



EUROPEAN DATA PROTECTION SUPERVISOR

Annual Activity Report

2015

Contents

Contents	3
1. Introduction.....	5
2. Operational achievements	6
3. Resource management.....	6
3.1. Human resources.....	6
3.2. Budget.....	6
3.3. Procurement	7
3.4. Missions management.....	8
4. Management and internal control systems	9
4.1. Characteristics and nature of activities	9
4.1.1. The mission of the EDPS.....	9
4.1.2. Core values and guiding principles.....	9
4.1.3. Data Protection and the EDPS in 2015.....	10
4.2. Strategy 2015-2019	17
4.2.1. EDPS strategic objectives	17
4.2.2. Action plan.....	17
4.2.3. Measuring performance.....	17
4.3. Inter-institutional cooperation.....	18
4.4. Events during the year that affected reputation	19
4.5. Internal control management system	19
4.6. Internal evaluation of the internal control system and indicators underpinning the statement of assurance	20
4.7. Results of independent audit during the year.....	20
4.7.1. Court of Auditors	21
4.7.2. Internal Audit Service (IAS)	21
4.7.3. Follow-up to the European Parliament’s discharge resolution of 2014.....	22
4.8. Follow-up to reservations from previous years.....	24
4.9. Conclusions on the effectiveness of internal control	25
5. Reservations and impact on the statement.....	27
5.1. Materiality criteria	27
5.1.1. Objectives of materiality criteria	27
5.1.2. Qualitative criteria	27
5.1.3. Quantitative criteria.....	27
5.1.4. Criteria of the Internal Audit Service	28
5.2. Reservations.....	28
5.3. Conclusion	28
6. Statement of assurance from the authorising officer by delegation	29
7. Annexes	31
Annex 1: Summary of annual activity report.....	33
Annex 2: Human resources at the EDPS	35
Annex 3: Budget 2015	36
Annex 4: EDPS strategic objectives	38
Annex 5: EDPS strategic objectives and its Action Plan	39
Annex 6: Risk Register	43

1. Introduction

The Financial Regulation (Article 66(9))¹ provides that each authorising officer by delegation (AOD) shall send an annual activity report to their institution, together with financial and management information. This report shall present the achievements of their institution in relation to the resources used. It shall also be a management report on performance in the context of their task as AOD. This requirement is the logical consequence of paragraph 2² of this same article, which gives the AOD responsibility for internal controls.

In the annual activity report of the AOD, this latter must include a statement of assurance (“Statement”) based on their own judgment and on the information available in which the AOD:

- states that the information contained in the report gives a true and fair view;
- declares that the AOD has reasonable assurance that the resources allocated to the activities described in the report have been used for their intended purposes and in accordance with principles of sound financial management, and that the control procedures put in place give the necessary guarantees as to the legality and regularity of the underlying transactions;
- confirms that the AOD is not aware of any matter not reported which could harm the interests of the institution.

¹ Financial Regulation, Article 66(9): “*The authorising officer by delegation shall report to his or her institution on the performance of his or her duties in the form of an annual activity report containing financial and management information, including the results of controls, declaring that, except as otherwise specified in any reservations related to defined areas of revenue and expenditure, he or she has reasonable assurance that:*

(a) the information contained in the report presents a true and fair view;

(b) the resources assigned to the activities described in the report have been used for their intended purpose and in accordance with the principle of sound financial management;

(c) the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

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

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

² Financial Regulation, Article 66(2): “*For the purposes of paragraph 1, the authorising officer by delegation shall, in accordance with Article 32 and the minimum standards adopted by each institution and having due regard to the risks associated with the management environment and the nature of the actions financed, put in place the organisational structure and the internal control systems suited to the performance of his or her duties. The establishment of such structure and systems shall be supported by a comprehensive risk analysis, which takes into account their cost effectiveness.*”.

2. Operational achievements

Each year, the EDPS publishes an ‘Annual Report’ giving an overview of the objectives and achievements of the institution’s work. Information on operational achievements can be found in the annual report³.

