

Annual Activity Report 2025

annexes

Eurostat

Contents

| | | |
|-----------|--|----|
| ANNEX 1: | Statement of the Director in charge of Risk Management and Internal Control..... | 3 |
| ANNEX 2: | Performance tables..... | 4 |
| ANNEX 3: | Draft annual accounts and financial reports | 20 |
| ANNEX 4: | Financial scorecard..... | 21 |
| ANNEX 5: | Materiality criteria..... | 22 |
| ANNEX 6: | Relevant Control System(s) for budget implementation (RCSs) | 24 |
| ANNEX 7: | Specific annexes related to "financial management" | 41 |
| ANNEX 8: | Reporting on the internal and external audits and assessing the effectiveness of internal control systems..... | 48 |
| ANNEX 9: | Specific annexes related to "Control results" and "Assurance: Reservations" | 52 |
| ANNEX 10: | Reporting – Human resources, digital transformation and data management, and sound environmental management..... | 55 |

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

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

I hereby certify that the information provided in the present annual activity report and in its annexes is, to the best of my knowledge, accurate and complete.

Date 30/03/2026

Christine Wirtz

e-signature

⁽¹⁾ C(2017)2373 of 19.04.2017.

ANNEX 2: Performance tables

- General Objective 1: a new plan for Europe’s sustainable prosperity and competitiveness**
- General Objective 2: a new era for European defence and security**
- General Objective 3: supporting people, and strengthening our societies and our social models**
- General Objective 4: sustaining our quality of life: food security, water and nature**
- General Objective 5: protecting our democracy, upholding our values**
- General Objective 7: delivering together and preparing our Union for the future**
- Specific Objective 1.1, 2.1, 3.1, 4.1, 5.1, 7.1: Eurostat provides enriched and more attractive statistics and data in support of the Commission’s priorities and effective policy implementation**

Related to spending programme: Single Market Programme 2021-2027

Result indicator 1.1.1, 2.1.1, 3.1.1, 4.1.1, 5.1.1, 7.1.1 European Commission users’ satisfaction with data and services

Explanation: This indicator shows that Eurostat provides statistics and data in support of the Commission’s priorities and effective policy implementation. It is calculated from the Eurostat general user satisfaction survey as the percentage of Commission users rating the overall quality of Eurostat’s data and services as ‘very good’ or ‘good’. It excludes users who did not express an opinion.

Source of data: Eurostat user satisfaction survey, conducted on average every two years

This result indicator is selected as a KPI

| Baseline (2024) | Interim milestone (2027) | Target (2029) | Latest known results (2024) |
|---------------------------|------------------------------------|-------------------------|---------------------------------------|
| 74% | ≥74% | ≥74% | 74% |

Result indicator 1.1.2, 2.1.2, 3.1.2, 4.1.2, 5.1.2, 7.1.2 Richness of European statistics: statistical coverage

Explanation: This indicator shows how Eurostat’s statistics have been enriched by focusing on the evolution of the quantity and variety of published data. It is calculated as the number of indicators, sub-indicators and all their breakdowns included in Eurobase, Eurostat’s dissemination database.

Source of data: Eurobase

| Baseline (2024) | Interim milestone (2027) | Target (2029) | Latest known results (2025) |
|---------------------------|------------------------------------|-------------------------|---------------------------------------|
| 785 million | Increase | Increase | 905 million |

Result indicator 1.1.3, 2.1.3, 3.1.3, 4.1.3, 5.1.3, 7.1.3 Visitors to Eurostat’s online products and data

Explanation: This indicator shows how attractive Eurostat’s statistics and data are by measuring the number of recorded user sessions to key products per year (i.e. Eurostat website, Statistics Explained, Data Browser, Metadata, and major data visualisation tools)

Source of data: Europa website analytics

| Baseline (2024) | Interim milestone (2027) | Target (2029) | Latest known results (2025) |
|---------------------------|------------------------------------|-------------------------|---|
| 17.5 million visitors | 18 million visitors | 18.5 million visitors | 16.9 million visitors The declining value indicates a shift from websites to other channels, such as social media. This change is anticipated to be further influenced by the increasing use of AI chatbots. |

Result indicator 1.1.4, 2.1.4, 3.1.4, 4.1.4, 5.1.4, 7.1.4 Listeners and viewers of Eurostat’s audiovisual outputs

Explanation: This indicator shows how Eurostat’s statistics and data become more attractive by measuring the number of listeners and viewers of Eurostat’s audiovisual outputs on all platforms for webinars and podcasts

Source of data: Eurostat’s [X](#), [Facebook](#), [Instagram](#) and [LinkedIn](#) accounts

| Baseline (2024) | Interim milestone (2027) | Target (2029) | Latest known results (2025) |
|---------------------------|------------------------------------|-------------------------|--|
| 515 000 visitors | 550 000 visitors | 600 000 visitors | 1 125 000 visitors The significant increase is due to Eurostat’s podcast "Rural Europe" going viral, achieving over 500 000 plays. The results for next year are expected to be back in line with the interim milestone and target. |

General Objective 6: A global Europe: Leveraging our power and partnerships

Specific Objective 6.1: Eurostat supports national statistical systems in enlargement countries and strengthens international statistical partnerships.

Related to spending programme: Single Market Programme 2021-2027

Result indicator 6.1.1 Increased availability of validated statistical data produced by enlargement countries in Eurostat's dissemination database

Explanation: This indicator shows that Eurostat supports national statistical systems in enlargement countries by measuring the increase in the data points in Eurobase for the 10 enlargement countries. An increase in available data points means that enlargement countries are able to produce and disseminate data.

Source of data: Eurobase

This result indicator is selected as a KPI

| Baseline (2024) | Interim milestone (2027) | Target (2029) | Latest known results (2025) |
|--|--|--|--|
| 110 million data points for the 10 enlargement countries | ≥ 132 million data points (increase ≥ 20% in the data points in Eurobase for the 10 enlargement countries) | ≥ 154 million data points (increase ≥ 40% in the data points in Eurobase for the 10 enlargement countries) | 129 million data points for the 10 enlargement countries |

Result indicator 6.1.2 Peer reviews assessing the compliance of the enlargement countries with the European Statistics Code of Practice

Explanation: This indicator measures how many peer review reports and improvement action plans have been published. By conducting peer reviews assessing their implementation of the European Statistics Code of Practice, Eurostat demonstrates the results of its support to national statistical systems.

Source of data: Eurostat unit responsible for enlargement

| Baseline (2024) | Interim milestone (2027) | Target (2029) | Latest known results (2025) |
|--------------------|---------------------------------|--|-----------------------------------|
| 0 reports | 6 peer review reports published | Publication of remaining 4 peer review reports and 10 improvement action plans | 2 peer review reports implemented |

Result indicator 6.1.3 Number of administrative arrangements which Eurostat reviews, renews or signs with its key partners

Explanation: This indicator shows that Eurostat enhances its partnerships with international organisations. It is measured by the number of administrative arrangements which Eurostat reviews, renews or signs with its key partners.

Source of data: Eurostat unit responsible for statistical partnerships and international cooperation

| Baseline (2024) | Interim milestone (2027) | Target (2029) | Latest known results (2025) |
|-------------------------------|---------------------------------|--------------------------------|------------------------------------|
| 0 administrative arrangements | 6 administrative arrangements | 10 administrative arrangements | 5 administrative arrangements |

General Objective 5: protecting our democracy, upholding our values

General Objective 8: a modern, high-performing and sustainable European Commission

Specific Objective 5.2, 8.1: Eurostat strengthens its role as the trusted reference point for statistics and data on Europe using digital technologies, new data sources, revamped legal frameworks and improved communication.

Related to spending programme: Single Market Programme 2021-2027

Result indicator 5.2.1, 8.1.1 Trust in European statistics

Explanation: This indicator shows that Eurostat continues to be a trusted reference point for statistics and data on Europe. It is calculated from a dedicated survey as the percentage of respondents who trust statistics and data provided by Eurostat.

Source of data: Eurobarometer survey

This result indicator is selected as a KPI

| Baseline (2024) | Interim milestone (2027) | Target (2029) | Latest known results (2024) |
|------------------------|---------------------------------|----------------------|------------------------------------|
| 67% | ≥ 69% | ≥ 71% | 67% |

Result indicator 5.2.2, 8.1.2 Number of successfully developed ESS innovation activities coordinated by Eurostat

Explanation: This indicator shows that Eurostat uses digital technologies and new data sources to remain a trusted reference point for statistics and data on Europe. It is measured as the number of successfully developed European statistical system's (ESS) innovation activities as coordinated by Eurostat that have reached the end of their development cycle and have realised their intended outcomes.

Source of data: Report to the ESSC on the implementation of the ESS innovation agenda action plan

| Baseline (2025) | Interim milestone (2027) | Target (2029) | Latest known results (2025) |
|---------------------------|------------------------------------|-------------------------|---------------------------------------|
| 0 activities | 10 activities | 20 activities | 7 activities |

Result indicator 5.2.3, 8.1.3 Followers on Eurostat's social media channels

Explanation: This indicator shows that Eurostat is improving its communication by measuring the number of followers on all of Eurostat's social media channels.

Source of data: Eurostat Dissemination Impact Monitor (EDIM)

| Baseline (2024) | Interim milestone (2027) | Target (2029) | Latest known results (2025) |
|---------------------------|------------------------------------|-------------------------|---------------------------------------|
| 651 000 followers | 700 000 followers | 750 000 followers | 905 000 followers |

General Objective 1: a new plan for Europe’s sustainable prosperity and competitiveness

Specific Objective 1.1: Eurostat provides enriched and more attractive statistics and data in support of the Commission’s priorities and effective policy implementation.

Related to spending programme: Single Market Programme 2021-2027

Main outputs in 2025:

Major implementation activities and enforcement actions

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|--|---|---------------|--|
| European business and macroeconomic statistics disseminated according to Eurostat release calendar | Statistics and data disseminated and communicated | End-2025 | Achieved |

Other major outputs

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|---|---|---------------|--|
| Expansion of set of productivity indicators | Expanded set of productivity indicators | End-2025 | Achieved |
| Full International and Global Accounts for Research in Input-Output analysis - National Accounting Matrix (FIGARO-NAM) for European countries published on the Eurostat website as statistics under development | FIGARO-NAM published | End-2025 | Achieved |

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|---|---|---------------|--|
| Guidance on the implementation of the new Statistical classification of economic activities in the European Community (NACE) and Statistical classification of products by activity (CPA) | CPA version 2.2 introductory guidelines and explanatory notes published | End-2025 | Not achieved The necessity of a correcting act C(2025)8506 has delayed the finalisation of the documents. They will be published during 2026. |
| First full draft of the proposed update of the European system of national and regional accounts (ESA) transmission programme prepared | Draft of updated ESA transmission programme ready for consultation | End-2025 | Achieved |
| Final draft of the revised Regulation (EC) No 184/2005 on Community statistics concerning balance of payments prepared | Endorsement of revised regulation | End-2025 | Not achieved The draft is well advanced, but needs to be coordinated with ESA revision, which requires some work in 2026. The new target for the Commission proposal is end-2026. |
| Commission report on public accounting in the EU, alongside the related staff working document | Report and staff working document published | End-2025 | Achieved |
| New statistics on environmental subsidies and similar transfers (including capital transfers) | Data published | End-2025 | Achieved |
| New transport modal split indicators including contribution of oil pipelines | Indicators published | End-2025 | Achieved |

General Objective 2: a new era for European defence and security

Specific Objective 2.1: Eurostat provides enriched and more attractive statistics and data in support of the Commission's priorities and effective policy implementation.

