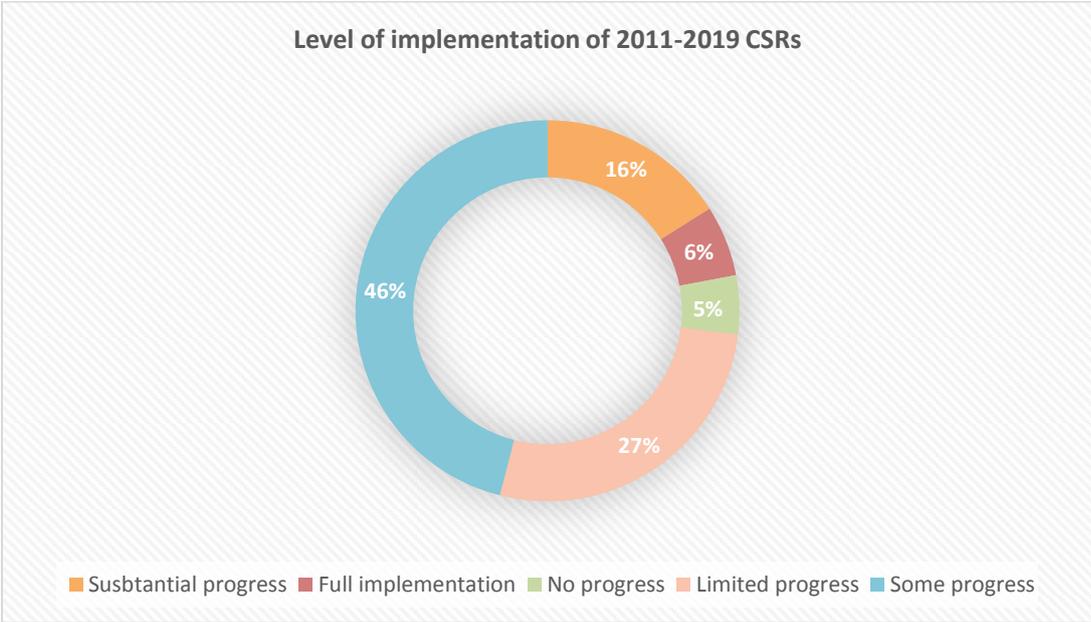
2020 also saw important developments in other **corporate and institutional policies** led by the Secretariat-General, such as the agreement on a new interinstitutional transparency register, continuing efforts to promote compliance with new rules on data protection, strengthened business continuity rules, and the launch of the Commission's new Strategic Planning and Programming cycle. The Secretariat-General also worked to adapt the Commission's decision-making procedures swiftly to the new environment.

A particular challenge in 2020 was to ensure that the Secretariat-General continued to deliver efficiently in all priority areas under very **challenging working conditions**. This required extraordinary dedication and flexibility from the staff of the Secretariat-General. A range of measures was put in place to **safeguard the wellbeing of staff** and to provide them with the tools necessary to adapt to the teleworking environment.

## B. Key Performance Indicators (KPIs)

### KPI 1: Rate of progress towards the implementation of the country-specific recommendations (CSRs)<sup>2</sup>

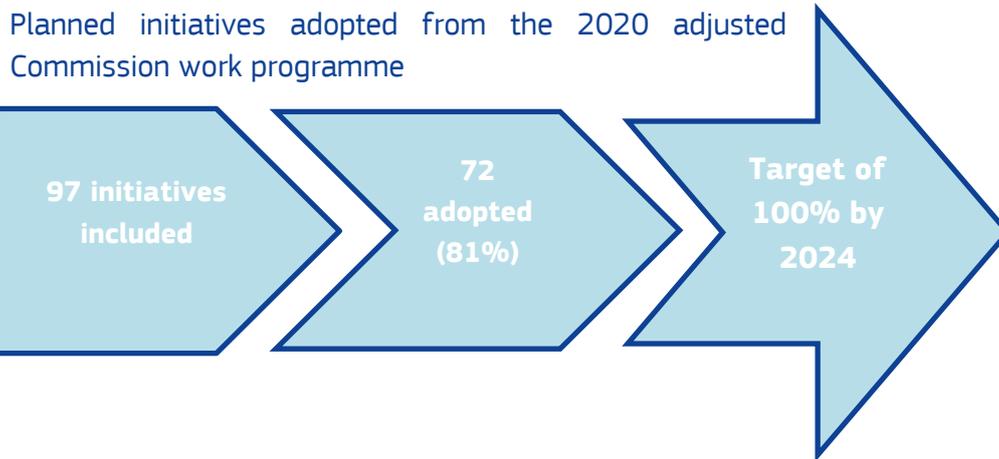
Since the start of the European Semester in 2011, some implementation progress has been achieved for more than two-thirds of the country-specific recommendations. Implementation continues on a stable path, as in previous years. However, reform implementation differs significantly across policy areas. In particular, Member States have made most progress over the past years in financial services, followed by progress on employment protection legislation. On the other hand, progress has been particularly slow on broadening the tax base, as well as on health and long-term care, with the healthcare systems being further challenged as a result of COVID-19.



### KPI 2: Annual implementation rate of Commission work programme

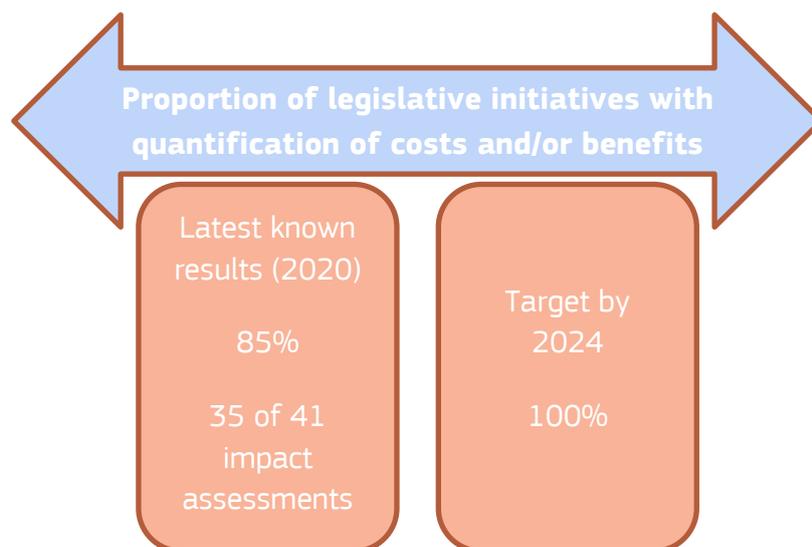
While remaining determined to deliver on the commitments made in the Commission work programme, the pandemic and subsequent focus on crisis management required the Commission to adjust its initial work programme for 2020. While initial timelines were kept for essential initiatives or those that support the immediate recovery, for a number of other initiatives the timelines were adjusted.

<sup>2</sup> Note: The multiannual assessment looks at implementation from the time the recommendations were first adopted until May 2020. The overall assessment of the country-specific recommendations related to fiscal policy includes compliance with the Stability and Growth Pact.

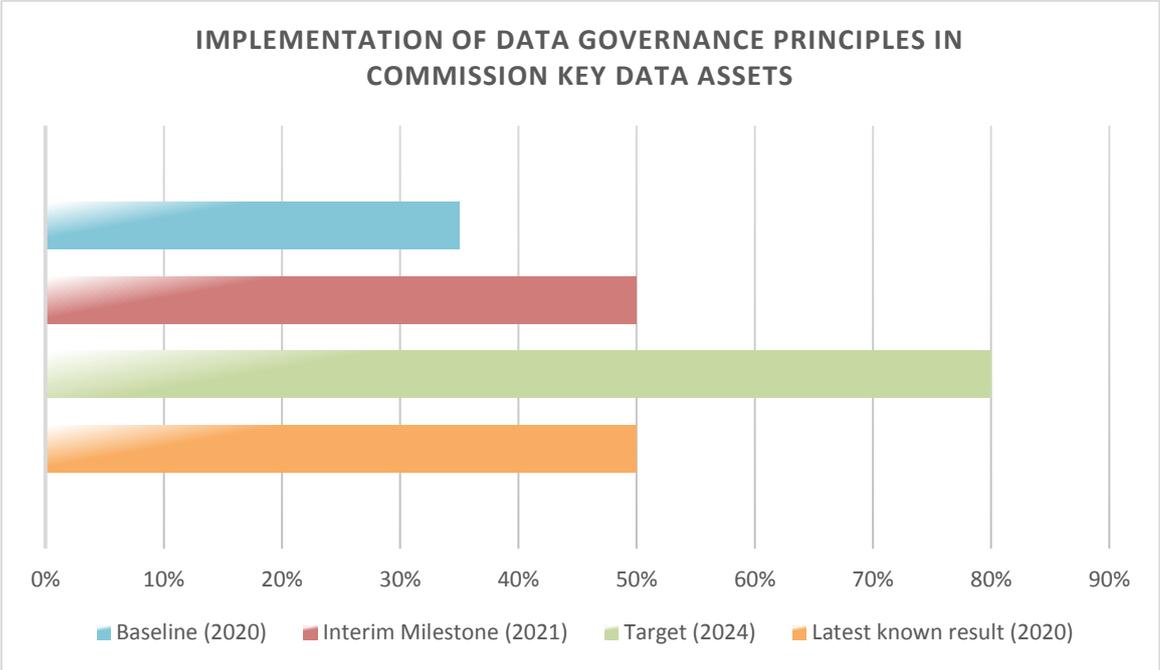


**KPI 3: Proportion of legislative initiatives (with impact assessment) with quantification of costs and/or benefits**

In 2020, a total of 41 impact assessments were prepared, to support Commission legislative proposals. The Regulatory Scrutiny Board confirmed that 85% of these impact assessments (35 of 41) included a quantification of costs and/or benefits



**KPI 4: Percentage of Commission key data assets for which corporate principles for data governance have been implemented**



## C. Key conclusions on Financial management and Internal control (executive summary of section 2.1)

In accordance with the governance arrangements of the European Commission, the Secretariat-General conducts its operations in compliance with the applicable laws and regulations, working in an open and transparent manner and meeting the expected high level of professional and ethical standards.

To ensure the achievement of policy and management objectives, the Commission has adopted a set of internal control principles, based on international good practice. The financial regulation requires that the organisational structure and the internal control systems used to implement the budget be set up in accordance with these principles. The Secretariat-General has assessed its internal control systems during the reporting year and has concluded that they are **effective and the components and principles are present and functioning as intended**. Please refer to section 2.1.3 for further details.

In addition, the Secretariat-General has systematically examined the available control results and indicators, as well as the observations and recommendations, issued by the internal auditor and the European Court of Auditors. These elements have been assessed to determine their impact on management's assurance about the achievement of the control objectives. Please refer to section 2.1 for further details.