3. Resource management

3.1. Human resources

The EDPS has adopted some major decisions during 2015, notably:

- a whistleblowing policy;
- a disciplinary decision
- a decision relating to incompetence
- a Code of conduct for the European Data Protection Supervisor and the Assistant Supervisor

The EDPS is providing in Annex 2 the chart relating to Human resources requested by the discharge 2013. It deals with

- Staff distribution by nationalities and gender
- Grades for officials
- Contract agents function group

3.2. Budget

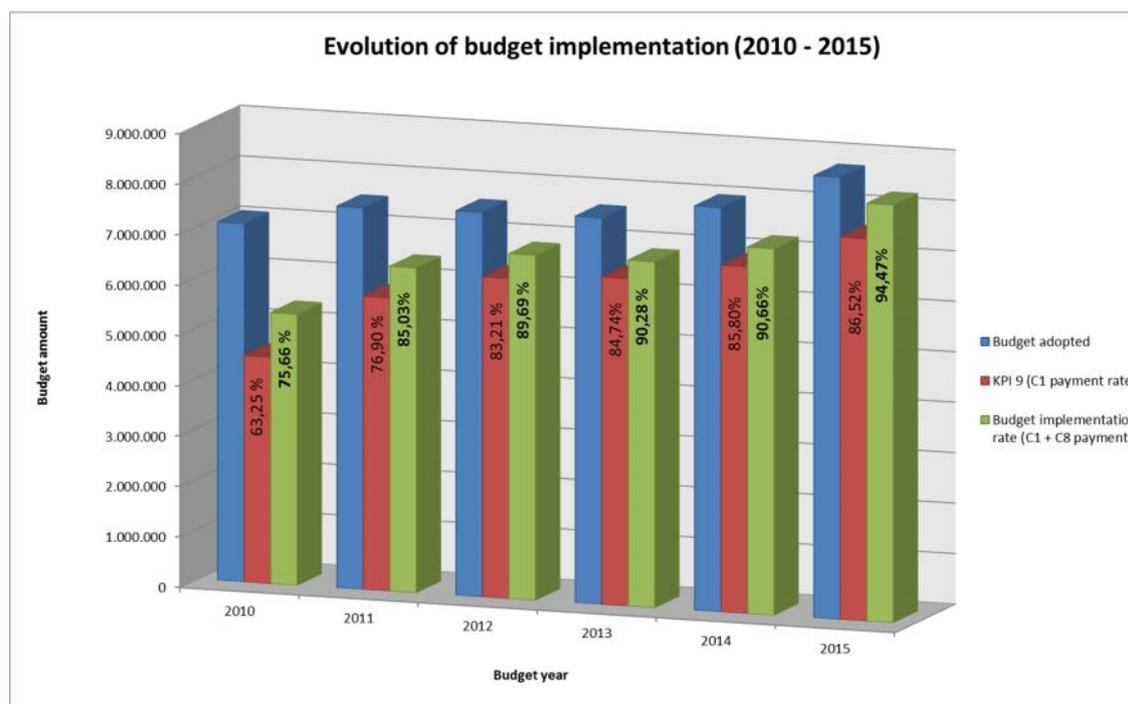
The budget for 2015 adopted by the budgetary authority was EUR 8 760 417 (see Annex 3). This represented an increase of 9.33% compared to the 2014 budget.

As set in our KPI 9 (see table in page 18), the implementation rate in payment appropriations for 2015 was 86.52% as opposed to 85.80% for 2014.

Since 2011, the EDPS has a budget implementation control mechanism, consisting of an excel report updated quarterly, which monitors the implementation rate of each budget line. This tool provides the Management Board of the institution with a comparison between the estimated and the actual consumption, as well as the evolution of the implementation rate from one year to another. The intensive and continuous use of this tool, which has been further developed over the time, has consolidated a

³ <http://www.edps.europa.eu/EDPSWEB/edps/site/mySite/lang/en/AR>.

positive evolution of the implementation rate of the budget, as showed in the chart below, from 75.66% in 2010 to 94.47% foreseen in 2015.