Related to spending programme: Single Market Programme 2021-2027

Main outputs in 2025:

New policy initiatives

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|---|--|-------------|---|
| Statistical basis for the activation of the National Escape Clause (NEC) for fiscal flexibility - C(2025) 2000 of 19 March 2025 available | Finalisation of the structure of reporting table for COFOG-based data and integration of SAFE and other items eligible for scope extension | August 2025 | Achieved |
| Developing guidance on the statistical aggregate eligible for fiscal flexibility - C(2025) 2000 of 19 March 2025 | Guidance note available | August 2025 | Achieved |

Other major outputs

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|--|----------------------|----------|---|
| International protection statistics provided for the new European annual asylum and migration report | Statistics published | End-2025 | Achieved |

General Objective 3: supporting people, and strengthening our societies and our social models

Specific Objective 3.1: Eurostat provides enriched and more attractive statistics and data in support of the Commission’s priorities and effective policy implementation.

Related to spending programme: Single Market Programme 2021-2027

Main outputs in 2025:

Major implementation activities and enforcement actions

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|--|---|---------------|--|
| European social statistics disseminated according to Eurostat release calendar | Statistics and data disseminated and communicated | End-2025 | Achieved |
| New Regulation on European statistics on population and housing | Adoption of Commission proposal by the co-legislators | End-2025 | Achieved |

Other major outputs

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|--|-------------------|---------------|--|
| Data on children and access to services (EU-SILC module 2024) | Data published | End-2025 | Achieved |
| Hospital discharges at NUTS2 level according to the region of residence of the patients | Data published | End-2025 | Achieved |
| Finishing the first research project for producing house price indices based on web-scraped asking prices from real estate portals | Results published | End-2025 | Achieved |

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|---|--------------------|------------------|--|
| Data on young people on the labour market (EU-LFS module 2024) | Data published | End-2025 | Achieved |
| Implementing regulation on structure of earnings (under the new Regulation on European Union labour market statistics on businesses) | Regulation adopted | 1 September 2025 | Achieved |
| Implementing regulation on labour cost index, gender pay gap and job vacancy statistics (under the new Regulation on European Union labour market statistics on businesses) | Regulation adopted | End-2025 | Achieved |

General Objective 4: sustaining our quality of life: food security, water and nature

Specific Objective 4.1: Eurostat provides enriched and more attractive statistics and data in support of the Commission's priorities and effective policy implementation.

Related to spending programme: Single Market Programme 2021-2027

Main outputs in 2025:

Initiatives linked to regulatory simplification and burden reduction

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|---|-----------------------------|----------------|--|
| Commission proposal for a Regulation 2025/0246(COD) on European fisheries and aquaculture statistics (EFAS) | Commission proposal adopted | September 2025 | Achieved |

Major implementation activities and enforcement actions

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|---|---|----------|---|
| European agricultural statistics disseminated according to Eurostat release calendar | Statistics and data disseminated and communicated | End-2025 | Achieved |
| Publication of the European forest accounts, based on Regulation (EC) No 691/2011 on European environmental economic accounts | Data published | End-2025 | Achieved |

General Objective 5: protecting our democracy, upholding our values

Specific Objective 5.1: Eurostat provides enriched and more attractive statistics and data in support of the Commission's priorities and effective policy implementation.

Specific Objective 5.2: Eurostat strengthens its role as the trusted reference point for statistics and data on Europe using digital technologies, new data sources, revamped legal frameworks and improved communication.

Related to spending programme: Single Market Programme 2021-2027

Main outputs in 2025:

Other major outputs

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|--|-----------|---------|---|
| Methodological guidelines for the 2027 wave of the EU gender-based violence survey | Released | Q3 2025 | Achieved |

General Objective 6: a global Europe: leveraging our power and partnerships

Specific Objective 6.1: Eurostat supports national statistical systems in enlargement countries and strengthens international statistical partnerships.

Related to spending programme: Single Market Programme 2021-2027

Main outputs in 2025:

Major implementation activities and enforcement actions

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|---|--|-------------------|---|
| Contribution of Eurostat to the setting of international statistical standards and promotion of EU values | Eurostat's proposal for common EU positions presented for discussion to the ESS Committee before the annual meeting of the UN Statistical Commission | End-February 2025 | Achieved |

Other major outputs

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|--|---|---------------|---|
| Purchasing power parities (PPP) data for 2024 | Data published | End-2025 | Achieved |
| Instrument for pre-accession assistance (IPA) 2022 programme in statistics implemented | Progress implementation reports available | End-2025 | Achieved |
| Implementation of improvement actions from the third round of ESS peer reviews | Share of planned actions implemented | More than 30% | Achieved |

General Objective 7: delivering together and preparing our Union for the future

Specific Objective 7.1: Eurostat provides enriched and more attractive statistics and data in support of the Commission's priorities and effective policy implementation.

Related to spending programme: Single Market Programme 2021-2027

Main outputs in 2025:

Major implementation activities and enforcement actions

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|------------------------|------------------|---------------|--|
| Population projections | Data published | May 2025 | Achieved |

Other major outputs

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|--|------------------|-------------------|--|
| Review of legal acts relevant for GNI for own resources | Review completed | End-2025 | Achieved |
| Simultaneous launch of a family budget survey among all active staff working in EU countries | Survey launched | Launch in Q3 2025 | Achieved |

General Objective 8: a modern, high-performing and sustainable European Commission

Specific Objective 8.1: Eurostat strengthens its role as the trusted reference point for statistics and data on Europe using digital technologies, new data sources, revamped legal frameworks and improved communication.

Related to spending programme: Single Market Programme 2021-2027

Main outputs in 2025:

Implementation dialogues, Annual Progress Report(s) and reality checks

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|--|---|----------------|--|
| First implementation dialogue on European official statistics | Successful implementation dialogue | End-June 2025 | Achieved |
| Annual progress report on simplification, implementation and enforcement | Report transmitted to the European Parliament and the Council | September 2025 | Achieved |

Other major outputs

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|--|---|---------------|--|
| European big data hackathon on earth observation data Conference on new techniques and technologies in statistics | Successful organisation of the events | Q1 2025 | Achieved |
| Web intelligence hub | Number of major releases of processed online job advertisements | Four | Achieved |

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|--|---|---|--|
| Improve statistical literacy through European statistics competition for youth | Number of students participating in the European statistics competition | 20 000 students | Achieved |
| Products accessible as impressions on Eurostat's social media channels | Total number of impressions on all social media platforms | 119 million | Achieved |
| Increased outreach of Eurostat's statistical literacy newsletter | Subscribers to the statistical literacy newsletter | Subscribers to the statistical literacy newsletter: 2 000 | Achieved |
| Increased outreach of Statistics for Beginners | Visits to the Statistics for Beginners section of the website | Statistics for Beginners website section visits: 250 000 | Not achieved 155,142 sessions. The lower value is attributed to problems experienced with the technical infrastructure in Q3 and the promotional campaign in Q4. Ongoing consultation with DIGIT for improvement of technical infrastructure in 2026. |
| Increased outreach of Eurostat's Education Corner | Visits to the Education Corner section of the website | Education Corner website visits: 16 000 | Achieved |
| Defined mission statement, revised label requirements and learning outcomes of the European Master in Official Statistics (EMOS) | Adoption by the ESSC | Mid-2025 | Achieved |

ANNEX 3: Draft annual accounts and financial reports

https://dashboard.tech.ec.europa.eu/qs_digit_dashboard_mt/public/extensions/BUDG_Annex3/BUDG_Annex3.html

ANNEX 4: Financial scorecard

https://dashboard.tech.ec.europa.eu/qs_digit_dashboard_mt/public/extensions/BUDG_Annex4/BUDG_Annex4.html

ANNEX 5: Materiality criteria

Since 2019 ⁽²⁾, a 'de minimis' threshold for financial reservations has been introduced. Quantified annual activity report reservations related to residual error rates above the 2% materiality threshold are deemed not substantial for segments representing less than 5% of a Department's total payments and with a financial impact below EUR 5 million. In such cases, quantified reservations are no longer needed. Cases where the 'de minimis' threshold applies this year are reported in annex 9.

The implementation of this 'de minimis' threshold applies at the level of the department's annual activity report reservations, namely, not at all affecting the detailed reservations at the level of the Payment Agency(s)/Operational Programme(s).

In order to identify material weaknesses that need to be disclosed on the declaration of the AOD, Eurostat has taken into account the following quantitative and qualitative criteria, assessing whether the weakness is significant and should lead to the reporting of a reservation.

Quantitative criteria for defining significant weaknesses:

The Commission Communication (COM (2003) 28 final) from 21 January 2003 provides in its annex guidelines covering inter alia the concept of materiality. These guidelines propose an indicative materiality threshold of 2%:

"The quantitative materiality threshold is 2%, i.e. when the amount of the transaction (in the broad sense) affected by the deficiency represents more than 2% of the budget allocated to the ABB activity of the service concerned." According to the guidelines, DGs may deviate from the threshold of 2% if they deem that the nature of the risks and controls, based on the DG's assessment of the risk and control environment in which the DG operates, makes the standard threshold inappropriate.

Eurostat considers a weakness as material if the value of the error affected by the deficiency represents more than 2% of the payment(s) authorised.

Qualitative criteria for defining significant weaknesses:

In assessing materiality, Eurostat takes into account a number of qualitative criteria:

1. Significant control system weaknesses

Besides the verification of the legality and regularity of the underlying transactions, controls are also implemented to detect major system weaknesses for which the financial impact as such is not easy to calculate but which indicate weaknesses as to the design and the effectiveness of the control systems. In order to assess the qualitative aspect of control system weaknesses, the following aspects are taken into account:

- Nature and scope of the weaknesses;
- Duration of the weaknesses;

⁽²⁾ Agreement of the Corporate Management Board of 30/4/2019.

- Compensatory measures;
- Corrective actions.

Eurostat regularly carries out assessments on the implementation of the internal control principles in order to detect weaknesses in its internal control framework. In addition, Eurostat performs ex ante and ex post controls on its financial transactions. Ex post controls on grant agreements are tailored to identify errors within the cost claims transmitted by Eurostat beneficiaries and shall classify them into isolated cases or systemic or repetitive weaknesses. Those controls can also identify weaknesses in the internal control system of beneficiaries and propose corrective actions. The duration and corrective actions are taken into account. As regards procurements, the control objective is to ensure that transactions are in conformity with applicable rules and regulations.