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated; and necessary improvements and reinforcements are being implemented. The Secretary-General, in her capacity as Authorising Officer by Delegation, has signed the Declaration of Assurance.

## D. Provision of information to the President

In the context of the regular meetings during the year between the Secretariat-General and the President on management matters, the main elements of this report and assurance declaration have been brought to the attention of President von der Leyen.

## E. Specific actions on COVID-19

In 2020, Europe was strongly impacted by the COVID-19 pandemic. The Commission led a strong and coordinated response to the health crisis as well as to the impact on Europe's economy and society. The European Commission took **1372 COVID-related decisions** to provide a coordinated European response to the pandemic, including over 600 State aid decisions. The Secretariat-General worked on behalf of President von der Leyen to steer and coordinate this work.

Engagement with vaccine developers through the **EU Vaccine Strategy** has been key to supporting the creation of the COVID-19 vaccine, ensuring a number of doses sufficient for all European citizens. The Secretariat-General also contributed to the Commission's **global coronavirus response**, with the aim of universal access to affordable coronavirus vaccination, treatment and testing.

In order to tackle the challenge of access to essential medical supplies, President von der Leyen established the **COVID-19 Clearing House** for medical equipment. Its main task was to work with national authorities, manufacturers and other stakeholders to help address Member State needs. The work of the Clearing House was coordinated by the Secretariat-General and brought together expertise from across relevant Commission departments in five product clusters: personal protective equipment, ventilators, other medical and hospital supplies, test materials, and therapeutics and vaccines.

The Secretariat-General also played a major part in developing the Commission's **response to the economic and social crisis** resulting from the pandemic, co-leading work on the development and negotiation of the **NextGenerationEU** instrument and the revamped multiannual financial framework for 2021-2027. This will help to drive recovery and build a more resilient, sustainable and digital union. This work will continue through the activities of the **Recovery and Resilience Taskforce**, which has been created to coordinate implementation of the Recovery and Resilience Facility.

COVID-19 also posed challenges as regards performance, control, audit and assurance in relation to the 2020 EU budget. In an exercise coordinated by the Secretariat-General and the Directorate-General for Budget, all Commission services have promoted the consistent and rigorous **protection of the EU budget**, ensuring that appropriate mitigating measures were put in place.

## **1. Key results and progress towards the achievement of the Commission's general objectives and the Secretariat-General's specific objectives**

The Secretariat-General's work in 2020 spanned the full range of Commission activities, covering the delivery of priority policies as well as the updating and strengthening of corporate policies in support of those priorities. Performance tables covering progress towards all objectives set in the Secretariat-General's Strategic Plan for 2020-2024 and the outputs identified in the management plan for 2020 are presented in Annex 2.

### **COVID-19 response**

#### ***Coordinating Commission work on the national Recovery and Resilience Plans***

##### **Support Member States in preparing Recovery and Resilience plans (Strategic plan S.O. 3.3)**

Following the agreement of the European Council on a powerful, modern and revamped 2021-2027 long-term EU budget with NextGenerationEU at its heart, the Recovery and Resilience Task Force was established within the Secretariat-General in August 2020.

Under President von der Leyen's authority, the Recovery and Resilience Task Force supports Member States with the elaboration of their recovery and resilience plans. In particular, the Task Force helped ensuring that the upcoming plans will comply with the Recovery and Resilience Facility Regulation, including that the proposed reforms and investments deliver on objectives such as the green and digital transitions, job creation, and recovery and resilience of the Member States.

Since its inception, the Task Force has been in intensive dialogue with Member States. The 2021 Annual Sustainable Growth Strategy set out strategic guidance for the implementation of the Recovery and Resilience Facility. The Commission published in September 2020 additional guidance to Member States on how best to present their recovery and resilience plans, together with a standard template. The guidance aimed to help Member States prepare high quality national plans in line with the objectives of the facility. This would help ensuring not only that funding could start flowing swiftly to support the recovery, but also that the Facility could be a driver of truly transformational change.

The Task Force has also coordinated the European Semester in this period, which was temporarily adapted to coordinate with the Recovery and Resilience Facility.

#### ***The COVID-19 Clearing House for medical equipment***

A key challenge facing Member States in their response to the COVID-19 pandemic was accessing essential medical supplies. The COVID-19 Clearing House for medical equipment was established by President von der Leyen to work with national authorities, manufacturers and other stakeholders to help Member States to address their needs.

The Clearing House was coordinated by the Secretariat-General and brought together expertise from across relevant Commission departments in five product clusters: personal protective equipment, ventilators, other medical and hospital supplies, test materials, and therapeutics and vaccines. It also provided a platform for dialogue and information exchange with Member States' contact points, building an overview of demand and supply and creating a watch list of expected shortages (in a survey, two-thirds of Member States considered the watch list surveys to be 'very good' or 'good').

Structured dialogues and weekly meetings with industry associations helped identify and overcome technical or regulatory bottlenecks and support increased production capacity, including as a result of the greater understanding of anticipated needs. The Clearing House issued negative opinions on the export of around 4 million pieces of personal protective equipment due to shortages or cases where exports were not justified. Scenario-based modelling and a series of factsheets were produced on the situation on selected products.

### ***Ensuring the strategic use of the Emergency Support Instrument***

The Emergency Support Instrument was activated in April 2020 to complement the response of Member States and other EU instruments to the COVID-19 pandemic. The budget of EUR 2.7 billion was fully committed in 2020. The instrument's objectives provided flexibility for a wide range of possible actions and it was therefore important to ensure its strategic use to meet the emerging needs at each stage of the crisis, based on solidarity and EU added value.

The Secretariat-General provided overall coordination on the prioritisation of actions under the instrument and in allocating funds. It established an effective governance framework bringing together the five authorising officers by co-delegation (each of whom are reporting on their implementation of the instrument in their own Annual Activity Reports) and the Directorate-General for Budget. It also ensured effective interaction with Member States to take into account their needs. The vast proportion of funding – EUR 2.15 billion – was allocated to secure advanced purchase agreements for COVID-19 vaccines. By pooling efforts and taking on the inherent risk that some development projects might not succeed, the instrument ensured that all Member States had equitable access to a portfolio of the most promising vaccine candidates.

### ***Other work on crisis response***

Upon request from the President's Cabinet and in close cooperation with DG SANTE, the Secretariat-General provided a substantial contribution to the setting up of two groups, composed of high-level scientists, addressing the COVID-19 pandemic: (1) the Commission's advisory Panel on COVID-19 and (2) the EU Scientific Platform on COVID-19. While the Panel is in charge of providing advice to the Commission on several key aspects of the EU response to the pandemic, the aim of the Platform is to provide a forum for peer exchange and coordination among scientific advisers to national governments, offering a space for sharing good practices and mutual learning.

The Secretariat-General has had a pivotal role in bringing together different policies in response to COVID-19 in health response and in the supply and delivery of vaccines but also in terms of research, free movement, borders, travel and tourism. Policy communications have been used to help the Commission to lead a coordinated response, as

well as using policy coordination to bring the different strands of work together and to focus on key themes such as the EU Vaccines Strategy. This has also entailed close attention to follow-up in coordination with responsible services. The Secretariat-General also played a key role in helping to link these response measures with the first steps in terms of learning lessons and putting stronger long-term frameworks in place, such as the European Health Union legislative package.



*'The Commission is working non-stop to provide EU citizens with a safe and effective vaccine against COVID-19 as quickly as possible.'*

*Ursula von der Leyen, President of the European Commission - Press release IP/20/1524*

## General objective 1 'European Green Deal'

### **Revision of the EU's greenhouse gas emissions reduction target for 2030**

#### **Communication on raising the ambition of the EU's climate target for 2030 (Strategic plan S.O. 1.1)**

In December 2019, the European Commission adopted the European Green Deal Communication<sup>3</sup> - Europe's new growth strategy. It sets out how to make Europe the first climate-neutral continent by 2050, boosting the economy, improving people's health and quality of life and protecting nature and the services it provides to society. The Green Deal represents a major transformation of the EU's economy. The Communication presents a roadmap with 47 initiatives to deliver the Green Deal that will be presented by the Commission during the mandate of President von der Leyen.

The Secretariat-General coordinated work on a number of major initiatives adopted under the 'European Green Deal' general objective in 2020, such as the proposal establishing the Just Transition Fund, the new Circular Economy Action Plan for a cleaner and more competitive Europe, the Communication on an EU Biodiversity Strategy for 2030, the Communication on a Farm to Fork Strategy for a fair, healthy and environmentally friendly food system, and others.

Of particular significance is the scaling-up of the EU's climate targets. The Commission proposed to put into law the long-term objective for the EU to achieve climate neutrality by 2050. This was complemented in September 2020 by a proposal to strengthen substantially the EU's climate target to be achieved by 2030. The target of reducing

<sup>3</sup> [COM\(2019\) 640](#) final of 11 December 2019; A European Green Deal.

greenhouse gas emissions by 40% (relative to emissions in 1990) was replaced by a new target of reducing net emissions (emissions less carbon sinks) by 55% following its endorsement by the European Council on 11 December 2020. This target will now be communicated to the United Nations Framework Convention on Climate Change ahead of the Conference of the Parties to the Paris Agreement in Glasgow in 2021.

## General objective 2 'Europe fit for the digital age'

### *Shaping Europe's digital future*

Together with the transition to climate neutrality, the digital transformation of Europe's society and economy is a key political objective of the Commission. The COVID-19 pandemic further demonstrated the essential role of digital technologies for the daily lives of European citizens and businesses. The Recovery Plan and related instruments, including the Recovery and Resilience Facility, therefore underlined the objective to accelerate the digital transition. At the heart of these efforts is the need to build a truly digital Single Market that provides new opportunities for innovative businesses, including SMEs. This requires continuous adaptation and modernisation of the Single Market regulatory framework to take into account digitalisation. At the same time, the Commission promotes the role of European rules in shaping the global standards applicable to the digital economy.

The Secretariat-General coordinated and facilitated the preparatory work on a range of key initiatives contributing to the objective of a 'Europe fit for the digital age'. In January 2020, the Commission adopted a communication on secure 5G deployment in the EU. The subsequent digital package in February 2020 included a digital strategy communication, the European data strategy, and a white paper on artificial intelligence. In March 2020, the Commission adopted the new industrial strategy, the SME Strategy and the long-term Action Plan for better implementation and enforcement of the Single Market rules.

In December 2020, the Commission proposed a comprehensive set of new rules for all digital services that operate in the European Union: the Digital Services Act and the Digital Markets Act. The Digital Services Act aims to adapt the rights and responsibilities of all online intermediaries, their users and public authorities to the changes in the global landscape of digital services. The Digital Services Act is complemented by the Digital Markets Act which sets out ex-ante rules for so-called digital gatekeepers in the Single Market, i.e. digital platforms enjoying a significant market power as well as an entrenched and durable position in the market. The two proposals are at the core of the Commission's ambition to make this Europe's Digital Decade.

## General objective 3 'An economy that works for people'

### *Steering the European Semester and integrating sustainability*

#### **Annual Sustainable Growth Strategy (Strategic plan S.O. 3.1)**

The Recovery and Resilience Task Force coordinated the Commission-wide work on the 2020 European Semester cycle of economic policy coordination.

In September 2020, the Commission presented its 2021 Annual Sustainable Growth Strategy. In last year's Annual Sustainable Growth Strategy, the Commission launched a new growth strategy based on a new economic narrative for the 2020-2024 mandate, including a reinforced focus on environmental sustainability and incorporating the United Nations' Sustainable Development Goals.

Given the exceptional circumstances, the 2021 Annual Sustainable Growth Strategy also set out strategic guidance for the implementation of the Recovery and Resilience Facility. The four dimensions of environmental sustainability, productivity, fairness and macroeconomic stability identified in last year's Annual Sustainable Growth Strategy, remain the guiding principles underpinning the Member States' recovery and resilience plans and their national reforms and investments.

### ***Preparing the multiannual financial framework 2021-2027 and NextGenerationEU***

#### **Communication on / proposals for a revised multiannual financial framework and NextGenerationEU (Strategic plan S.O. 3.4) and Communication on the delegation of the 2021-2027 EU programmes (Strategic plan S.O. 3.2)**

In May 2020, the Commission tabled, in response to the extraordinary challenges of the COVID-19 pandemic, revised proposals for a revamped multiannual financial framework and NextGenerationEU, a temporary instrument designed to boost the economic recovery and support the green and digital transitions. Together, the multiannual financial framework for 2021-2027 and NextGenerationEU form the largest package ever financed through the EU budget, worth around EUR 1.8 trillion.

The Secretariat-General, together with the Directorate-General for Budget, led the negotiations with the European Parliament and the Council. It also coordinated work on the finalisation of the next generation of programmes. The multiannual financial framework 2021-2027, NextGenerationEU and the EU budget 2021 were agreed in December 2020 and entered into force on 1 January 2021. The package included important new tools such as the general regime of conditionality for the protection of the Union budget. Political agreements between the co-legislators were found on most sectoral programmes, with the remaining agreements to follow in early 2021.

In 2021-2027, the Commission will make greater use of executive agencies for programme implementation. The Secretariat-General prepared, together with the other central services, College decisions on the future allocation of portfolios and the staffing and governance of the future agencies. The proposal was to closely align the portfolios of the six future agencies to the headline ambitions. For example, one agency will be dedicated to health and digital while another will manage programmes strongly contributing to the European Green Deal. This proposal also set out ambitious targets in order to achieve greater synergies, savings and efficiency gains. Following consultation for the Committee on Executive Agencies, the College adopted the decision establishing the new agencies in February 2021.

## General objective 4 'A stronger Europe in the world'

### *Strengthening coordination on strategic external policy issues*

The Secretariat-General provided the secretariat for the new Group for External Coordination. The group on External Coordination (EXCO) is a cabinet level group co-chaired by the diplomatic adviser of the President and the deputy Head of Cabinet of the HRVP. It prepares the external relations points of College meetings and ensures overall consistency of the EU's external action. The Secretariat-General prepares these meetings (agenda, distribution of background documents etc) and ensures proper follow-up.

### **Joint Communication EU-US: A new transatlantic agenda for global change (Strategic plan S.O. 4.1)**

The Secretariat-General played a key role in drafting and coordinating the preparation of a proposal for a new, forward-looking transatlantic agenda following the elections in the United States. The new transatlantic agenda for global cooperation should be based on common values, interests and global influence. It will allow overcoming bilateral tensions and unilateral tendencies in a new geopolitical and economic reality.

### **Political deal on a new EU/Africa-Caribbean-Pacific Partnership Agreement (Strategic plan S.O. 4.1)**

On 3 December, the chief negotiators from the EU and the Organisation of African, Caribbean and Pacific States (OACPS), formerly known as the ACP Group of States, reached a political deal on the text for a new Partnership Agreement that will succeed the Cotonou Agreement. The Agreement, which will have to be approved, signed and ratified by the parties, will cover a large number of areas, ranging from sustainable development and growth, to human rights and peace and security and will be geared to empower each region. With the new Agreement, EU and OACPS member countries will be better equipped to address the emerging needs and global challenges, such as the COVID-19 pandemic, climate change, ocean governance, migration, peace and security issues. The Secretariat-General played a central coordinating role in the discussions from the Commission's side.

## General objective 5 'Promoting our European way of life'

### *Deepening the Security Union*

### **Communication on the EU Security Union Strategy (Strategic plan S.O. 5.1)**

The new Security Union Strategy addresses both digital and physical risks in an integrated manner and includes a reflection on the security impacts and lessons learnt from COVID-19, and aims at building capabilities for preparedness, response and resilience to these threats. The new Security Union Strategy covers the period 2020-2025 and is grounded in European common values, addressing the external dimension of security, as the stability and security of the EU's neighbourhood is critical to the EU's own security. The strategy identifies four strategic priorities for action at EU level, including a future-proof security environment; tackling evolving threats; protecting Europeans from terrorism and organised crime, and a strong European security ecosystem.

As part of the implementation of the new Strategy, the Secretariat-General set up strong coordination mechanisms and on 9 December 2020, the Commission presented the first progress report on the EU Security Union Strategy. This report highlighted actions taken at EU level in the context of the four strategic priorities of the Strategy covering the period from 31 October 2019 until its adoption. The report identified areas where further work is needed to address immediate security threats, in particular regarding the threat of terrorism and radicalisation, following the terrorist attacks in Member States in 2020.

### *Working towards a comprehensive framework for migration*

Closely aligned to the work on security is work on migration. The political guidelines underline the need for a fresh start and a comprehensive framework for migration and asylum. Delivering on this commitment and as announced in its work programme for 2020, the Commission adopted on 23 September 2020, a policy Communication on a New Pact on Migration and Asylum and a set of legislative and non-legislative proposals, which build on the Commission's work on migration and borders since the 2015 European Agenda on Migration, and at the same time, give the impetus and the fresh start needed. The Secretariat-General was responsible for the Communication and plays a particular role in the follow up, helping to ensure an overview and assist coordination, notably on the external dimension. The New Pact seeks to take a whole-of-route approach and acknowledge that the internal and external aspects of migration are inextricably linked, delivering a more resilient, humane and effective migration and asylum system.

### *Stepping up European cooperation on crisis management*

#### **Revised ARGUS Decision based on lessons learnt, notably in the context of COVID-19 crisis (Strategic plan S.O. 5.2)**

Since the start of the pandemic, the EU has played a coordinating role in Member States' responses to the crisis, encouraging the sharing of information and experience, and the alignment of response measures. The Commission has been instrumental in limiting restrictions on intra-EU free movement of persons, goods and services, launching joint procurement initiatives for, and directly buying, personal protective equipment, medical equipment and treatments or creating a strategic stock of medical equipment for use by Member States in cases of shortages. The Secretariat-General has been the catalyst for the coordination carried out in numerous fora of Members of the European Council and among their close collaborators, in COREPER and in Integrated Political Crisis Response (IPCR) roundtables. The ARGUS IT tool has been the backbone of sharing timely and relevant information between Commission services related to the fight against the pandemic and its impact on the EU livelihoods and economy. In addition, the Secretariat-General has managed successfully to bring together valuable expertise from all services concerned to take initiatives for solutions and strategies, propose advice and guidance, and support effective communication.

The rescEU reserve of emergency medical equipment, such as ventilators, protective masks, gloves and laboratory supplies helped European countries face the coronavirus pandemic. Early on during the coronavirus crisis, the Commission established a dedicated website to provide transparent and comprehensive information on Europe's crisis response and to fight disinformation. The website quickly became a central reference point, receiving more than 6.5 million visitors throughout 2020. 'Re-open EU' website and app now provide a 'one-stop

shop' for information about health measures, travel restrictions and the epidemiological situation across European countries. In 2020 alone, the Re-open EU received 8.3 million visitors. The Secretariat-General played, and continues to play, a key role in supporting Re-open EU, including on feeding timely and validated information from the EU Member States.

## General objective 6 'A new push for European democracy'

### *Conference on the future of Europe*

#### **Preparatory work and Joint Declaration on the Conference on the future of Europe (Strategic plan S.O. 6.3)**

Throughout 2020, the Secretariat-General, in collaboration with the Directorate-General for Communication, steered preparations for the launch of the Conference on the Future of Europe. The Conference will put into practice President von der Leyen's commitment, under headline ambition 'A new push for European democracy', to involve citizens in the shaping of future EU policies. As part of the preparations, the Secretariat-General worked on a Joint Declaration on the scope, objectives and structure of the Conference. Due to delays linked to the COVID-19 pandemic, the signature of the Joint Declaration was signed by the Presidents of the three EU institutions on 10 March 2021. The Conference is therefore expected to conclude by Spring 2022.

### *Building a European Rule of Law Mechanism*

#### **Rule of law report with political chapeau communication (Strategic plan S.O. 6.1)**

The Secretariat-General steers and coordinates the yearly rule of law report, in close cooperation with other Commission services, and is also in charge of drafting the political chapeau communication. Notably, the Secretariat-General steers the Commission services' work, through a dedicated interservice steering group and country teams. The Commission's work is brought together in an annual report and involves ongoing cooperation and analysis with the national authorities and other key stakeholders. The first edition of this report was adopted in September 2020. The rule of law is central to the Commission's priority 'A new push for European democracy'. The Commission has set up an additional comprehensive European Rule of Law Mechanism, with an EU-wide scope and objective annual reporting by the European Commission. The monitoring approach is applied in the same way in every Member State, notably using country teams.

The other key strand of work under this political priority steered by the Secretariat-General is the **European Democracy Action Plan** adopted in December 2020. The Action Plan brings together a number of innovative workstreams seeking to strengthen the resilience of EU democracies by promoting free and fair elections and democratic participation, by supporting media freedom and pluralism and by countering disinformation. Across the Action Plan, there is a strong emphasis on empowering citizens and civil society to counter threats to democracy. The Secretariat-General is responsible for the overall steer and coordination and for ensuring that the actions announced are followed up and implemented effectively.

## ***Strengthening the Commission's Better Regulation policy***

### **Better Regulation (Strategic plan S.O. 6.4)**

The Secretariat-General guides the better regulation agenda and oversees its implementation across the Commission. The von der Leyen Commission has strengthened and renewed the commitment to better regulation, underlining the need to ensure that regulation is targeted, easy to comply with and does not add unnecessary regulatory burdens.

Building on the objective to reduce burden, the Commission set-up in 2020 the 'Fit for Future' platform. The platform brings together national and local authorities, the Committee of the Regions, the European Economic and Social Committee and stakeholders advising the Commission on how to achieve this objective. The first opinions are expected in the third quarter of 2021.