2. Insufficient audit coverage and/or inadequate information from internal control systems

Besides the audits and controls performed by the IAS and the ECA, Eurostat implemented a control framework that shall support management's assurance on the achievement of the financial management and internal control objectives. This framework is supported by a multi-annual control strategy. It shall prevent errors and produce reliable indicators of its results. The strategy provides a well-balanced approach between ex ante and ex post controls, assuring a sufficient number of controls in order to identify material weaknesses that could affect the declaration of assurance.

The achievement of this objective is supported by the fact that Eurostat concludes grant agreements with a relatively small number of beneficiaries yet performing an adequate number of expenditure verifications on-the spot. On the other hand, Eurostat does not only rely on information gained by the performance of ex ante and ex post controls, but on a comprehensive set of control activities as well as information received by external sources.

3. Critical issues reported by the ECA, the IAS or OLAF

Any critical recommendation made by the ECA, the IAS or OLAF could lead to a reservation. Recommendations are generally assessed according to their significance. If deemed necessary, mitigating actions are developed and translated into action plans. The implementation of those mitigating actions is constantly monitored and followed-up on.

4. Assessment of reputational events

Events or weaknesses that may have reputational impact may lead to a reservation. Their significance is judged against the nature of the impact, the breadth of awareness and the duration of impact on reputation. For Eurostat, those risks are in particular linked with reliability and trustworthiness of data and statistics, safeguarding and protection of sensitive information and statistical data. Eurostat monitors all those aspects that could negatively impact its reputation. A set of mitigating actions and controls were set up in order to identify weaknesses to be disclosed on the declaration of the AOD.

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

GRANTS – Direct management

Stage 1: Ex ante

A - Programming, evaluation and selection of proposals

A1) Preparation, adoption and publication of the Annual Work Programme and Calls for proposals

Main control objectives: Ensuring that the Commission selects the proposals that contribute the most towards the achievement of the policy or programme objectives (effectiveness); Compliance (legality & regularity); Prevention of fraud (anti-fraud strategy).

| Main risks It may happen (again) that... | Mitigating controls | Coverage, frequency and depth of controls | Cost-Effectiveness indicators (three E's) |
|---|---|---|---|
| <ul style="list-style-type: none"> The annual work programme and the subsequent invitations/calls to submit proposals do not adequately reflect the policy objectives, priorities, are incoherent and/or the essential eligibility, selection and award criteria are not adequate to ensure the evaluation of the proposals. | <ul style="list-style-type: none"> Hierarchical validation within the authorising department. Inter-service consultation, including all relevant DGs. Adoption by the Commission. Explicit allocation of responsibility to individual officials reflecting the programming circuits. Checklist based verification for invitations/calls to submit proposals. Implementation of anti-fraud strategy. | <p><u>Coverage:</u></p> <ul style="list-style-type: none"> 100% projects included in AWP. 100% of invitations to submit proposals. <p><u>Depth:</u></p> <ul style="list-style-type: none"> In-depth analyses of the projects, including financial aspects. Checklist (proposals) includes a list of the requirements of the regulatory provisions identified. | <p><u>Effectiveness:</u></p> <ul style="list-style-type: none"> Number of control failures; number of exceptions in EUR. Number of invitations/calls for proposals successfully concluded/number of invitations/calls for proposals planned in the MP/WP in %. Total number of awards/total call for proposals in %. <p><u>Efficiency and economy:</u></p> <ul style="list-style-type: none"> Cost of control (all stages in total) in EUR. Cost of control / value of payments executed during the year in %. |

A2) Selecting and awarding: Evaluation, ranking and selection of proposals

Main control objectives: Ensuring that the most promising projects for meeting the policy objectives are among (a good balance of) the proposals selected (effectiveness); Compliance (legality & regularity); Prevention of fraud (anti-fraud strategy).

| Main risks It may happen (again) that... | Mitigating controls | Coverage, frequency and depth of controls | Cost-Effectiveness indicators (three E's) |
|--|--|--|---|
| <ul style="list-style-type: none"> The evaluation of proposals is not carried out in accordance with the established procedures, the policy objectives, priorities and/or the essential eligibility, or with the selection and award criteria defined in the annual work programme. | <ul style="list-style-type: none"> Assignment of Evaluation Committees including, when necessary, members from sub-delegating DGs. Assessment by the Evaluation Committee. Hierarchical validation according to financial circuits. Checklists based verification (evaluation and award) and the use of corporate templates and tools ensuring compliance with the regulatory framework. Implementation of anti-fraud strategy. | <ul style="list-style-type: none"> 100% of proposals were evaluated. The received applications were analysed from a technical point of view and from a budgetary point of view. Coverage: 100% of ranked list of eligible proposals. Supervision of work of evaluators. 100% in-depth evaluation of technical and budgetary aspects. | <p><u>Effectiveness:</u></p> <ul style="list-style-type: none"> Number of control failures: number of exceptions. <p><u>Efficiency and economy:</u></p> <ul style="list-style-type: none"> Cost of control (all stages in total) in EUR ▪ Cost of control / value of payments executed during the reporting year (in %). Average time to inform applicants in days (in compliance with Art. 194 FR). |

B - Contracting: Transformation of selected proposals into legally binding grant agreements

Main control objectives: Ensuring that the actions and funds allocation is optimal (best value for public money; effectiveness, economy, efficiency); Compliance (legality & regularity); Prevention of fraud (anti-fraud strategy).

| Main risks It may happen (again) that... | Mitigating controls | Coverage, frequency and depth of controls | Cost-Effectiveness indicators (three E's) |
|---|--|--|---|
| <ul style="list-style-type: none"> The description of the action in the grant agreement includes tasks that do not contribute to the achievement of the programme objectives. The budget foreseen overestimates the costs necessary to carry out the action. Procedures do not comply with regulatory framework. | <ul style="list-style-type: none"> Hierarchical validation according to financial circuits. Signature of the grant agreement by the AO. Checklists based verification (operational and financial) and the use of corporate templates and tools ensuring compliance with the regulatory framework. Regular accounting controls are carried out, including controls and reporting on budget implementation. Implementation of anti-fraud strategy | <ul style="list-style-type: none"> 100% of the selected proposals are scrutinised. Coverage: 100% of draft grant agreements. | <p><u>Effectiveness:</u></p> <ul style="list-style-type: none"> Number of exceptions/non-compliance issues. <p><u>Efficiency and economy:</u></p> <ul style="list-style-type: none"> Cost of control (all stages in total) in EUR. Cost of control / value of payments executed during the reporting year in %. Average time-to-Grant (average time to sign grant agreements) in days (in compliance with Art. 194 FR). |

C - Monitoring the execution: This stage covers the monitoring the operational, financial and reporting aspects related to the project and grant agreement

Main control objectives: ensuring that the operational results (deliverables) from the projects are of good value and meet the objectives and conditions (effectiveness & efficiency); ensuring that the related financial operations comply with regulatory and contractual provisions (legality & regularity); prevention of fraud (anti-fraud strategy); ensuring appropriate accounting of the operations (reliability of reporting, safeguarding of assets and information).

| Main risks It may happen (again) that... | Mitigating controls | Coverage, frequency and depth of controls | Cost-Effectiveness indicators (three E's) |
|---|---|---|---|
| <ul style="list-style-type: none"> The actions foreseen are not (or only partially) carried out in accordance with the technical description and the requirements foreseen in the grant agreement. The declared costs are not consistent with the activities performed. | <ul style="list-style-type: none"> Operational and financial checks, based on checklists, in accordance with the financial circuits and the use of corporate templates, including the standard excel table for budget and costs declarations, and tools ensuring compliance with the regulatory framework and financial rules. Authorisation by the AO. Regular follow-up of payment delays. Regular accounting controls are carried out, including controls and reporting on budget implementation. Implementation of anti-fraud strategy. Use of lump sum grants, which are not based on costs. | <ul style="list-style-type: none"> 100% of the projects are verified. 100% coverage by ex ante control of each payment request. | <p><u>Effectiveness:</u></p> <ul style="list-style-type: none"> Number of projects with cost claim errors out of number of grants (in %). Number of exceptions/non-compliance issues. Amount of cost items rejected in EUR and in % related to total payments executed. <p><u>Efficiency and economy:</u></p> <ul style="list-style-type: none"> Cost of control (all stages in total) in EUR. Cost of control / value of payments executed during the reporting year in %. Average time to pay in absolute number of days. Time-to-pay pay within deadline related to payment accepted amount in time in %. |

Stage 2: Ex post controls

Main control objectives: Measuring the effectiveness of ex ante controls by ex post controls; detect and correct errors or fraud remaining undetected after the implementation of ex ante controls (legality & regularity; anti-fraud strategy); addressing systemic weaknesses in the ex ante controls, based on the analysis of findings (sound financial management); ensuring appropriate implementation of audit results (legality & regularity, anti-fraud strategy); ensuring reliable reporting on ex post controls.

| Main risks <i>It may happen (again) that...</i> | Mitigating controls | Coverage, frequency and depth of controls | Cost-Effectiveness indicators (three E`s) |
|---|---|--|---|
| <ul style="list-style-type: none"> ▪ Ex ante controls fail to prevent, detect and correct erroneous payments or attempted fraud. | <ul style="list-style-type: none"> ▪ Multi-annual control strategy adopted by Eurostat senior management based on risk-assessment(s). ▪ Audits or desk-reviews of a sample of operations carried out by Eurostat staff or external audit service providers on the basis of professional standards. ▪ Consider ex post findings for improving ex ante controls. ▪ Integration of fraud-related elements in the risk assessment and in the ex post control work programme. ▪ Validate audit findings and results with the beneficiaries audited. ▪ If necessary, referring the file concerned to OLAF. ▪ Simplification measures to reduce the risk of errors for grants. ▪ Training dedicated to staff embedded in grants process. | <ul style="list-style-type: none"> ▪ Random-based sample of beneficiaries to be controlled on an ex post basis. ▪ All beneficiaries of Eurostat can be subject of ex post controls. ▪ Control of 3 – 6 beneficiaries per year. ▪ Detailed verification of cost claims transmitted to Eurostat. | <p><u>Effectiveness:</u></p> <ul style="list-style-type: none"> ▪ Detected error rate in % ▪ Residual error rate in % ▪ Amount of errors concerned in EUR ▪ Number of fraud-related audit observations <p><u>Economy:</u></p> <ul style="list-style-type: none"> ▪ Cost of ex post controls in EUR |
| <ul style="list-style-type: none"> ▪ Errors, irregularities and cases of fraud detected are not (timely) implemented. | <ul style="list-style-type: none"> ▪ Systematic registration of all audit / control results (COMPASS/AUDEX/ARES) ▪ Validation of recoveries in accordance with legislation and financial circuits. ▪ Quarterly management reports on results of ex post controls. | <ul style="list-style-type: none"> ▪ Coverage: 100% of final audit results <i>with a financial impact</i>. ▪ Extension of findings of systemic nature into corrections of non-audited projects by the same beneficiary. | <p><u>Efficiency:</u></p> <ul style="list-style-type: none"> ▪ Time-To-Recover <p><u>Effectiveness:</u></p> <ul style="list-style-type: none"> ▪ Number/value of audit results failed implementation |

PROCUREMENTS (including administrative budget (BA)) - Direct management

This segment also includes administrative expenses for salaries and/or missions, which are reported by the service responsible for the commitment, although the payments are executed by another service, notably the PMO and/or DG HR ⁽³⁾. The executing service implements the necessary technical-level controls and submits a declaration to Eurostat on the compliance of these payments with the principle of sound financial management, as well as their legality and regularity. These expenses are considered to present a low level of risk and are therefore subject to a flat rate of 0.5%, as corroborated by the control results of the executing service(s). More information on the implemented controls can be found in the DG HR/PMO annual activity report(s).

Stage 1 – Procurement

A - Planning

Main control objectives: Ensuring that the decision to tender is optimal

| Main risks It may happen (again) that... | Mitigating controls | Coverage, frequency and depth of controls | Cost-Effectiveness indicators (three E's) |
|--|--|--|---|
| <ul style="list-style-type: none"> The needs are not well defined (operationally and economically) and/or the decision to procure was inappropriate. Discontinuation of the services provided due to a late contracting. | <ul style="list-style-type: none"> Publication of intended procurements / Work programme. | Coverage: 100% Depth*: Level 2 | <u>Effectiveness:</u> <ul style="list-style-type: none"> Cost of control (all stages in total) in EUR Cost of control / value of payments executed during the year in % Exceptions & non-compliance issues |
| | <ul style="list-style-type: none"> Approval (and follow-up) of Work Program and Financing Decision by DM. | Coverage: 100% Depth*: Level 2 | <u>Efficiency and economy:</u> <u>Costs:</u> <ul style="list-style-type: none"> FTE linked to operational unit + central unit in EUR <u>Benefits</u> <ul style="list-style-type: none"> Qualitative: compliance, no litigation |

⁽³⁾ Type III co-delegation for which these expenses were reported by the service executing the payments until 2024.

NB: for all controls, information in particular financial information related to inputs / outputs and follow-up should be collected

***Depth:** (definition of levels)

1. Minimal administrative / arithmetic control with no reference to supporting documents reference to underlying documents.
2. Control with reference to corroborative information incorporating an element of independent oversight (e.g. audit certificate or other verification), but no reference to underlying documents.
3. Control with reference to fully independent corroborative information (e.g. database which justifies certain elements of the claim, 3rd party or Commission assessment of milestones achieved, etc.).
4. Control with reference to and including access to the underlying documentation available at the stage of the process in question, for all inputs and outputs (e.g. timesheets, invoices, physical verification, etc.); i.e. control of the same intensity of transaction testing as those carried out by the ECA as part of the DAS.

Stage 2 – Ex ante – Programming, needs assessment & definition of needs

Main control objectives: Ensuring that the call for tenders is optimally done

| Main risks It may happen (again) that... | Mitigating controls | Coverage, frequency and depth of controls | Cost-Effectiveness indicators (three E's) |
|---|--|--|--|
| <ul style="list-style-type: none"> The best offer/s are not submitted due to the poor definition of the tender specifications. Discontinuation of the services provided due to late contracting | <ul style="list-style-type: none"> Financial circuit: AOS approval and supervision of specifications. | Coverage: 100% Depth*: Level 3 | <u>Effectiveness:</u> <ul style="list-style-type: none"> Cost of control (all stages in total) in EUR Cost of control / value of payments executed during the year in % Exceptions & non-compliance issues <u>Efficiency and economy:</u> <ul style="list-style-type: none"> Costs: FTE linked to operational unit + central unit in EUR Benefits (qualitative): compliance, no litigation |
| | <ul style="list-style-type: none"> Financial circuit: All steps financial and operational specifications. | Coverage: 100% Depth*: Level 4 | |

NB: for all controls, information in particular financial information related to inputs / outputs and follow-up should be collected

***Depth:** (definition of levels)

- Minimal administrative / arithmetic control with no reference to supporting documents reference to underlying documents.
- Control with reference to corroborative information incorporating an element of independent oversight (e.g. audit certificate or other verification), but no reference to underlying documents.
- Control with reference to fully independent corroborative information (e.g. database which justifies certain elements of the claim, 3rd party or Commission assessment of milestones achieved, etc.).
- Control with reference to and including access to the underlying documentation available at the stage of the process in question, for all inputs and outputs (e.g. timesheets, invoices, physical verification, etc.); i.e. control of the same intensity of transaction testing as those carried out by the ECA as part of the DAS.

Stage 3 – Ex ante – Selection of the offer & evaluation of tenders

Main control objectives: Ensuring that the call for tenders is optimally done

| Main risks It may happen (again) that... | Mitigating controls | Coverage, frequency and depth of controls | Cost-Effectiveness indicators (three E's) |
|--|--|--|---|
| <ul style="list-style-type: none"> The most promising offer not being selected, due to a biased, inaccurate or 'unfair' evaluation process. | <ul style="list-style-type: none"> Opening Committee and Evaluation Committee. | Coverage: 100% Depth*: Level 4 | <p><u>Effectiveness:</u></p> <ul style="list-style-type: none"> Cost of control (all stages in total) in EUR Cost of control / value of payments executed during the year in % Exceptions & non-compliance issues <p><u>Efficiency and economy:</u></p> <ul style="list-style-type: none"> Costs: FTE linked to operational unit + central unit in EUR Benefits (qualitative): compliance, no litigation |
| | <ul style="list-style-type: none"> Financial circuit: All steps financial and operational Evaluation report | Coverage: 100% Depth*: Level 4 | |
| | <ul style="list-style-type: none"> Advisory "Market Committee" (in place as of March 2014) | Coverage: Risk based Depth*: Level 4 | |
| | <ul style="list-style-type: none"> Declaration on absence of conflict of interests to be signed. | Coverage: 100% Depth*: Level 4 | |
| | <ul style="list-style-type: none"> Exclusion criteria documented. | Coverage: 100% Depth*: Level 4 | |
| | <ul style="list-style-type: none"> Standstill period. | Coverage: 100% Depth*: N/A | |

NB: for all controls, information in particular financial information related to inputs / outputs and follow-up should be collected

***Depth:** (definition of levels)

1. Minimal administrative / arithmetic control with no reference to supporting documents reference to underlying documents.
2. Control with reference to corroborative information incorporating an element of independent oversight (e.g. audit certificate or other verification), but no reference to underlying documents.
3. Control with reference to fully independent corroborative information (e.g. database which justifies certain elements of the claim, 3rd party or Commission assessment of milestones achieved, etc.).
4. Control with reference to and including access to the underlying documentation available at the stage of the process in question, for all inputs and outputs (e.g. timesheets, invoices, physical verification, etc.); i.e. control of the same intensity of transaction testing as those carried out by the ECA as part of the DAS.

Stage 4 – Supervisory measures

Main control objectives: Ensuring that any weaknesses in the procurement procedures are detected and corrected

| Main risks <i>It may happen (again) that...</i> | Mitigating controls | Coverage, frequency and depth of controls | Cost-Effectiveness indicators (three E`s) |
|---|--|---|--|
| <ul style="list-style-type: none"> ▪ An error or a non-compliance with rules and regulations or fraud is not detected. | <ul style="list-style-type: none"> ▪ Multi-annual control strategy adopted by Eurostat senior management. ▪ Annual control programme based on yearly risk analysis. ▪ Integration of fraud-related elements in risk assessment. | <ul style="list-style-type: none"> ▪ Coverage: Whole process | <p><u>Effectiveness:</u></p> <ul style="list-style-type: none"> ▪ Number of exceptions, non-compliance issues <p><u>Economy:</u></p> <ul style="list-style-type: none"> ▪ Cost of control in EUR |
| | <ul style="list-style-type: none"> ▪ Ex post quality reviews on selection and award procedure. | <ul style="list-style-type: none"> ▪ Risk based selection of procurement procedures ▪ Frequency: On demand. | |
| <ul style="list-style-type: none"> ▪ Management of procurement is not improved in general. | <ul style="list-style-type: none"> ▪ Review of results of ex post quality review. ▪ Review of exception reporting. ▪ Update Process Improvement Methodology (PIM) for procurement. | <ul style="list-style-type: none"> ▪ Coverage: Whole process | |

IT security and data integrity

Stage 1: Ex ante - Information Security Policy

Main control objective: Define and disseminate Eurostat information security policy

| Main risks <i>It may happen (again) that...</i> | Mitigating controls | Coverage, frequency and depth of controls | Cost-Effectiveness indicators (three E`s) |
|--|--|--|---|
| <ul style="list-style-type: none"> ▪ Eurostat staff is not aware of the Information security Policy. ▪ IT security is not considered in day-to-day operations. ▪ Design weaknesses in the development of Information processes. | <ul style="list-style-type: none"> ▪ Awareness campaigns about EC Security Policies, standards, and best practices, Eurostat Information security policy and their updates are conducted. ▪ Train Eurostat staff on applicable security policies. ▪ Ensure that IT security plans are updated and provided for all new operational IS in GovIS2 | <p>Coverage: 100%</p> <p>Frequency: Yearly</p> | <p><u>Effectiveness:</u></p> <ul style="list-style-type: none"> ▪ Number of training sessions for newcomers. ▪ Number of training sessions for staff. ▪ Number of security plans provided. <p>Benefit: Awareness of IT security. Clear procedures and responsibilities regarding IT security.</p> <p><u>Efficiency & Economy:</u></p> <ul style="list-style-type: none"> ▪ Estimation of time required for Information security policy revision in FTE. ▪ Estimation of time required for Training in FTE. |

Stage 2: Ex ante - Protection of IT infrastructure and data integrity

Main control objective: Implement the controls as defined in the IT security policy

| Main risks <i>It may happen (again) that...</i> | Mitigating controls | Coverage, frequency and depth of controls | Cost-Effectiveness indicators (three E`s) |
|--|--|--|---|
| <ul style="list-style-type: none"> ▪ There is no inventory of assets and their security levels. ▪ IT infrastructure is not available in case of major disaster. ▪ Information is not available for statistical production. ▪ Information is accessed and modified by non-authorized users. | <ul style="list-style-type: none"> ▪ The CMDB in DIGIT (Configuration Management Database) is updated with classification information. ▪ IT Business Continuity Plan is regularly reviewed in line with the EC BC processes. ▪ Through the SLA with DIGIT, receive regular KPIs on the health of the systems hosted in DIGIT. ▪ Access control policy based on authorisation provided by DCROs (Data Collection Responsible Officers). | <p>Coverage: 100%</p> <p>Frequency: Yearly</p> | <p><u>Effectiveness:</u></p> <ul style="list-style-type: none"> ▪ Number of assets classified in the CMDB. ▪ Number of incidents regarding data integrity. <p>Benefit: Operational IT infrastructure in support to statistical production with accesses to data on a “need to know” basis.</p> <p><u>Efficiency & Economy:</u></p> <ul style="list-style-type: none"> ▪ Estimation of the access control management in FTE. ▪ Cost of operation and security monitoring of the infrastructure in DIGIT. |