A new communication strategy will strengthen the outreach of the Commission's better regulation policy. It aims to ensure that citizens and stakeholders are informed and encouraged to participate in EU policy-making. Press activities accompanied the launch of the revamped better regulation portal ('Have your say') and the first meeting of the Fit for Future Platform. Selected public consultations were promoted by social media in close cooperation with the lead Directorates-General, the Directorate-General for Communication, the Representations of the Member States and the consultative committees.

## ***Interinstitutional Transparency Register***

In December 2020, the Commission reached a final political agreement with the European Parliament and the Council of the European Union on a mandatory Transparency Register. This development formally concluded the interinstitutional negotiations that started with the adoption of the Commission proposal<sup>4</sup> in 2016.

The Secretariat-General played a key role in this process in steering the negotiations with the European Parliament and the Council at the technical level. It also facilitated the preparation of the political meetings and coordinated all preparatory and supporting work for the Commission position.

The new interinstitutional agreement will take legal effect in 2021 after formal adoption by the three institutions. The Secretariat-General will coordinate, on behalf of the Commission, the implementation of the agreement with the Parliament and Council.

## ***Coordinating the Equality Task Force***

### **Establishment of the Task Force on Equality (Strategic plan S.O. 6.10)**

In the first months of the mandate, the Secretariat-General established the Task Force on Equality, set up its secretariat and defined a work programme, as well as working methods, to support the Commissioner for Equality in her mission to strengthen Europe's commitment to inclusion and equality. Equality coordinators, who are key drivers of the

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<sup>4</sup> COM(2016) 627 final

Task Force, were appointed in all Directorates-General and services and in the European External Action Service.

The Task Force held its first annual event, gathering almost 200 participants, on 8 December 2020. In parallel, the Secretariat-General set up the Secretariat of the Task Force, composed of eight colleagues with complementary profiles and expertise on gender equality, Roma inclusion, anti-discrimination acquis, budget, human resources, data collection and analysis, mainstreaming, better regulation and communication.

### *Embedding strategic foresight in the policy process*

#### **2020 Strategic Foresight Report (Strategic plan S.O. 6.11)**

The Secretariat-General coordinates the Commission's efforts to strengthen a culture of anticipatory, strategic, and evidence-based policymaking in the EU, in cooperation with the Joint Research Centre. In this context, the first-ever Strategic Foresight Report was adopted on 9 September 2020. The report introduced a comprehensive concept of resilience and offered analysis of the EU resilience in the context of the COVID-19 crisis, proposing dashboards as a monitoring tool. It announced a series of deliverables for the coming years: annual Strategic Foresight Reports based on full foresight cycles; the inclusion of strategic foresight into the Better Regulation agenda; ad-hoc foresight newsletters and collective intelligence exercises linked to key strategic initiatives of the Commission; the development of foresight reference scenarios; and the co-creation of resilience dashboards, a new tool to monitor resilience, together with Member States and other key stakeholders.

The Commission will continue its cooperation on foresight with other EU institutions, and conduct outreach exercises to promote the Strategic Foresight Reports and discuss key topics for the future of Europe with Member States, other European institutions, and external foresight partners.

## **General objective 7 'A modern, high-performing and sustainable European Commission'**

### *Compiling the Commission Work Programme and coordinating the policy-making process*

#### **Preparation of Commission Work Programme for 2021 (Strategic plan S.O. 7.1)**

In 2020 the Secretariat-General coordinated the finalisation of the 2020 work programme. The pandemic and subsequent focus on crisis management led to the review of some proposed initiatives and an adjusted work programme later in the year.

The Secretariat-General also coordinated the preparation of the 2021 Commission work programme. This programme sees a shift from strategy to delivery with an emphasis on new legislative initiatives, confirming the Commission's resolve to manage the health crisis. It will also lead the twin green and digital transition, making Europe's economies and societies more resilient. There will be an increasing focus on integrating the lessons learnt from the crisis, allowing proper public consultation and ensuring that better regulation principles are respected.

## ***Leading the Commission's strategic planning and programming***

### **2020-2024 strategic plans and 2020 management plans (Strategic plan S.O. 7.3)**

The strategic planning process strengthens the performance culture in the Commission by requiring services to set clear objectives and subsequently to monitor and report on performance.

The Secretariat-General coordinated in 2020 the preparation of new multiannual strategic plans for all Commission services, as well as the first annual management plans to be produced under the new framework. The strategic plans set out how the work of the services will contribute to the headline ambitions of the von der Leyen Commission. They also explain how services will contribute to modernising the Commission administration and making it more digital and sustainable.

The Secretariat-General steered this process throughout, from the initial brainstorming and peer review phase, through to the quality review by central services and finalisation. This has helped to promote the coherence of the plans and full alignment with the political priorities. The final plans are available on the Europa website<sup>5</sup>.

## ***Overseeing the implementation of strengthened data protection rules***

### **The work of Data Protection Officer in 2020 (Specific objective 7.4)**

In 2020, the Data Protection Officer (DPO) ensured the adoption of two important legal acts, which assist Commission departments in the proper implementation of the Data Protection Regulation for EU institutions and bodies (Regulation (EU) 2018/1725):

- In July 2020, the College adopted the Commission's internal rules for the implementation of the Regulation (Commission Decision (EU) 2020/969). The implementing rules reinforce the principle of accountability of senior management and responsibilities of middle management and clarify the powers of Data Protection Officer and Data Protection Coordinators;
- The College was briefed on the progress of Commission services in the implementation of Regulation (EU) 2018/1725 and endorsed the Review of the Commission's Data Protection Action Plan in November 2020.

Overall, the Commission services achieved significant progress in ensuring and demonstrating compliance with the new data protection rules. As regards the areas that require additional attention, the Data Protection Officer provided his recommendations to the Information Technology and Cybersecurity Board and the Group of Resource Directors. The Data Protection Officer invested significant efforts in providing tailor-made awareness-raising sessions for senior managers of the Commission. He also coordinated the work among Data Protection Coordinators to establish harmonised training objectives for all Commission staff and ensure the availability of harmonised material for training and awareness-raising activities.

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<sup>5</sup> [https://ec.europa.eu/info/publications/strategic-plans-2020-2024\\_en](https://ec.europa.eu/info/publications/strategic-plans-2020-2024_en)

In 2020, the Internal Audit Service (IAS) carried out a data protection audit at corporate level. It identified several areas where a corporate approach is required. The IAS findings and recommendations, for the most part, support the work already done by the Data Protection Officer in 2020 and his plans for 2021.

As a consequence of the ruling by the Court of Justice in the so-called SCHREMS II case (C-311/18), the DPO contributed to the organisation of a mapping exercise in the Commission of international transfers of personal data with processors in third countries. This exercise was initiated immediately after the ruling and formed the basis for an initial stocktaking in September 2020. Subsequent to a request dated 2 October 2020 from the European Data Protection Supervisor (EDPS) to all EU institutions to identify and map all their international transfers and to report certain categories of transfers<sup>6</sup>, the DPO office coordinated this exercise in view of preparation of the Commission's reply to the request. The Commission submitted its reply to the request by letter of 2 December 2020 and is awaiting the EDPS' reaction.

### ***Ensuring a high level of business continuity***

#### **Work plan based on lessons learnt following the COVID-19 crisis to simplify and adapt existing business continuity arrangements (Strategic plan S.O. 7.5)**

The COVID-19 crisis fundamentally changed the Commission's way of working. The Commission proved its high level of resilience by very quickly enabling all Commission staff to work and meet remotely. The Secretariat-General has guided and facilitated efforts among the various services to ensure overall business continuity, while keeping staff safe and healthy.

The Business Continuity Management Team, chaired by the Chief Operating Officer of the Commission, was an efficient forum for steering and coordinating the efforts at corporate level. The Secretariat-General worked closely with DG Human Resources to inform staff and contributed to the effective implementation of remote work, the organisation of shift work in the office, the phased planning for the return to the office and of virtual collaboration. These features are now firmly embedded in the Commission's daily work and have become part of the new institutional culture.

The Secretariat-General collected the lessons learnt from the crisis from a business continuity angle to improve the Commission's resilience. In addition, the Secretariat-General simplified and improved administrative procedures, including the professionalisation of its duty officer system, its standby arrangements, the relocation arrangements for the College and preparatory work for the replacement of its current business continuity tool.

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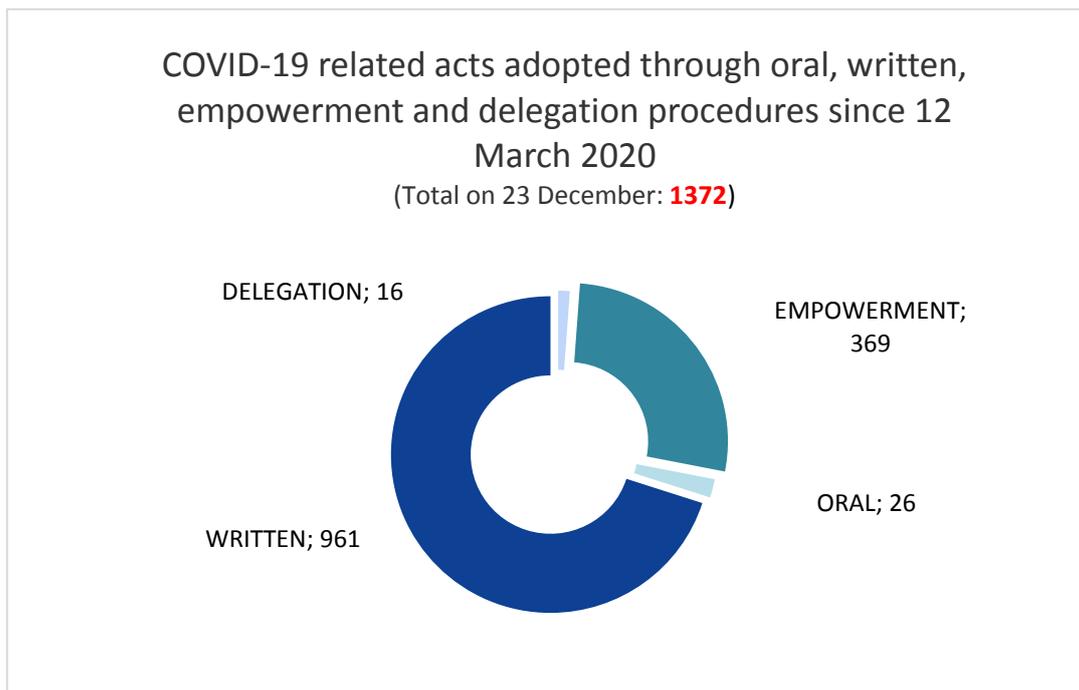
<sup>6</sup> Where the legal basis for the international transfer is a) non-existing b) a derogation in Article 50 of the Regulation or c) high-risk transfers to the US

## Managing the decision-making procedures

### Procedural arrangements introduced in the context of COVID-19 (Strategic plan S.O. 7.7 & 7.8)

The COVID-19 crisis required a quick reaction from the Commission. In this critical situation, decision-making procedures needed to facilitate as much as possible the adoption of urgent decisions to tackle the pandemic. In order to allow for a swift adoption of urgent decisions related to the COVID-19 outbreak, the Secretary-General introduced procedural flexibilities in March 2020, including accelerated interservice consultations and adoption procedures.

Oral procedures were also adapted to respect social distancing rules through virtual College meetings, hybrid College meetings and meetings in larger rooms. The same adjustments were implemented for the preparatory meetings. The Commission also amended provisions of its Rules of Procedure to guarantee the legality of the decisions taken in a virtual setting. The procedural adaptations allowed timely reaction from the Commission to the COVID-19 outbreak while preserving the legality, collegiality, transparency and proper cooperation both at service and at political levels. In total, the Commission adopted 1 372 initiatives (from a total amount of 9 706) identified as COVID-related between 12 March and 23 December 2020, among which 613 State aid decisions.



## 2. Modern and efficient administration and internal control

### 2.1 Financial management and internal control

Assurance is provided on the basis of an objective examination of evidence of the effectiveness of risk management, control and governance processes.

This examination is carried out by management, who monitor the functioning of the internal control systems on a continuous basis, and by internal and external auditors. The results are explicitly documented and reported to the Secretary-General. The following reports have been considered:

- the reports by the Authorising Officers by sub-Delegation (AOSDs)
- the reports from Authorising Officers in other Directorates-General managing budget appropriations in cross-delegation;
- the contribution by the Directors in charge of Risk Management and Internal Control, including the results of internal control monitoring at the Secretariat-General level;
- the reports on recorded exceptions, non-compliance events and any cases of 'confirmation of instructions' (Art 92.3 of the Financial Regulation);
- the reports on ex post supervision and/or audit results;
- the limited conclusion of the Internal Auditor on the state of internal control, and the observations and recommendations reported by the Internal Audit Service (IAS);
- the observations and the recommendations reported by the European Court of Auditors (ECA).

These reports result from a systematic analysis of the evidence available. This approach provides sufficient guarantees as to the completeness and reliability of the information reported and results in a complete coverage of the budget delegated to the Secretary-General.

This section covers the control results and other relevant elements that support management's assurance. It is structured into (a) Control results, (b) Audit observations and recommendations, (c) Effectiveness of internal control systems, and resulting in (d) Conclusions on the assurance.

#### 2.1.1 Control results

This section reports and assesses the elements identified by management which support the assurance on the achievement of the internal control objectives<sup>7</sup>. The Secretariat-General's assurance building and materiality criteria are outlined in AAR Annex 5. Annex 6

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<sup>7</sup> 1) Effectiveness, efficiency and economy of operations; 2) reliability of reporting; 3) safeguarding of assets and information; 4) prevention, detection, correction and follow-up of fraud and irregularities; and 5) adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the multiannual character of programmes as well as the nature of the payments (FR Art 36.2).

outlines the main risks together with the control processes to mitigate them and the indicators used to measure the performance of the relevant control systems.

The Secretariat-General uses the following definitions of a positive conclusion for the five Internal Control Objectives and their associated indicators:

- Residual Error Rate: below 2%
- Cost-Effectiveness: error rates, time-to-pay and time to contract, and costs of controls lead to a positive conclusion on cost-effectiveness
- Anti-Fraud Strategy: the 2020 action plan is implemented and recommendations are accepted by management
- Safeguarding of assets: all pre-financings are correctly booked
- Reliability of Reporting: no material error and no reservations

The Secretariat-General has a low-risk profile in financial management mainly because of the small size of its budget and because almost all contracts entered into are against framework contracts. Furthermore, the Secretariat-General manages a single grant, exempt from the requirement to have a call for proposals.

At the Secretariat-General, financial operations relate to (payments under) direct budget management. More specifically, direct management includes expenditures for grants, procurement and administrative expenses. No (reputational) event or unmitigated risk has been identified by the management, which could have a significant impact on assurance on the achievement of the internal control objectives. The Secretariat-General's management has supported the assurance on the achievement of each of the relevant internal control objectives and no reservation in section 2.1.4 is necessary.

Conclusion Table

In EUR million	Expenses	Revenues
Procurement, Grant and Administrative Expenses		
Total	10.2	2.5
Internal control objectives (5) for financial management and specific statements in the declaration of assurance - Conclusions	Positive	Positive
Negative opinion from auditors	No	No
Reservation	No	No

- No cases of ‘confirmation of instructions’ (new Financial Regulation art 92.3)
- No cases of financing not linked to costs (new Financial Regulation art 125.3)
- No cases of Financial Framework Partnerships >4 years (new Financial Regulation art 130.4)
- No cases of flat rates >7% for indirect costs (new Financial Regulation art 181.6)

- No cases of ‘Derogations from the principle of non-retroactivity [of grants] pursuant to Art 193 of the Financial Regulation’ (new Financial Regulation art 193.2)

Cost-effective controls are those that are effective to fulfil the intended control objectives in an efficient manner and at a reasonable cost. In order to decide whether controls are cost-effective, it is necessary to assess their effectiveness, efficiency and economy.

### **1. Effectiveness = the control results and benefits**

In order to be considered effective, controls are expected to meet the internal control objectives (detailed hereafter) and for each of those control objectives result in benefits.

- **Legality and regularity of the transactions**

The Secretariat-General is using internal control processes to ensure the adequate management of the risks relating to the legality and regularity of the underlying transactions for which it is responsible, taking into account the multiannual character of programmes and the nature of the payments concerned. Based on control results and all other relevant information available, the Authorising Officer by Delegation (AOD) can conclude that for each segment of expenditure with a given risk profile and subject to the same or a similar control system, no reservation should be made.

Based on the controls results and on the inherent risks of the various transactions, the error rates for each key segment (or sub-segment) are as follows:

- For the grant to the European University Institute: 1.5%. The core of the grant's expenses is for personnel which belong to a dedicated administrative entity and whose costs are standardised. Furthermore, the audit conducted in 2017 by an external consultant showed that adequate control procedures are in place to identify the staff working on the action grant and to prevent double payments; supporting documents and related invoices for payments made; reliable beneficiary's accounts; and very minor non-eligible payment claims. These results are still valid and a new ex post control is scheduled to take place in 2021.
- For procurement and other administrative expenses: 0.5%. Controls aim at systematically detecting and preventing breaches of legality and regularity; the first measure of the error rate is therefore the one resulting from the analysis of the recording of exceptions: control overrides and non-compliant events. The analysis of these exceptions shows that 0.5% is the best estimate.

Given the materiality target threshold at the Secretariat-General of less than 2%, management concludes that no reservation is needed and that the internal control systems provide sufficient assurance to adequately manage the risks relating to the legality and regularity of the underlying transactions. The main benefits of these controls are to ensure that the financial transactions and the financial statements will be free of errors and lead to a positive declaration of assurance. The Secretariat-General's portfolio consists of segments all with a relative low error rate: administrative expenditures, specific contracts and a single grant without calls for proposals.

The COVID-19 outbreak had little impact on the Secretariat-General's financial transactions, other than a limited number of discussions with contractors on force majeure events and

intra-muros staff being allowed to work remotely. Therefore, no specific actions needed to be taken.

The Secretariat-General's relevant expenditure, estimated overall risk at payment, estimated future corrections and risk at closure are disclosed in the table below.

The estimated overall risk at payment for 2020 expenditure amounts to 0.08M€, representing 0.8% of the Secretariat-General's total relevant expenditure for 2020. This is the AOD's best, conservative estimation of the amount of relevant expenditure during the year not in conformity with the contractual and regulatory provisions applicable at the time the payment was made.

This expenditure will subsequently not be subject to ex post controls that would aim at having a proportion of the underlying errors be detected and corrected in subsequent years. Such ex post controls would not be cost-effective given the amounts at play, which furthermore are estimates that could be significantly lower in reality. The conservatively estimated future corrections for 2020 expenditure amount therefore to 0M€. This is the amount of errors that the Secretariat-General conservatively estimates will be identified and corrected by controls planned to be carried out in subsequent years.

The difference between those two amounts results in the estimated overall risk at closure of 0.08M€, representing 0.8% of the Secretariat-General's total relevant expenditure for 2020.

In the context of the protection of the EU budget, the Secretariat-General's estimated overall risk at payment, estimated future corrections and risk at closure are consolidated at Commission level in the Annual Management and Performance Report (AMPR).

In conclusion, legality and regularity controls are deemed effective.

## Estimated overall amount at risk at closure

Secretariat-General	"payments made" (FY; EUR million)	<i>minus</i> new pre-financing [ <i>plus</i> retentions made*] (in FY; EUR million)	<i>plus</i> cleared pre-financing [ <i>minus</i> retentions released* and deductions of expenditure made by MS] (in FY; EUR million)	= "relevant expenditure" (for the FY; EUR million)	Average Error Rate ( <i>weighted AER</i> ; %)	estimated overall amount at risk <i>at payment</i> (FY; EUR million)	Average Recoveries and Corrections ( <b>adjusted ARC</b> <sup>8</sup> ; %)	estimated future corrections [and deductions] (for FY; EUR million)	<b>estimated overall amount at risk at closure (EUR million)</b>
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Programme, Budget Line(s), or other relevant level	as per AAR annex 3, table 2	as per ABAC DWH BO report on pre-financing	as per ABAC DWH BO report on pre-financing	= (2) -/+ (3) +/- (4)	Detected error rates, or equivalent estimates	= (5) x (6)	H-ARC (as per ABAC DWH BO report on corrective capacity), <u>but adjusted</u>	= (5) x (8)	= (7) - (9)
Procurement and Administrative Expenses	7.7	-0.6	0.5	7.6	0.5 %	0.04	0 %	0	0.04
Grant	2.4	-2.2	2.1	2.3	1.5 %	0.04	0 %	0	0.04
Overall, total	10.2	-2.4	2.3	10.1	0.8 %	0.08	0 %	0	0.08

(1) The Secretariat-General has two main types of transactions, but a single control system

(2) Payments made or equivalent, e.g. expenditure registered in the Commission's accounting system, accepted expenditure or cleared pre-financing. In any case, this means after the preventive (ex-ante) control measures have already been implemented earlier in the cycle.

In all cases of Co-Delegations (Internal Rules Article 3), 'payments made' are covered by the Delegated DGs. For Cross-SubDelegations (Internal Rules Article 12), they remain with the Delegating DGs.

<sup>8</sup> Average percentage of corrections.