Stage 3: Ex post - Access to IT infrastructure and data

Main control objective: Monitor the access to Eurostat IT infrastructure

| Main risks <i>It may happen (again) that...</i> | Mitigating controls | Coverage, frequency and depth of controls | Cost-Effectiveness indicators (three E`s) |
|--|---|--|---|
| <ul style="list-style-type: none"> ▪ Illegal access to information. ▪ Statistical information cannot be disseminated through the Eurostat website. ▪ Statistical information is corrupted during transfer from Member States. ▪ Wrong information or sensitive information is published. | <ul style="list-style-type: none"> ▪ Follow-up of access rights, functional user rights and local administrator rights. ▪ Real-time monitoring of Eurostat website. ▪ Use of encryption for transfer of sensitive information in EDAMIS. ▪ Incident reporting mechanism for errors on the Website. ▪ In-depth analysis and monitoring of access controls and IT assets (servers, applications) logs implemented. | <p>Coverage: Accesses to Eurostat IT assets, all Eurostat statistical data collections.</p> <p>Frequency: Daily, monthly for the analysis of logs.</p> | <p><u>Effectiveness:</u></p> <ul style="list-style-type: none"> ▪ Number of sensitive data collections encrypted during transport. ▪ Number of incidents reported for the website. ▪ Monthly reports of incidents in Eurostat environment. <p>Benefit: Protection of Eurostat environment. Ensure continuous publication of statistical information towards users.</p> <p><u>Efficiency & Economy:</u></p> <ul style="list-style-type: none"> ▪ Monitoring website Software and estimation of the support provided in FTE. ▪ Estimation of staff involved in monitoring. ▪ Cost of Log management and Security Reporting by DIGIT access rights in FTE. |

Safeguarding of sensitive information

Stage 1: Ex ante - Management of sensitive information in Eurostat

Main control objectives: Identification, classification, and inventory of sensitive information in Eurostat

| Main risks <i>It may happen (again) that...</i> | Mitigating controls | Coverage, frequency and depth of controls | Cost-Effectiveness indicators (three E`s) |
|--|---|--|--|
| <ul style="list-style-type: none"> ▪ Sensitive information is not correctly understood / identified | <ul style="list-style-type: none"> ▪ Definition of sensitive information in Eurostat. Inventory of sensitive information as declared by Eurostat units. ▪ Definition of protection measures to be applied for sensitive information in the context of Eurostat IS ▪ Periodic information to raise awareness among Staff. | <p>Coverage: 100%</p> <p>Frequency: Yearly with periodic updates if needed</p> | <p><u>Effectiveness:</u></p> <ul style="list-style-type: none"> ▪ Number of units reporting use of sensitive and classified information ▪ Number of modifications from former inventory <p>Benefit: Better knowledge of the location and use of sensitive information. Better understanding of the concept and management of sensitive information by staff.</p> <p><u>Efficiency & Economy:</u></p> <ul style="list-style-type: none"> ▪ Estimation of staff involved in inventory of all information managed by Eurostat units and its classification (in FTE). |

Stage 2: Ex ante - Protection of sensitive information in Eurostat

Main control objectives: Define roles and responsibilities and protection measures for sensitive information.

| Main risks It may happen (again) that... | Mitigating controls | Coverage, frequency and depth of controls | Cost-Effectiveness indicators (three E`s) |
|---|---|--|---|
| <ul style="list-style-type: none"> ▪ Sensitive information is not correctly managed by Eurostat staff. | <ul style="list-style-type: none"> ▪ Association of a DCRO (Data Collection Responsible Person) for each of the identified sensitive information collection. The DCRO is responsible for the protection of the collection and for giving access to it on a "Need to Know" basis. ▪ Revision of call for tenders and contracts to include the relevant confidentiality clauses ▪ Signature of "Declaration and commitment related to Sensitive Information" by Eurostat staff to raise awareness. | <p>Coverage: 100%</p> <p>Frequency: Yearly with periodic updates if needed</p> | <p><u>Effectiveness:</u></p> <ul style="list-style-type: none"> ▪ Number of DCROs, and DCRO backup and sensitive information collections. ▪ All Staff signing declarations ▪ Number of training sessions on security and handling sensitive information. <p><u>Benefit:</u></p> <p>Clearer responsibilities of units and staff regarding sensitive information management.</p> <p><u>Efficiency & Economy:</u></p> <ul style="list-style-type: none"> ▪ Specific staff (DCRO) has additional duties (in FTE). |

Stage 3: Ex ante - Access to sensitive information

Main control objectives: Monitoring and control of access to sensitive information

| Main risks <i>It may happen (again) that...</i> | Mitigating controls | Coverage, frequency and depth of controls | Cost-Effectiveness indicators (three E`s) |
|--|--|---|---|
| <ul style="list-style-type: none"> All Eurostat staff can have access to all sensitive information. | <ul style="list-style-type: none"> LISO is allowing access to sensitive information to staff identified by DCRO on a "Need to Know" Basis. Sensitive information is protected either by encryption or by being stored in Eurostat secured environment. Use of SECEM2 for transmission of sensitive information using email is mandatory. Use of encrypted S drive or SNC aware EC collaboration platform for storing sensitive information by units. | <p>Coverage: 100% of sensitive information is protected</p> <p>Frequency: Daily authorisation</p> | <p><u>Effectiveness:</u></p> <ul style="list-style-type: none"> Number of access rights processed and recorded Number of folders/units stored on the S drive % of SECEM2 certificates active <p>Benefit: Access to sensitive collections is controlled and sensitive information is encrypted.</p> <p><u>Efficiency & Economy:</u></p> <ul style="list-style-type: none"> Management of access by LISO, management of policies for S drive encryption by LISO, administrative procedure launched by DCRO for providing access to individual staff (in FTE). |

Stage 4: Ex post - Monitoring of accesses to sensitive information

Main control objectives: Monitoring of accesses to sensitive information

| Main risks <i>It may happen (again) that...</i> | Mitigating controls | Coverage, frequency and depth of controls | Cost-Effectiveness indicators (three E`s) |
|---|--|--|--|
| <ul style="list-style-type: none"> ▪ Breach of sensitive information | <ul style="list-style-type: none"> ▪ Periodic monitoring of accesses to identified sensitive information. ▪ Periodic revision of the database with access rights and association to Eurostat staff mobility. ▪ Automatic removal of access rights linked to inter DG staff mobility | <p>Coverage: All identified sensitive information</p> <p>Frequency: Monthly for the reports provided by DIGIT/HR</p> | <p><u>Effectiveness:</u></p> <ul style="list-style-type: none"> ▪ Number of alerts provided in monthly reporting. ▪ Number of revisions of the access rights database. ▪ Number of incidents related to confirmed breach of confidentiality. ▪ Number of encrypted files. <p>Benefit: periodic monitoring of accesses.</p> <p><u>Efficiency & Economy:</u></p> <ul style="list-style-type: none"> ▪ Monitoring and reporting by DIGIT (in EUR). |

GNI

The controls performed by Eurostat regarding the GNI are disclosed by the AOD responsible for the related Revenue in the AAR prepared by DG BUDG.

ANNEX 7: Specific annexes related to "financial management"

A. Free content

In 2025, administrative expenses related to salaries and/or missions are reported by the service responsible for the commitment, although the payments were executed by another service, notably the PMO, which, until 2024, also reported the corresponding expenditure. This new reporting arrangement was introduced in the context of data rationalisation linked to the implementation of the Commission's new IT accounting system. In 2025, these expenses represented 4,17% of Eurostat's total payments.

Gross National Income – reliability of reporting

The DG of the Commission in charge of the budget (DG Budget) is the authorising service with regard to own resources. However, Eurostat is the Commission service in charge of checking the implementation of the Gross National Income (GNI) Regulation ⁽⁴⁾. This entails proposing methods to ensure the reliability, exhaustiveness and comparability of national GNI data, verifying the compilation of those data and directing the work of the GNI Expert Group. Each year, this group adopts an opinion on the appropriateness of the countries' GNI data for own resource purposes with respect to reliability, comparability and exhaustiveness. The division of responsibilities between Eurostat and DG Budget in own resources verification is outlined in a Memorandum of Understanding. It includes good practices regarding GNI reservations, which allow Member States' (and UK's) GNI data to be revised after a cut-off date. The GNI verification work is carried out using a multi-annual verification cycle based on periodic inventories (description of sources and methods used to compile GNI) sent by the countries, as well as an annual verification of GNI questionnaires and reports on the quality underlying the data revisions.

The main indicators used in this activity are presented in Annex 7. These indicators are broken down by input, output and results for the multi-annual and annual verification. They underpin the legality and regularity of underlying transactions concerning own resources based on GNI.

In 2025 the follow-up work on open reservations continued and the preparation of the verification model for the next multi-annual verification cycle was completed.

Countries: EU27+EFTA4+UK

| N° | Indicators | 2024 | 2025 |
|---------------------------------|--|-------|-------|
| Multiannual verification | | | |
| Input | | | |
| 1 | Inventories received, including revised versions | 33 | 26 |
| 2 | Inventories to be checked | 31 | 31 |
| 3 | Amount of inventory pages to be checked | 18188 | 18780 |

⁽⁴⁾ <https://eur-lex.europa.eu/eli/reg/2019/516>

| N° | Indicators | 2024 | 2025 |
|---|---|------|------|
| 4 | Number of inventories translated by the Commission, including revised versions | 0 | 0 |
| Output | | | |
| 5 | Number of questions or requests for additional data sent to the countries concerning multiannual verification (including in preparation of the visits) | 2330 | 289 |
| 6 | Missions carried out | 5 | 1 |
| 7 | Missions carried out with participation of observers from other countries | 5 | 0 |
| 8 | Number of person-mission days carried out | 46 | 8 |
| | a) Eurostat | 34 | 8 |
| | b) Observers from other countries | 12 | 0 |
| 9 | Direct verifications | 4 | 2 |
| 10 | Mission reports presented to the GNI Expert Group | 7 | 1 |
| 11 | Open action points at the end of year | 16 | 40 |
| 12 | Number of action points and/or reservations on which verification work was carried out during the year | 431 | 30 |
| 13 | Number of documents presented to the GNI Expert Group relating to the GNI verification process and methodological issues | 33 | 22 |
| Results | | | |
| 14 | Number of general reservations – end of year | 0 | 0 |
| 15 | Number of transversal reservations – end of year | 58 | 55 |
| 16 | Number of transaction specific reservations – end of year | 51 | 47 |
| Annual verification of GNI Questionnaires and Reports on Quality | | | |
| Input | | | |
| 17 | GNI Questionnaires and Reports on Quality received (first submissions) | 31 | 31 |
| 18 | Number of revised GNI Questionnaires received in the course of verification (subsequent submissions) | 16 | 10 |
| 19 | Number of revised Reports on Quality received in the course of verification (subsequent submissions) | 32 | 24 |
| 20 | Total amount of Reports on Quality pages to be checked (original and subsequent submissions altogether) | 2561 | 756 |
| 21 | Number of Reports on Quality translated by the Commission, including revised versions | 0 | 0 |
| Output | | | |
| 22 | Number of questions sent to the countries in the course of verification of the GNI Questionnaires and Reports on Quality | 609 | 261 |
| 23 | Total number of GNI Questionnaires verified (original and subsequent submissions altogether) | 48 | 42 |
| 24 | Total number of Reports on Quality verified (original and subsequent submissions altogether) | 63 | 55 |
| 25 | Answers to DG Budget requests for the GNI OR data | 2 | 2 |
| 26 | Visits from Court of Auditors | 3 | 2 |
| Results | | | |
| 27 | Number of process-specific reservations – end of year | 3 | 0 |
| 28 | Number of countries for which a positive opinion of the GNI Expert Group on the appropriateness of the GNI data for own resource purpose has been adopted | 28 | 28 |
| Impact (for both multiannual and annual verification) | | | |
| 29 | Number of countries that revised GNI due to their work on action points and/or reservations | 28 | 5 |
| 30 | Number of action points and/or reservations that lead to revisions of GNI | 135 | 7 |

Fraud risk management

Objective: The risk of fraud is minimised through the application of effective anti-fraud measures and the implementation of the Commission anti-fraud strategy ⁽⁵⁾ aimed at the prevention, detection and correction ⁽⁶⁾ of fraud

Indicator 1: Implementation of the actions included in Eurostat’s anti-fraud strategy over the whole lifetime of the strategic plan (2025-2029)

Source of data: Eurostat’s annual activity report, Eurostat’s anti-fraud strategy, OLAF reporting

| Baseline (2024) | Target (2029) | Latest known results (situation on 31/12/2025) |
|--------------------|---|---|
| 100% | 100% of due actions implemented each year | 100% |

Main outputs in 2025:

| Description | Indicator | Target | Latest known results (situation on 31/12/2025) |
|---|---|----------|--|
| Publication of the anti-fraud strategy (AFS 2025-2027) and its action plan on Eurostat’s intranet | AFS published on Eurostat’s intranet | Q2 2025 | Achieved The new ESTAT Anti-Fraud Strategy (AFS 2025-2027) and its Action Plan were published on Eurostat’s intranet in May 2025. |
| Support given to OLAF in mapping the needs for (tailor-made) anti-fraud training and preparing customisable anti-fraud training modules | Response/input to OLAF given as requested and, if and when necessary, the training offer modified | End-2025 | Achieved ESTAT provided feedback to OLAF on the draft package of the Customizable Anti-Fraud Training Modules and participated to OLAF training on the Anti-Fraud Training Modules. |

⁽⁵⁾ Communication from the Commission 'Commission Anti-Fraud Strategy: enhanced action to protect the EU budget', COM(2019) 176 of 29 April 2019 – ‘the CAFS Communication’; Communication from the Commission "Commission Anti-Fraud Strategy Action plan – revision 2023" [COM\(2023\) 405](#) of 11 July 2023 – “the Communication on the 2023 revision” – and the accompanying revised action plan, [SWD\(2023\) 245](#)– “the revised Action Plan”.

⁽⁶⁾ Correction of fraud is an umbrella term, which refers to the recovery of amounts unduly spent and to administrative sanctions.

| | | | |
|--|--|------------------------|--|
| Regular presentations on anti-fraud for Eurostat newcomers, during the newcomers' induction programme | Number of information sessions versus the number of induction programmes | 100% | Achieved Presentations on anti-fraud were given in all induction programmes organised in ESTAT in 2025. |
| Market concentration report for procurement provided | Market concentration report issued | End-2025 | Achieved Final report was signed on 02/04/2025, while the draft results were already available in March 2025 |
| Information given to senior management on the publication of statistical data which should not have occurred (i.e. breach of statistical confidentiality or dissemination of data under embargo) | Number of leaks reported yearly | Zero intentional leaks | Achieved Information was presented to senior management on the publication of statistical data which should not have occurred (i.e. breach of statistical confidentiality or dissemination of data under embargo) |
| Eurostat's intranet articles on cybersecurity published regularly | Number of Eurostat's intranet articles on cybersecurity published | At least six | Achieved 9 dedicated articles on cybersecurity |
| Implementation of multi-factor authentication (where relevant for Eurostat's IT systems that contain sensitive information) | Multi-factor authentication implemented where relevant | As needed | Achieved In line with the EC Cybersecurity Strategy 2025-2026 |
| Support to OLAF within the working group to explore current and possible future options for strengthening digital control of external service providers and experts | Percentage of participation in the working group meetings organised by OLAF and Eurostat's contribution to OLAF requests in 2025 | 100% participation | Achieved ESTAT participated in the 2nd meeting of the Working Group on CAFS Action 10 (Strengthening Digital Control of ESPs and experts) in October 2025 discussing the draft report. |
| Regular Eurostat participation in Fraud-Prevention and Detection Network (FPDNet) meetings | Number of all FPDNet meetings versus the number of meetings with Eurostat's participation | 100% meetings attended | Achieved ESTAT attended all FPDNet meetings in 2025. |

| | | | |
|---------------------------------|--|-------------------------------|--|
| Action plan monitored regularly | Number of times the AFS action plan is monitored | Twice (mid-year and end-year) | Achieved The action plan was monitored twice (mid-year and end-year). |
|---------------------------------|--|-------------------------------|--|

B. Compulsory for all departments:

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

- the reports from AOSDs;
- the contribution by the Director in charge of Risk Management and Internal Control for the period January–December 2025, including the results of internal control monitoring at department level;
- the reports on recorded exceptions, non-compliance events and any cases of 'confirmation of instructions' (Art 92.3 FR);
- 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).

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

In line with the requirements of the Financial Regulation, Eurostat reports for the year 2025:

1) X cases of any in-kind donation made to the Union, for the purposes of humanitarian aid, emergency support, civil protection or crisis management aid (FR art 25.3)

No such cases for the department.

2) X cases of "confirmation of instructions" (FR art 92.3)

No such cases for the department.

3) X cases of financing not linked to costs (FR art 125.3)

In 2025, Eurostat launched one call for proposals for one grant action, where the form of financing is financing not linked to costs. Following the evaluation of proposals, 21 grant agreements were signed. The grant action is currently under implementation.

4) X Financial Framework Partnerships >4 years (FR art 131.4)

No such cases for the department.

5) X cases of flat-rates >7% for funding indirect costs (FR art 184.6)

In 2025, Eurostat grant beneficiaries, except for international organisations, received 30% flat rate financing of indirect costs, calculated as a percentage share of eligible direct personnel costs. It was decided that the 30% flat rate of personal costs corresponds to average of indirect costs beneficiaries incur when implementing Eurostat's actions. - COMMISSION DECISION C(2021) 2696 of 30.04.2021 authorising the use of flat-rate financing for actions implemented by Eurostat.

6) X derogations from the principle of non-retroactivity pursuant to Article 196 of the Financial Regulation.

No such cases for the department.

7) X cases of financial support to third parties >EUR 60 000 (FR art 207)

No such cases for the department.

8) X of non-financial donations provided in the form of services, supplies or works (FR art 244.3)

No such cases for the department.

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

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

- Overview of ESTAT's estimated cost of controls at Commission (EC) level

The absolute values are presented in EUR

| ESTAT | Ex ante controls*** | | | Ex post controls | | | Total | |
|--|------------------------|-------------------------|---------------------|---------------------|-------------------------------------|-------------------|---|---------------------|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) |
| Segment of expenditure (as in Table X) / Relevant Control System (RCS) / Other as defined in Annex 6 of the AAR* | EC total costs | related payments Made | Ratio (%)** (a)/(b) | EC total costs | total value verified and/or audited | Ratio (%) (d)/(e) | EC total estimated cost of controls (a)+(d) | Ratio (%)** (g)/(b) |
| Grants and Procurements | 9.800.369,34 € | 102.090.449,55 € | 9,60% | 157.850,00 € | 2.734.592,00 € | 5,77% | 9.958.219,34 € | 9,75% |
| DG horizontal control tasks | 946.737,00 € | - € | 0,00% | - € | - € | 0,00% | 946.737,00 € | 0,00% |
| | - € | - € | 0,00% | - € | - € | 0,00% | - € | 0,00% |
| | - € | - € | 0,00% | - € | - € | 0,00% | - € | 0,00% |
| | - € | - € | 0,00% | - € | - € | 0,00% | - € | 0,00% |
| | - € | - € | 0,00% | - € | - € | 0,00% | - € | 0,00% |
| | - € | - € | 0,00% | - € | - € | 0,00% | - € | 0,00% |
| | - € | - € | 0,00% | - € | - € | 0,00% | - € | 0,00% |
| | - € | - € | 0,00% | - € | - € | 0,00% | - € | 0,00% |
| | - € | - € | 0,00% | - € | - € | 0,00% | - € | 0,00% |
| | - € | - € | 0,00% | - € | - € | 0,00% | - € | 0,00% |
| | - € | - € | 0,00% | - € | - € | 0,00% | - € | 0,00% |
| | - € | - € | 0,00% | - € | - € | 0,00% | - € | 0,00% |
| | - € | - € | 0,00% | - € | - € | 0,00% | - € | 0,00% |
| | - € | - € | 0,00% | - € | - € | 0,00% | - € | 0,00% |
| | - € | - € | 0,00% | - € | - € | 0,00% | - € | 0,00% |
| | - € | - € | 0,00% | - € | - € | 0,00% | - € | 0,00% |
| OVERALL total estimated cost of control at EC level for expenditure | 10.747.106,34 € | 102.090.449,55 € | 10,53% | 157.850,00 € | 2.734.592,00 € | 5,77% | 10.904.956,34 € | 10,68% |

Details of the estimated cost of the control activities related to payments for salaries and/or missions executed by DG HR/PMO are reported in their respective annual activity report(s).

In 2025, administrative expenses related to salaries and/or missions are reported by the service responsible for the commitment, although the payments were executed by another service, notably the PMO, which, until 2024, also reported the corresponding expenditure. This new reporting arrangement was introduced in the context of data rationalisation linked to the implementation of the Commission's new IT accounting system. In 2025, these expenses represented 4,17% of Eurostat's total payments.