(3) New pre-financing actually paid by out the department itself during the financial year (i.e. excluding any pre-financing received as a transfer from another department). 'Pre-financing' is covered as in the context of note 2.5.1 to the Commission annual accounts (i.e. excluding 'Other advances to Member States' (note 2.5.2) which is covered on a purely payment-made basis).

'Pre-financing paid/cleared' are always covered by the Delegated DGs, even for Cross-SubDelegations.

(4) Pre-financing actually cleared during the financial year (i.e. their 'delta' in the Financial Year 'actuals', not their 'cut-off' based estimated 'consumption').

(5) For the purpose of equivalence with the ECA's scope of the EC funds with potential exposure to legality & regularity errors (*see the ECA's Annual Report methodological Annex 1.1*), our concept of 'relevant expenditure' includes the payments made, subtracts the new pre-financing paid out, and adds the previous pre-financing actually cleared during the FY. This is a separate and 'hybrid' concept, intentionally combining elements from the budgetary accounting and from the general ledger accounting.

(6) In order to calculate the weighted Average Error Rate (AER) for the total relevant expenditure in the reporting year, the detected error rates have been used – or an equivalent. For low-risk types of expenditure, where there are indications that the equivalent error rate might be close to 'zero' (*e.g. administrative expenditure, operating subsidies to agencies*), it is nevertheless recommended that 0.5% be used as a conservative estimate.

(8) Even though to some extent based on the 7 years historic Average of Recoveries and financial Corrections (ARC), which is the best available indication of the corrective capacity of the ex-post control systems implemented by the DG over the past years, the AOD has adjusted this historic average from 0.6% to 0%.

Any ex-ante elements, one-off events, (partially) cancelled or waived Recovery Orders, and other factors from the past years that would no longer be relevant for current programmes (e.g. higher ex-post corrections of previously higher errors in earlier generations of grant programmes, current programmes with entirely ex-ante control systems) have been adjusted in order to come to the best and most conservative estimate of the ex-post future corrections to be applied to the reporting year's relevant expenditure for the current programmes. The most conservative estimate of corrections is 0% given the low value of the amount at risk and therefore the absence of ex post information for cost-effectiveness reasons.

- **Fraud prevention, detection and correction**

The Secretariat-General has developed and implemented its own anti-fraud strategy since 2014, on the basis of the methodology provided by the European Anti-Fraud Office (OLAF). It is updated at a minimum every three years. It was last updated in 2020. Its implementation is being monitored and reported to the management at least once a year. All necessary actions, except the ex post control of the European University Institute have been implemented. Given that dedicated training given jointly by OLAF and the Secretariat-General to an audience of financial and project management officers took place in the last quarter of 2019, it was felt that there was no need to repeat the exercise in 2020. The implementation of the missing action is expected to be completed by the end of 2021 or the beginning of 2022.

The Secretariat-General also contributed to the Commission anti-fraud strategy and had no *financial* recommendations from OLAF to follow up. The results achieved during the year thanks to the anti-fraud measures in place can be summarised as follows: all newcomers were offered trainings in ethics and anti-fraud and the local anti-fraud strategy reflected the actions taken at corporate level.

On the basis of the available information, the Secretariat-General has reasonable assurance that the anti-fraud measures in place are effective overall.

The Secretariat-General concentrates its efforts on two strategic objectives:

1. Enhancing detective controls to mitigate fraud risks with financial implications;
2. Developing an anti-fraud culture in the Secretariat-General.

At the end of 2020, the Secretariat-General added a new strategic objective with respect to its corporate role:

3. Enhance the governance of anti-fraud policy:

The Secretariat-General contributes to one of the two main axes of the Corporate Anti-Fraud Strategy, which is to enhance the governance of anti-fraud policy. Specifically, the Secretariat-General supports the oversight, by the Corporate Management Board, of the follow-up given to OLAF recommendations. To this end, the Secretariat-General will organise regular monitoring meetings, with all relevant horizontal services, to assess to what extent services have given effect to OLAF's financial recommendations.

In 2020, within the scope of developing an anti-fraud culture in the Secretariat-General, awareness-raising sessions organised by OLAF were conducted at the Secretariat-General. The sessions targeted newcomers i.e. the most relevant population and had to be organised remotely.

To counteract potential reputational risks, the Secretariat-General will continue ethics-related training and awareness-raising activities to maintain the highest standards of professional integrity. Anti-fraud culture remains in focus and is promoted on a continual basis. In general, the Secretariat-General has a low-risk profile in financial management as it has a small size budget.

- **Other control objectives: safeguarding of assets and information, reliability of reporting**

The Secretariat-General plays a key role in managing information in all its forms. An important part of this is managing sensitive and classified information. The core principles in this respect are confidentiality on a 'need to know' basis, integrity and availability. The Secretariat-General also protects access to assets and information by managing access to the offices of the Secretary-General and her staff.

The Secretariat-General takes the necessary measures to protect the security of its ICT systems and services - including the information and knowledge held on them - in order to safeguard its image, reputation and business interests. Decide is the corporate IT tool for the decision-making process in the Commission, for which the Secretariat-General is system owner. HERMES/ARES/NOMCOM is the corporate IT tool for document management in the Commission, for which the Secretariat-General is system owner.

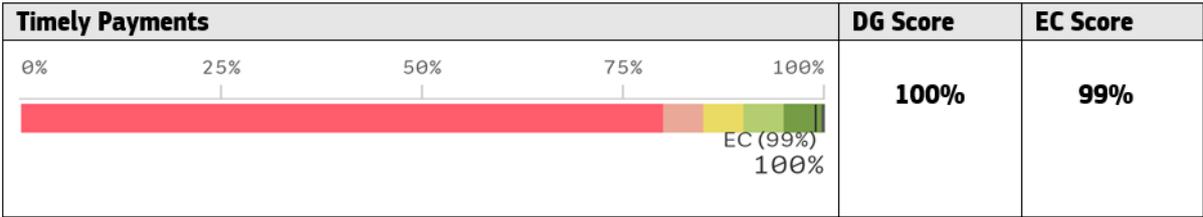
To safeguard classified information, the Secretariat-General follows the rules drawn up by the Security Directorate of the European Commission. Documents containing classified information are handled and stored in the Commission's Central EU Classified Information Registry, which is the main point of entry and exit for classified information exchanges. Physical requirements and procedures are compliant with Commission Decision 2015/444. Other documents marked sensitive non-classified (SNC) are kept in administrative areas, which offer a satisfactory level of protection as required by the legislation. The security-cleared registry control officers who work in the Commission's Central EUCI Registry are responsible for verifying whether Commission staff are authorised to have access to classified information documents. Supervision of the security aspects of Commission's Central EUCI Registry's work is provided by the Secretariat-General's Local Security Officer. Access to classified documents is strictly limited on the basis of the 'need to know' principle. During the induction day, the Secretariat-General's newcomers are informed about the main principles, rights and obligations under the Staff Regulation, with a particular focus on the obligation of discretion and the importance of mitigating information and documents' leakage. The Secretary-General has put emphasis on enhancing the security culture in the Secretariat-General and the Local Security Officer is helping to raise awareness of staff for security-related topics and trainings by announcing related information of the Secretariat-General's internal SGNet webpage.

Safeguarding of assets is related to the pre-financing paid by the Secretariat-General to beneficiaries and contractors. Each pre-financing transaction has been adequately booked to show on the balance sheet. In conclusion, safeguarding of assets and information controls are deemed effective.

## ***2. Efficiency = the Time-to-... indicators and other efficiency indicators***

With respect to efficiency, two main indicators are used: time to pay and time to contract (time to inform and time to grant do not apply to the historical archives grant). In 2020 (Annex 3 refers) the average time to pay with suspension was eight days (11 days in 2019). The periods specified in Article 116(1) of the Financial Regulation were complied with and 0.4% of the transactions were in excess of the time-limits (none with respect to target time limits). The financial scorecard shows 100% for the timely payments (Annex 4 refers) which demonstrates the high level of professionalism of the Secretariat-General's

staff and their close monitoring of payment deadlines. Monthly reports were provided to the operational units to adequately monitor un-committed and un-paid appropriations.



The average time to contract starting from receiving the offer and ending with the contract signed by both parties was 13 days (19 days in 2019). The use of eOrders, which allows contracts to be signed electronically within the same day is an essential element of this positive result, and its further deployment has helped achieving even better results in 2020.

In 2019, the Secretariat-General moved to eWorkflows and eTools such as eTed, eSubmission, eOrders, and others, the impact of which has been to rely heavily on standardised operating procedures coupled to related IT systems. In 2020, the Secretariat-General reaped the benefits of such a digital approach when the pandemic struck and staff had to work online.

**3. Economy = the estimated cost of controls**

Being a small spending Directorate-General, the Secretariat-General has a single indicator for the costs of controls per control system. Furthermore, it should be kept in mind that the costs of all stages are included (even filing and archiving) but compared only to the payment stage amounts. This aggregate indicator will therefore be the costs of controls irrespective of whether these controls apply to a call, a contract, a commitment, a payment, etc.; these costs are then divided by the total payments made.

The costs of controls amount to EUR 1.3 million and are based on activities that include financial management; programme management; budget and accounting; management; general coordination; and information and communications technology, depending on the persons involved (Annex 6 refers). These costs amount to 13% of the total payments (13% in 2019). Such a number can be explained by the scope and the diversity of activities linked to the cost of controls (6 out of a total of 32 generic activities); the number of operational units involved; and the low number and low magnitude of the financial transactions at the Secretariat-General. As there were no significant changes to the budget and the control workforce, the control environment remained stable.

**4. Conclusion on the cost-effectiveness of controls**

Based on the most relevant key indicators and control results, the Secretariat-General has assessed the effectiveness, efficiency and economy of the control system and reached a positive conclusion on the cost-effectiveness of controls for which it is responsible.

Three main indicators are used to determine the cost-effectiveness of controls: the error rate, the time-to-pay/timely payment (and time-to-contract), and the costs of controls.

The respective indicators were 0.8% of error rates; 8 days on average to pay/ 100% of timely payments (and 13 days on average to contract); and costs of controls of 13% in

percentage of the total payments. Given the stable control environment and control strategy and the fact that the Secretariat-General is a small spending Directorate-General, that error rates and time-to-pay are well within the acceptable margins and that the costs of controls are not excessively high, the conclusions on the control strategy (details of which are provided under Annex 7) and on the cost-effectiveness of controls are positive.

### **2.1.2 Audit observations and recommendations**

This section sets out the observations, opinions and conclusions reported by auditors – including the limited conclusion of the Internal Auditor on the state of internal control. Summaries of the management measures taken in response to the audit recommendations are also included, together with an assessment of the likely material impact of the findings on the achievement of the internal control objectives, and therefore on management's assurance.