NON-EXPENDITURE ITEMS ****

| ESTAT | Ex ante controls*** | | | Ex post controls | | | Total | |
|--|---------------------|-----------------|---------------------|------------------|-------------------------------------|-------------------|---|---------------------|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) |
| Segment of expenditure (as in Table X) / Relevant Control System (RCS) / Other as defined in Annex 6 of the AAR* | EC total costs | related amounts | Ratio (%)** (a)/(b) | EC total costs | total value verified and/or audited | Ratio (%) (d)/(e) | EC total estimated cost of controls (a)+(d) | Ratio (%)** (g)/(b) |
| Only applicable for DGs with non-expenditure items | | | | | | | | |
| IT Security and Integrity | 208.597,00 € | - € | N/A | 155.230,00 € | - € | N/A | 363.827,00 € | N/A |
| Safeguarding of sensitive information | 239.820,00 € | - € | N/A | 103.710,00 € | - € | N/A | 343.530,00 € | N/A |
| | - € | - € | N/A | - € | - € | N/A | - € | N/A |
| | - € | - € | N/A | - € | - € | N/A | - € | N/A |
| | - € | - € | N/A | - € | - € | N/A | - € | N/A |
| | - € | - € | N/A | - € | - € | N/A | - € | N/A |
| | - € | - € | N/A | - € | - € | N/A | - € | N/A |
| | - € | - € | N/A | - € | - € | N/A | - € | N/A |
| | - € | - € | N/A | - € | - € | N/A | - € | N/A |
| | - € | - € | N/A | - € | - € | N/A | - € | N/A |

* if the control costs are not attributable to a single RCS and may relate to a 'mix' of expenditure, revenue, assets/liabilities, etc, they may be grouped

** ratio possibly "Not Applicable (N/A)", e.g. if a RCS specifically covers an Internal Control Objective such as safeguarding sensitive information, reliable accounting/reporting, etc

*** any "holistic" control elements (e.g. with "combined" ex-ante & ex-post characteristics) can be reported in the ex-ante column provided that a footnote clarifies this (their nature + their cost). Example: MS system audits in shared management.

**** These include revenue operations (e.g. assigned revenue, fines, interest); assets (e.g. (in) tangible or financial assets, inventories, treasury) and financial liabilities or 'off balance sheet' items (e.g. employee benefits, guarantees offered or other commitments)

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

IAS audit work in 2025

In 2025, IAS performed a follow-up audit on the ‘audit on the effectiveness and efficiency of Eurostat’s performance management systems’ and concluded that based on the results of the follow-up audit, the following recommendations have been adequately and effectively implemented and can be considered closed in 2024 and 2025:

- recommendation 1 (important): Activities and Outputs (02/07/2024),
- recommendation 2 (important): Objectives and Indicators (28/07/2025), and
- recommendation 3 (important): Planning, Monitoring and Reporting (02/07/2024).

Furthermore, the IAS performed a follow-up audit on the implementation of recommendation 2 (important): Cooperation between the ESS and the ESCB, and recommendation 3 (important): Eurostat’s supporting role in the functioning of the ESS, both stemming from the ‘audit on Eurostat’s role in the European Statistical System (ESS)’. The IAS concluded on 06/11/2025 that based on the results of the follow-up audit, both recommendations have been adequately and effectively implemented and can be closed.

On 02/07/2025 the IAS issued a closing note on an audit that it started in November 2024 to assess the preparedness of DG ESTAT to implement the amended Regulation (EC) 223/2009. The closing note concluded that, based on the preliminary work performed, design of the implementation process (i.e. preparedness) is currently at a very early stage and therefore not sufficiently mature to be audited yet.

Open issues from ECA audits

In the follow-up audit of the **Special Report (SR) 25/2022 “Verification of gross national income for financing the EU budget: Risks in data compilation well covered overall, but scope for increased prioritisation of actions”**, published on 08/12/2022, the ECA concluded that recommendations referring to seven out of nine issues have been fully and timely implemented, two further issues could not be concluded (not relevant anymore).

In the follow-up audit concerning the implementation of the accepted recommendations of **Special Report 26/2022: “European statistics: Potential to further improve quality”**, published on 29/11/2022, in the clearing letter for preliminary findings the ECA observed that out of six accepted issues four have been fully implemented, one issue has been implemented in most respects. One issue that concerned making the European Statistics Advisory Committee (ESAC) more inclusive, has been preliminarily assessed as not implemented.

The Commission does not agree with the ECA's preliminary evaluation of the latter recommendation. Regarding reinforcement of ESAC inclusiveness to better meet user needs, the Commission has, in line with its reply to the SR, discussed with ESAC ways to achieve that. The approach adopted in cooperation with ESAC has been to organise regular workshops that bring together ESS members, ESAC, National User Councils and other stakeholders. This approach, which was implemented from November 2023 onwards, is supported by ESAC and allows strengthening user inclusion. On the other hand, the Commission did not accept the part of the recommendation that the representation of all users in ESAC is not sufficiently balanced or effective and considers that the current selection procedure of ESAC members is appropriate. The composition of the ESAC and the procedure for appointing ESAC members are regulated by Decision 234/2008/EC of the European Parliament and the Council. Firstly, under Article 4(1)b of the Decision, eleven members out of 24 are appointed directly by the institutions and bodies to which they belong, and represent those institutions and bodies. This ensures already a wide representation of users. Secondly, in line with the procedure laid down in Article 4(1)a, the Commission endeavours to select 12 highly qualified persons that are able, based on their qualifications, to grasp, summarize and convey the statistical information needs of different categories of users, respondents and other stakeholders including the scientific community, social partners and civil society during the discussions in ESAC and the elaboration of ESAC opinions. Given that those categories of stakeholders are less structured than, for instance, the institutions and bodies listed in Article 4(1)b, those 12 members can only convey those statistical information needs in their personal capacity and not based on any form of mandate.

On 16/09/2024 the ECA published its **Special Report 16/2024: "EU revenue based on non-recycled plastic packaging waste: a challenging start hindered by data that is not sufficiently comparable or reliable"**. Eurostat is the Directorate General responsible for the verification of the amounts for this EU own resource and accepted the implementation of recommendation 2a) and 2b) referring to improvements of data comparability and reliability. An action plan is currently being implemented.

Recommendation 2a) referring to establishing a timetable, together with the Member States, to address the difficulties preventing each country from estimating waste generated using the two methods and balancing the results has already been implemented. The list of difficulties and timeline were agreed with the Commission expert group for the plastic own resource. The implementation of recommendation 2b) is ongoing and planned to be finalised by 31/12/2026. There is no impact on the effectiveness of the internal control system, nor on the achievement of the internal control objectives.

Further audits performed by the ECA during the year 2025 involving Eurostat:

- Special Report 23/2025 "Municipal waste management – Despite gradual improvement, challenges remain for the EU's progress towards circularity" (published 27/11/2025)
- Performance audit on suburban passenger transport around large metropolitan areas;
- Performance audit on single market for services;

- Performance audit on the labour market support for young people under cohesion policy;
- Discharge 2024;
- Discharge 2025.

Conclusion on the assessment of audit observations and recommendations for 2025

- Currently, Eurostat does not have any “critical” or “very important” recommendations issued by the IAS.
- Currently, Eurostat does not have any audit recommendations overdue for more than six months.
- During 2025, Eurostat implemented three “important” recommendations issued by the IAS in the audits:
 - “Audit on the effectiveness and efficiency of Eurostat’s performance management system”
 - “Audit on Eurostat’s role in the European Statistical System”.
- During 2025, Eurostat implemented three recommendations issued by the ECA in the Special Report 25/2022: “Verification of Gross National Income for financing the EU budget - Risks in data compilation well covered overall, but scope for increased prioritisation of actions.”
- The follow-up audit of the ECA relating to the Special Report 25/2022: “Verification of Gross National Income for financing the EU budget - Risks in data compilation well covered overall, but scope for increased prioritisation of actions” resulted in the conclusion that seven out of nine issues have been fully and timely implemented, while two issues could not be concluded (not relevant anymore).
- The follow-up audit of the ECA relating to the Special Report 26/2022: “European statistics: Potential to further improve quality” resulted in the preliminary conclusion that out of six accepted issues four have been fully implemented, one issue has been implemented in most respects. The remaining issue has been preliminarily assessed as not implemented. Eurostat disagrees with this assessment and has provided its reasoning to ECA. Even if the final conclusion by the ECA remains unaltered (i.e. ECA’s final clearing letter will assess that one recommendation as not implemented), that matter can be considered at most as a “minor weakness”.
- Action plans referring to all the open audit recommendations were established and are being implemented.
- Detected risks have been reduced significantly.

Therefore, Eurostat concludes that audit observations and recommendations do not disclose significant weaknesses of the internal control system that would require a qualification to the declaration of assurance with a reservation.

Assessment of the internal control system

Eurostat management assessed the effectiveness of the internal control system and its results following the methodology established by DG BUDG in the "Implementation Guide of the Internal Control Framework of the Commission".

In a three-step approach, Eurostat:

1) Established, in May 2025, 54 internal control monitoring indicators including baselines and target values for the reporting year.

2) Established and updated the "Register of Internal Control Strengths and Deficiencies" throughout the year. The following sources have been considered:

- Results of the monitoring of the IC indicators;
- Audit findings and recommendations (IAS audits, ECA audits);
- Discharge recommendations;
- Exceptions and non-compliance events;
- Ongoing monitoring of the implementation of control and anti-fraud strategies;
- Results of monitoring of implementation of mitigating and improvement actions related to audits, discharge recommendations, risks and implementation of antifraud strategy;
- Significant issues from the yearly error management report referring to dissemination;
- Significant issues disclosed in AOSD declarations at the end of the year 2025.

3) Analysed the recorded entries and, where necessary, reassessed the severity, taking into account the progress made in the implementation of action plans. The reassessed entries were the basis of the assessment of the principles, the components, and the internal control system as a whole.

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

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

Table X: Estimated risk at payment and at closure

Table X: Estimated risk at payment and at closure (amounts in EUR mios)

| DG ESTAT | Payments made (2025/MEUR) | minus new prefinancing [plus retentions made] (in 2025/MEUR) | plus cleared prefinancing [minus retentions released and deductions of expenditure made by MS] (in 2025/MEUR) | Relevant expenditure (for 2025/MEUR) | Detected error rate or equivalent estimates | Estimated risk at payment (2025/MEUR) | Adjusted Average Recoveries and Corrections (adjusted ARC, %) | Estimated future corrections [and deductions] (for 2025/MEUR) | Estimated risk at Closure (2025/MEUR) |
|--|---------------------------|--|---|--------------------------------------|---|---------------------------------------|---|---|---------------------------------------|
| -1 | -2 | -3 | -4 | -5 | -6 | -7 | -8 | -9 | -10 |
| RCS 1 - Grants | 43.72 | - 16.97 | 24.74 | 51.49 | 0.26% - 0.26% | 0.13 - - 0.13 | 0.01% - - 0.01% | 0.01 - - 0.01 | 0.13 - - 0.13 |
| RCS 2 - Procurement and Administrative expenditure | 62.81 | - 0.17 | 0.96 | 63.60 | 0.50% - 0.50% | 0.32 - - 0.32 | 0.00% - - 0.00% | 0.00 - - 0.00 | 0.32 - - 0.32 |
| DG total | 106.53 | - 17.14 | 25.70 | 115.10 | | 0.45 - - 0.45 | 0.00% - - 0.00% | 0.01 - - 0.01 | 0.45 - - 0.45 |
| | | | | | Overall risk at payment in % | 0.39% - - 0.39% | | Overall risk at closure in % | 0.39% - - 0.39% |
| | | | | | | (7) / (5) | | | (10) / (5) |

RCS 2 – “Procurement and Administrative expenditure” covers/includes administrative expenses related to salaries and/or missions previously reported by the PMO and/or DG HR. More information can be found in Annexes 6 and 7.

Notes to the table X

(1) Relevant Control Systems differentiated per relevant portfolio segments and at a level which is lower than the total.

(2) Payments made after the preventive (ex-ante) control measures have already been implemented earlier in the cycle. For Cross-SubDelegations (Internal Rules Article 12), the reporting remains with the Delegating departments.

In all cases of Co-Delegations (Internal Rules Article 3), "payments made" are reported by the Delegated departments. For Cross-SubDelegations (Internal Rules Article 12), the reporting remains with the Delegating departments.

(3) New pre-financing actually paid by out by the department itself during the financial year (i.e. excluding any pre-financing received as a transfer from another department). as per note 2.5.1 to the Commission annual accounts thus excluding "Other advances to Member States" which are covered on a purely payment-made basis (note 2.5.2). Pre-financing paid/cleared" are always covered by the Delegated departments, even for Cross-SubDelegations.

Retentions: in Cohesion, the 10% retention applied during the year.

(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'). Retentions: in Cohesion, the retentions released during the year by the Commission.

(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 [& adds the retentions made], and adds the pre-financing actually cleared [& subtracts the retentions released; and any deductions of *expenditure made by MS*] 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 this column, we disclose the detected error rates or equivalent estimates.

For low-risk types of expenditure, where there are indications that the equivalent error rate might be close to 'zero' (e.g. *administrative expenditure*), the rate which was used is 0.5% as a conservative estimate.

Similarly, the subsidies given by partner DGs to decentralised agencies as part of their establishment and core tasks are considered error-free types of expenditure and the rate which should be used is 0%.

(8) The adjusted average recovery and corrections percentage is based on the 7 years historic Average of Recoveries and financial Corrections (ARC), which is the best available indication of the corrective measures each department applied over the past years as a result of ex post controls. The AOD *has adjusted* this historic average *from 0,03% to 0,01%* to take into account 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 the 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) or that corresponded to exceptional situations 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 average amount of the implemented corrections over the past 3 years (2023-2025) is 0,01 million euros 0,01% of the average amount of relevant expenditure of that period), compared to an average amount of estimated future corrections during the same period of 0,01 million euros (0,01% of the average amount of relevant expenditure of that period). The deviation of the two averages is considered marginal.

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

Human Resource management

Objective: Eurostat employs a skilled, diverse and motivated workforce to deliver on the Commission's priorities

Indicator 1: Percentage of female middle managers

Source of data: SYSPER

| Baseline (2024) | Target (2029) | Latest known results (situation on 31/12/2025) |
|-----------------------------|-----------------------|--|
| 55.9% female representation | maintain at least 50% | 56.7% female representation |

Indicator 2: Staff engagement index

Source of data: Commission staff survey

| Baseline (2023) | Target ⁽⁷⁾ (2029) | Latest known results* (situation on 31/12/2025) |
|-----------------|------------------------------|--|
| 79% | Maintain | New staff engagement index (2025): 81% Old staff engagement index (2023): - 2 percentage points |

⁽⁷⁾ The Commission baseline score for the Staff Engagement Index is 73% (based on the 2023 staff survey results).

* A new method of measuring staff engagement was introduced in 2025. The new Staff Engagement Index provides a more comprehensive view of staff engagement covering purpose, pride and motivation, autonomy and growth and collaboration and trust. The old Staff Engagement Index, which focused more on job content and relations with immediate colleagues and manager, will be used exclusively for comparisons with past data.

Main outputs in 2025:

| Description | Indicator | Target | Latest known results (situation on 31/12/2025) |
|---|---|--|--|
| Geographical balance | <p>Number of candidates of an under-represented nationality interviewed (if applications received) per vacancy</p> <p>Geographically balanced recruitments at directorate level</p> | <p>≥ 1</p> <p>Alternating between the differently represented nationality groups</p> | Achieved |
| Gender Balance in corporate management development programme (MDP) | Gender balanced participation | 1 female, 1 male | <p>Achieved</p> <p>1 male and 1 female participant in 2025</p> |
| Meetings of senior management with staff (including with newcomers to the department) | Number of meetings | Minimum of three per year | <p>Achieved</p> <p>4</p> |

Digital transformation and data management

Objective: Eurostat is using innovative, trusted digital solutions for better policymaking, data management and administrative processes to build a digitally transformed, user-focused and data-driven Commission

Indicator 1: Digital Culture: % of statutory staff that has completed at least one IT training course ⁽⁸⁾

Source of data: Digital Commission Dashboard (data measured at DG-level)

| Baseline (2024) | Interim milestone (2027) | Target (2029) | Latest known results (situation on 31/12/2025) |
|---------------------------|------------------------------------|-------------------------|--|
| 62% | >30% | >30% | 69% |

Indicator 2: Seamless digital environment: cloud adoption – % of IT systems utilising cloud infrastructure services compared to the total number of IT systems

Source of data: Digital Commission Dashboard (- data measured at DG-level)

| Baseline (2024) | Interim milestone (2027) | Target (2029) | Latest known results (situation on 31/12/2025) |
|---------------------------|------------------------------------|-------------------------|--|
| 36% | >50% | >50% | 56% |

⁽⁸⁾ This KPI will be accompanied by an informative package that will be shared in AAR templates on a yearly basis. The package will include: (i) link to implementing guidelines – list of training courses available in EU Learn; and (ii) dedicated instructions on how to register a new training course in EU Learn (when this is organised at DG level directly by the DG), in order to record the actual number of participants and sessions.

Indicator 3: Maturity level in implementing corporate data policies across four key areas: data management, ownership and responsibilities, data quality, and data skills (basic, developing, established, advanced, or trendsetting).

Source of data: Eurostat

| Baseline (2024) | Interim milestone (2027) | Target (2029) | Latest known results (situation on 31/12/2025) |
|---------------------------|------------------------------------|-------------------------|--|
| Established | Established | Advanced | Established |

Indicator 4: Compliance indicator ⁽⁹⁾: percentage of staff trained on data protection compliance combined with the percentage of public records of processing operations reviewed within the last two years.

Source of data: Eurostat

| Baseline (2024) | Interim milestone (2027) | Target (2029) | Latest known results (situation on 31/12/2025) |
|---------------------------|------------------------------------|-------------------------|--|
| | >90% | 100% | |
| 94% | ≥ 94% | 100% | 100% |

⁽⁹⁾ The compliance indicator is calculated with a 50% weight attributed to the following two values: first, the number of public records with a publication date within the last 2 years / public records of the department. Second, the percentage of staff in the department who have attended data protection awareness-raising activities”

Main outputs in 2025:

Digital transformation

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|--|---|--------------------------------------|---|
| Digital transformation: modern management and dissemination of statistical classifications | Number of Eurostat classifications exposed as linked open data | 50 | Achieved In 2025 66 meta-data sets were disseminated as linked open data. |
| | Number of index entries clarifying borderline issues between classes in the NACE classification | 10 000 | In October 2025, a first batch of 17 600 index entries was transmitted to the Standards Working Group for validation. |
| Eurostat digital strategy | Strategy adopted | End-2025 | The strategy was prepared in 2025 and adopted on 20 January 2026. |
| Cyber awareness | Cybersecurity knowledge | ≥ Commission average | Achieved |
| | Participation rate in cyber awareness training courses | ≥ Commission average | |
| | Staff performance in email phishing exercises | ≥ Commission average | |
| IT legacy: unsupported IT systems | Percentage of unsupported IT systems | < 10% | Achieved At the end of 2025 ESTAT has no information systems using unsupported components. |
| Cybersecurity maturity | Eurostat position in the risk maturity quadrant of the Digital Commission Dashboard | Remain in the 'Acknowledge' quadrant | Achieved |

Data management

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|---|---|------------------------------------|---|
| Metadata management | Percentage of published metadata files with a new layout | 90% | Achieved 99.6% |
| Data management: implement and document data management practices | Document connecting the various data policy elements in force at Eurostat | End-2025 | Achieved December 2025 |
| Ownership and responsibilities: assign, clarify and document responsibilities | Responsibilities of data owners and stewards linked to job descriptions | 80% of key data assets by end-2025 | Achieved Almost 100% of the assets were attributed to data owners and data stewards. |

Data protection

| Output | Indicator | Target | Latest known results (situation on 31/12/2025) |
|--|--|---------------------------|---|
| Training of newcomers on data protection | Share of newcomers trained on data protection | 100% | 100% |
| General awareness-raising among Eurostat staff | Publication of information on available training courses on data protection (intranet or e-mail) | At least two publications | Achieved Further to a targeted publication on the Data Protection Day (interview with the DPC), the training corner is regularly updated and upcoming data protection trainings are announced there. |

Sound environmental management

Objective: Reaching climate neutrality by 2030 and a reduced environmental footprint for the Commission.

Indicator: % reduction in emissions from staff professional travel (t CO₂eq).

Source of data: Eurostat emissions report from Mips+

| Baseline (2019) | Target (2030) | Latest known results (situation on 31/12/2025) |
|---------------------------------------|----------------------------------|--|
| 693 tonnes CO ₂ equivalent | 50% of reduction (baseline 2019) | 320.6 tonnes CO ₂ equivalent (for reference year 2024) |

Main outputs in 2025:

| Description | Indicator | Target | Latest known results (situation on 31/12/2025) |
|--|---|--|---|
| Reduced emissions from staff missions | CO ₂ emissions from staff missions | Reduction of 50% compared with 574 tonnes CO ₂ equivalent in 2019 | Achieved Emissions from staff travel were 241,8 tonnes of CO ₂ equivalent in 2025, a reduction of around 58%. |
| Eurostat's hierarchy and staff are informed of the carbon footprint results for Eurostat | Updated carbon footprint results | November 2025 | Achieved All staff was informed by means of a Cybernews article on 4 December 2025. |

| Description | Indicator | Target | Latest known results (situation on 31/12/2025) |
|--|--|--|--|
| Organisation of a webinar on zero waste | Number of staff participating in the webinar | 20 staff | Partially achieved The webinar was organised as planned. However, after several years of organising this webinar, the attendance fell to 13 participants (which means that the target audience has been exhausted). As a result, it was decided to stop organising the webinar in the next years and replace it by other activities, such as the hands-on workshop on building a composting waste or other similar activities (e.g. stand during the European Week of Waste Reduction in November). |
| Restricted number of printed publications | Number of printed publications | No more than 500 printed copies per flagship / key figures publication | Achieved Less than 500 copies per publication |
| Staff awareness-raising activities / messages / Cybernews articles on topics such as: - energy and water use - carbon emissions - paper consumption - digital mindfulness - green public procurement - biodiversity - waste reduction/sorting - mobility | Number of staff awareness-raising initiatives in line with EMAS/greening corporate campaigns | 20 initiatives | Achieved 15 awareness-raising messages have been published on the intranet, in addition to the zero-waste webinar, the hands-on workshop on composting and other e-mails and messages shared through the EMAS network |