#### **Internal Audit Service**

The Internal Audit Service's limited conclusion on the state of the Secretariat-General's internal control is based on the audit work carried out in the period 2018-2020. The Internal Audit Service concludes that the internal control systems in place for the audited processes are effective, except for the observations giving rise to the very important recommendations.

The Secretariat-General had five very important recommendations from the Internal Audit Service addressed to the Data Protection Officer on guidance and methodology. The action plan was approved by the Internal Audit Service and will be implemented in 2021 with the exception of a couple of actions that will be implemented in the first quarter of 2022.

The Secretariat-General also had four very important recommendations with respect to data, information and knowledge management on strategy, monitoring, roles and responsibilities, and information sharing as well as one very important recommendation on the governance of public cloud services addressed to the corporate Information Technology and Cybersecurity Board, which is chaired by the Secretariat-General.

Further details on these three audits are provided under section 2.2.2 of this document.

#### Closed IAS Audits

The following Internal Audit Service audits with critical or very important recommendations were closed in 2020:

#### State of play regarding the Synergies and efficiencies review (SER)

The Internal Audit Service (IAS) has performed a follow-up audit of open recommendations in the Secretariat-General with the objective of assessing the progress made in implementing them. The assessment of the state of implementation was based on a desk review of evidence provided by the Secretariat-General to the IAS and interviews with staff responsible for implementing the corresponding action plans. Recommendation No 2 (very important): Embedding the SER culture Commission-wide and more specifically Recommendation No 2.2 addressed to the Directorate-General for Human Resources and

Security, the Secretariat-General and the Directorate-General for Budget was closed in February 2020.

### **European Court of Auditors**

No critical ECA recommendations were addressed to the Secretariat-General in 2020.

Very important ECA recommendations, where the Secretariat-General is *chef de file* or associated as follows:

#### ECA Annual Reports:

The Court of Auditors (ECA) issued their first report on the performance of the EU budget – Status at the end of 2019. The Court recognised the improvements in the Commission’s reporting on the performance of the EU budget and noted that the Commission has sound internal procedures for the production of these reports. The Court made a number of recommendations to further improve the quality of performance reporting. These will be implemented in the timeframe indicated in the report under the coordination of the Secretariat-General and DG Budget. The revamped performance framework under the 2021-2027 multiannual financial framework will allow the Commission to continue making progress in this respect.

#### ECA Special Reports:

The Secretariat-General is responsible for the implementation of certain recommendations from two ECA Special reports (16/2020 - The European Semester – Country Specific Recommendations and 20/2020 - Combating child poverty – Better targeting of Commission support required). The Commission accepted or partially accepted the recommendations in these reports. These concerned issues such as the treatment of poverty alleviation under the European Semester process and the link between EU funding and the country-specific recommendations. The Commission will implement the agreed recommendations within the timeframe agreed, including for example through the implementation of the Recovery and Resilience Facility.

### **Directorate-General for Budget**

The 2019 recommendation on ‘enhance internal control system to assure accuracy (quality of data) and timeliness in their registrations’ was considered implemented and closed by DG Budget.

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Taking into account the conclusion of the Internal Audit Service on the state of internal control, the existence of action plans for outstanding recommendations (submitted to the Internal Audit Service for acceptance), as well as the absence of related deficiencies, the management comes to a positive conclusion without weaknesses which may have a significant impact on the assurance.

### 2.1.3 Assessment of the effectiveness of internal control systems

The Commission has adopted an Internal Control Framework based on international good practice to ensure the achievement of its policy and management objectives. Compliance with the internal control framework is a compulsory requirement.

The Secretariat-General uses the organisational structure and the internal control systems suited to achieving its policy and internal control objectives in accordance with the internal control principles and has due regard to the risks associated with the environment in which it operates.

#### Assessment of the internal control systems

The key objective has been to assess the internal control system's ability, in its entirety, to manage meaningful risks to organisational objectives. Therefore, an appropriate balance between risk and the level of control was required to ensure objectives are met. The Secretariat-General has assessed its internal control system during the reporting year and has concluded that it is effective and that the components and principles are present and functioning as intended.

In 2020, active interaction with staff and managers was more difficult. As there were no elements to suggest that there were weaknesses in the control system, the Secretariat-General has opted for reporting procedures to assess its control system.

The assessment of the Secretariat-General's internal control system, conducted in 2020 is based on the following criteria:

- Reports by the operational units on the five internal control objectives
- Reports by the second line of defence<sup>9</sup> units on the values of the monitoring indicators
- Registry of non-compliance events and exceptions
- Reports by the authorising officers

#### Main findings:

- Reports by the operational units on the five internal control objectives: all reports show full compliance with the requirements of the five internal control objectives.
- Reports by the second line of defence units on the values of the monitoring indicators: no deficiencies to be reported were identified.
- Registry of non-compliance events and exceptions: there were no non-compliance events or exceptions that would negatively affect the declaration.
- Reports by the authorising officers: authorising officers did not disclose elements that would negatively affect the declaration.

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<sup>9</sup> The Commission internal control framework is based on the three lines model. The 2nd line are the horizontal units that design and oversee the control procedures at the Secretariat-General.

The assessment focuses on how the internal control framework has helped achieving the five internal control objectives enshrined in the Financial Regulation. Therefore, recommendations on corporate data protection and corporate knowledge management do not impact negatively this assessment.

The Secretariat-General has assessed its internal control system during the reporting year and has concluded that it is effective and the components and principles are present and functioning as intended.

#### **2.1.4 Conclusions on the assurance**

This section reviews the assessment of the elements already reported above (in Sections 2.1.1, 2.1.2 and 2.1.3), and the sub-conclusions already reached. It draws an overall conclusion to support the declaration of assurance and whether it should be qualified with reservations.

The five internal control objectives for financial management were assessed for the whole budget delegated to the Secretary-General under section 2.1.1, complemented where necessary by sections 2.1.2 and 2.1.3. The objectives of having resources used for their intended purpose and the non-omission of significant information were assessed on the basis of the reports from the authorising officers where this was explicitly spelled out. There is no element to be reported that would qualify the declaration of the Secretary-General.

#### **Overall Conclusion**

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended, risks are being appropriately monitored, mitigated, and necessary improvements and reinforcements are being implemented. The Secretary-General, in her capacity as Authorising Officer by Delegation, has signed the Declaration of Assurance.

## 2.1.5 Declaration of Assurance

### Declaration of Assurance

*I, the undersigned,*

*Secretary-General,*

*In my capacity as authorising officer by delegation, including the powers and duties of authorising officer by delegation of the Task Force for Relations with the United Kingdom handed over to me, declare that the information contained in this report gives a true and fair view<sup>10</sup>.*

*State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.*

*This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of the self-assessment, ex post controls, the work of the Internal Audit Service and the lessons learnt from the reports of the Court of Auditors for years prior to the year of this declaration.*

*Confirm that I am not aware of anything not reported here which could harm the interests of the institution.*

*Brussels, 19 April 2021*

*[signed]*

*Ilze Juhansone*

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<sup>10</sup> True and fair in this context means a reliable, complete and correct view on the state of affairs in the Secretariat-General.

## 2.2 Modern and efficient administration – other aspects

This section describes the progress made on aspects contributing to transforming the Commission into a modern and efficient administration, as presented in the Secretariat-General's strategic plan 2020-2024 and management plan 2020. Sections 2.2.1-2.2.3 refer only to the highlights of these aspects; for extensive reporting on the Secretariat-General's concrete actions in 2020, please refer to Annex 9.

Additionally, section 2.2.4 includes a short description of measures the Secretariat-General took in 2020 in order to improve its cost-effectiveness and efficiency in non-financial management activities. This is one of the numerous measures the Commission takes continuously to improve its functioning, with a view to investing its resources in support of the most relevant objectives and in the most cost-effective and efficient manner.

### 2.2.1 Human resource management

Relying on strong commitment and engagement of its staff members, the Secretariat-General coordinated successfully the implementation of the Commission's headline ambitions. The Secretariat-General's staff demonstrated high resilience in adapting to new ways of working during the COVID-19 pandemic and managing high workload in relation to the Commission's response to the pandemic.

The Secretariat-General continued to ensure efficient use of resources. All vacant posts were filled swiftly and the percentage of vacant posts was lower than the Commission's average (EC vacancy rate: 5.5% - SG vacancy rate: 4.8%). The budget for external personnel was fully implemented and helped to cover for staffing gaps due to long-term leaves or peaks in workload. The Secretariat-General further improved gender parity in its management team. On 1 December 2020, the female share in the senior management team was 47% and 39% in the middle management team. Currently, half of the Deputy Heads of Unit are female. By 1 January 2021, the Secretariat-General had met its target of one first time female middle management appointment.

To ensure an efficient response to the COVID-19 pandemic, the Secretariat-General's organisational structure was adjusted. In April, the Clearing House for medical equipment with a six-month mandate was established to facilitate the availability of medical supplies across the EU. In August, a new Recovery and Resilience Task Force (RECOVER) was established to coordinate the analysis and monitoring of the draft Recovery and Resilience Plans as well as to steer the European Semester. The Secretariat-General continued to provide support to staff by offering awareness-raising sessions on wellbeing and resilience. To support integration of newcomers to the Secretariat-General, welcome seminars were organised and the 'SG Companion' initiative was set up. A large corporate learning and development offer was developed by the EU Policymaking Hub and more than 15.000 Commission staff participated in the training sessions.

To prepare for new ways of working in the Secretariat-General, a reflection on key actions involving all staff was launched with a focus on collaboration, digitalisation, flexibility and teamwork. The results of this staff reflection will be included in the local HR strategy of the Secretariat-General in 2021. To boost team coherence and provide staff with a shared purpose during times of remote working, several meetings with all staff took place

throughout the year. A new series of weekly debriefs by the senior management helped to ensure two-way communication with staff members.

## 2.2.2 Digital transformation and information management

To foster the transformation to a digital, agile, flexible and transparent institution, the Secretariat-General improved the way data, information and knowledge are managed, harnessing the opportunities brought by digital solutions and achieving progressively compliance with data protection obligations.

### Digital transformation

Building on the principles identified by the European Commission Digital Strategy, in 2020 the Secretariat-General continued optimising and digitising corporate processes in the domains of:

- ☑ **decision making:** the Secretariat-General further rationalised the management of replies in Decide Replies by streamlining the handling of petitions. It started the analysis and implementation of the qualified electronic signature to move to a fully paperless decision-making process in Decide for the process of adoption and authentication of acts adopted via written procedure. It further integrated EdiT, the new legislative drafting tool, in Decide Consultation to allow consolidating contributions in a much more efficient and easy way, and achieved a proof of concept for the EdiT integration in Decide Decision for the adoption and translation of acts. At the same time, it improved the user experience with eCollege and conducted proofs of concept for the digitalisation of the preparatory meetings of the College (e.g. Hebdo meetings of Heads of Cabinets and Special meetings of Members of Cabinet).
- ☑ **document management:** the Secretariat-General started the analysis of the new Archives Management System to provide a single integrated solution to manage the paper and digital archives of the Commission, and exchange data with the EU Historical Archives in Florence. It successfully implemented the qualified electronic signature in records management processes (Hermes/Ares/NomCom). From day one of the confinement period in March 2020, the Secretary-General could build on what had been prepared previously and recommended electronic signature to be the rule by default in the Secretariat-General.
- ☑ **EU Law monitoring:** the Secretariat-General finalised the implementation and started operating the Themis/Infringements module, the second component of Themis. It analysed the last module Themis/Complaints, which will be developed in 2021. The new Themis solution will enhance and streamline the complex EU Law monitoring process managing the full life cycle of infringements of EU Law from the receipt of complaints to the implementation of Court of Justice rulings. It avoids data duplication and multiple encoding, provides faster access to information, better reporting and an integrated view of a case from its initiation to a possible infringement procedure.

### Data, information and knowledge management

The data management team of the Secretariat-General continued the work to support the

proper implementation of [data governance and policies](#). It kept up to date the Secretariat-General's inventory of key data assets relevant for decision-making processes across the organisation. It also studied the implementation of the corporate data policies in its main information systems and identified strengths and areas of action. In collaboration with other Commission services, the Secretariat-General organised also a series of data for policymaking trainings, aiming to increase data literacy of staff and to enhance data management and use in the Commission. The Secretariat-General worked actively on embedding knowledge management and collaborative work practices in its administrative and policy processes. For this purpose, workshops and pilot projects were organised. The Corporate Governance and Digital Solutions teams supported collaborative work pilots with Microsoft 365 collaborative tools in the Secretariat-General and the Recovery and Resilience Taskforce. They offered trainings and demonstrations to improve the collaborative skills of staff, and to help staff make the best use of collaborative tools, building on in-house resources.

The action plan for the IAS audit on the Commission's strategy for data, information and knowledge management (DIKM) has been accepted by the IAS. It puts forward actions to address the audit's recommendations, such as aligning of DIKM strategic documents and objectives, enhancing the monitoring and reporting of the strategy's implementation, systematising the information exchange among the participating governance bodies, and developing operational guidance on data quality. The IAS assessed satisfactorily the plan for the audit on the management of public cloud services (multi-DG) to address the very important recommendation on governance of cloud services where the Secretariat-General is chairing the corporate Information Technology and Cybersecurity Board.

## **Data protection**

Data protection is not a one-off exercise, but continuous work involving all Commission staff. Therefore, the Secretariat-General stepped up its efforts to raise data protection awareness among its staff: Over 20% of its personnel participated in awareness-raising activities in 2020, including senior management and newcomers who joined the Secretariat-General throughout the year.

The Secretariat-General continued to ensure a high level of protection of the personal data it processes and to implement the Commission's data protection action plan. For all of the 40 personal data processing operations under its responsibility, the Secretariat-General published transparent and detailed information by means of records of processing and data protection notices, complying thereby with the timeline set by the European Data Protection Supervisor. The Secretariat-General established an inventory of potential international data transfers under its processing operations and monitored the use of appropriate data protection clauses in its agreements with third parties.

The Secretariat-General was subject to an audit by the Commission's Internal Audit Service (IAS) on its processing of personal data (see also section 2.1.2). There were no findings for the processing operations of the Secretariat-General that were audited, confirming their compliance with the main data protection principles.

The IAS' three observations (resulting in five very important recommendations) addressed to the Data Protection Officer concerned the improvement of the general framework governing data protection aspects, the role and actions of the Data Protection Office to

support the data protection process across Commission and the use of targeted measures to improve compliance with key provisions of the Regulation (EU) 2018/1725 (IDPR), in particular concerning the conversion of notifications (under the previous data protection regulation) into records (as per the Regulation (EU) 2018/1725), handling data subjects' requests, data protection impact assessment and transfers of personal data to third countries or international organisations. These improvements are rather complementary measures aimed at enhancing the existing governance structures and processes relating to data protection issues, while respecting the principles of the Commission's existing decentralised model, which remain valid. An assessment of the workload of the Data Protection Officer's team and analysis of the capacity/resources needed to implement the work programme, in particular the resources needed to carry out inspections and audits to monitor the internal application, was carried out and submitted to the Corporate Management Board on 2 March 2021. The Board agreed to give priority in 2021 to the implementation of the IAS recommendations and the follow-up to the Schrems II judgment and to revisit the possibility of conducting audits by the Data Protection Officer in 2022 (see also section 1- Specific Objective 7.4).

The main actions for the implementation of these very important recommendations include the issuing of guidance, the creation in the 'DPMS<sup>11</sup> record template' of the necessary fields to reflect the roles defined in the Implementing Rules, the implementation of certain changes to the DPMS, the development – in consultation with the data protection coordinators' network – of a training module or workshop on performing a data protection impact assessment by operational controllers, the raising of awareness on the urgent need to keep a proper recording of all the processing activities and the issuance of a standalone annual activity report on the activities performed by the Data Protection Officer.

On international transfers, taking account of the European Data Protection Supervisor's recent order and planned guidance on international transfers of data, as well as the information received from the delegated controllers, the Data Protection Officer will analyse how compliance of the Commission's processing operations with the IDPR can be ensured. This includes coordinating the Services' completing and updating (where required) the Commission's inventory of processing operations involving international transfers. In addition, the Data Protection Officer will provide assistance to the delegated controllers in order to help implement any forthcoming guidance on this matter by the European Data Protection Supervisor.

### **2.2.3 Sound environmental management**

The Secretariat-General enhanced its efforts to reduce the use of paper, advanced further due to the COVID-19 pandemic. In the field of waste management and reduction, the Secretariat-General continued its efforts to improve waste sorting and communicating the process to staff. In collaboration with the Office for Infrastructure and Logistics in Brussels, it will monitor waste generation in the Berlaymont building and communicate the findings to staff. Awareness-raising activities sought to engage staff in pro-environmental behaviour, with the promotion of environmental initiatives, digital mindfulness, sharing best practices with other Commission services and environmental voluntary actions. In addition

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<sup>11</sup> DPMS is the supporting Information Technology system

to a greater efficiency in working methods, electronic signature contributed to a significant decrease in the use of paper.

## **2.2.4 Examples of initiatives to improve economy and efficiency of non-financial activities**

### **☑ Collaborative Solutions for Commissioners' Groups**

Alongside a shared calendar, the Commissioners' Groups use digital collaborative spaces for their project-related work. These spaces allow for an efficient collaboration on documents, avoiding the painstaking exchange of data via e-mail, the risk of losing information and the overhead linked to the management of such information. The new IT solutions are user-friendly, easy to use, and agile in terms of their swift implementation and smooth adaptation to new business needs. The new solutions are built on the SharePoint environment and capabilities, taking account of the IT security and data protection requirements.

### **☑ Enhance digital collaboration, communication and mobile working methods**

In the context of the COVID-19 crisis, the Secretariat-General promoted, where possible, virtual or hybrid meetings and events instead of physical meetings. It has invested in new technologies to modernise the meeting rooms with state-of-the-art audio-visual equipment and to provide modern collaborative tools. This makes it easy to organise video and audio conferences and meetings with internal and external parties via a corporate laptop, using the room microphone / camera and presentation facilities, in combination with Skype for Business, Microsoft 365 collaborative tools (in pilot, not to be used for exchanging sensitive non-classified information), WebEx or Zoom. Training and coaching in the use of meeting rooms and webconferencing tools were offered to staff, together with a comprehensive user manual. In 2020, the Information Technology and Cybersecurity Board, chaired by the Secretariat-General, decided the pilot roll-out of Microsoft 365 collaborative tools, which is a combination of integrated tools offering a complete and seamless collaboration experience to users. In the extended teleworking situation, this enabled conversations and co-creation of documents across the organisation and beyond, simultaneous access and editing of documents by multiple users across all devices, and collaboration with internal and external stakeholders.

### **☑ Improve the outreach of the '[Have your say](#)' portal on Europa**

The Better Regulation portal counted 2 379 300 visits in 2020, which is a record against 909 914 visits in 2018 and 1 101 174 in 2019). The 2.3 million visits delivered 3 234 746 unique page views. After a steep increase of visits in June thanks to a successful public consultation on the climate pact, the numbers continued to rise steadily, which could reflect the improved user experience after the revamp of the portal in July and the communication activities supporting this. Selected consultations were promoted by highlighting them on the portal with an attractive visual and by organic and paid social media campaigns on the Commission's corporate accounts, set up by Secretariat-General's unit responsible for communication and financed with the COSME contribution for the production of two videos, buying media space on social media platforms, graphic design and community management services.

### **Implement the strategy for the Secretariat-General's Registers**

A study on the future of the Secretariat-General's registers has been conducted in 2018. In 2019, a project was launched to implement the conclusions of the study and to offer a new solution for the registers.

As part of this project, in 2020, the Secretariat-General continued its work on revamping the Register of Commission Documents (RegDoc) as the main publication tool of Commission documents. The new RegDoc will be operational as of April 2021. It will get a new user interface and improved search functionalities, in addition to new document types being proactively published. The new RegDoc will also get a new IT architecture which will lay the ground for its integration with other registers managed by the Secretariat-General in the next phases of the project. This will increase transparency and reduce the number of requests for access to documents.

Moreover, the Secretariat-General enlarged the scope of the Register of Delegated Acts. The new Register of Delegated and Implementing Acts (RegDIA) offers comprehensive information on all acts adopted on the basis of mandates given by the European Parliament and the Council to the Commission in legislative acts. Moreover, the existence and activities of comitology committees are now documented on new pages, seamlessly integrated with RegDIA and fed by a new back-office for the management of the comitology process. The synergies among the registers will lead to a further rationalisation of the Secretariat-General's system portfolio and help reduce its maintenance costs. The renewal of the registers' user interfaces on Europa will result in a high-quality user experience and a stronger and more coherent digital presence of the Commission.

### **New digital solution for handling request for access to documents**

The current set of tools used for submitting and handling requests for access to Commission documents under Regulation 1049/2001 (GestDem and related tools) is fragmented and outdated. Based on the results of the study on electronic access to Commission documents conducted in 2018, the project team progressed with the development of a new IT system for the electronic treatment of access-to-documents requests ('EASE') in 2020. The system is planned to be ready by mid-2021.

### **New digital solution to deliver on the 'One In, One Out' principle**

The Secretariat-General developed an internal tool to support the implementation of the One In-One Out approach for compliance costs incurred for information, registration, monitoring and control, which are to be offset. The objective of the tool is to enable coherent and systematic collection, aggregation and reporting of information on cost balances per policy area, as estimated in the impact assessments prepared for the Commission proposals. In 2021, the information system will be deployed across the Commission.