As to the EDPS Establishment Plan, we suppressed one post in 2015 and we will complete the undertaken reduction of 5% with the suppression of a second post in 2016.

With regard to the budgetary procedure, taking into account the size of the institution, the EDPS decided to apply the Commission's internal rules on budget implementation, in so far as they were applicable to the structure of his budget and to the size of the institution, in cases where no specific rules had been adopted.

3.3. Procurement

The EDPS relies heavily on inter-institutional cooperation as it presents many advantages from the perspective of good financial management and budget consolidation. This cooperation is vital for the EDPS, not only because of the small size of our organisation, but also because it increases efficiency and allows for economies of scale; in addition, most of the expenditure remains within the EU administrations, therefore resulting in appreciable savings for the EU budget.

The EDPS also participates in various inter-institutional calls for tenders (see table below), thus increasing efficiency in many administrative areas and making progress towards greater autonomy.

The list below includes the inter-institutional framework contracts (FWCs) that the EDPS currently uses to conclude purchase orders and/or specific contracts to cover needs particularly in the area of Information Technology and Administration:

	Name of Framework Contract	Area of use	EDPS Purchase
European Commission	DIGIT/R2/PO/2013/004 - ABC III 5 (Lot 2)	Advice, benchmarking and consulting	Feasibility Study on the IT Infrastructure for the EDPB
	DIGIT/R2/PO/2013/023 SIDE	Acquisition of user right licences of computer software products and licences	Case Management System (Fabasoft VDE + SAAS), Consultancy and license PhPstorm PHP IDE
	ADMIN/D1/PR/2009/036	Accident insurance for non-statutory staff	Accident insurance for non-statutory staff
	ADMIN/D1/PR/2009/013	Travel agency services for organising work-related travel	Travel agency services for organising work-related travel
	PMO8/PR/2011/053	Missions insurance "Assurance Responsabilité Civile"	Missions insurance "Assurance Responsabilité Civile"
	PMO2/PR/2013/001	Civil Liability Insurance	Civil Liability Insurance
	HR/R3/PR/2014/078 intérimaires	Interim Staff	Interim Staff
European Parliament	INLO.AO-2012-028-LUX-UAGBI-0	Purchase Printers A paper	Purchase Printers A paper
	PE/TTEC-ITS14 Lot 2	External Service Provision for IT Services	Webdeveloper Consultancy
	PE/TTEC-ITS14 Lot 8	External Service Provision for IT Services	Development of an Information Security Policy for the EDPS
	PE/2004/19 AR MOB - Lot 1,2,3,4	Furniture mobilier	Furniture mobilier
	PE/2008/26/UPGF/9	Office Supplies	Office Supplies
	PE/2010/UAGBI/1	Office Chairs	Office Charis

Nevertheless, whenever a specific need cannot be covered by an existing inter-institutional framework contract, the EDPS may take resource to launching its own call for tender. Indeed, a tender for video production services was launched in 2014. No call for tender was launched in 2015.

3.4. Missions management

Mission management at the EDPS is conducted in accordance with the applicable rules and its own mission guide (which is based on the Commission's guide).

The EDPS has adopted a speaking engagement policy⁴ which clarifies the rules in those cases where the mission should be paid by the organiser and is selective as regards attendance to external events.

	Members	Staff
Number of missions	49	206
Average duration	1,7 day	1,6 day
Average cost	1.038 euros	546 euros

The chart above provides information about the number of missions, the average duration and the average cost. All missions of the Supervisors are conducted with full transparency as provided in their Code of conduct. Missions by staff are encoded in MIPs and a mission report is uploaded as supporting document in the statement of expenses.

⁴ https://secure.edps.europa.eu/EDPSWEB/edps/cache/offonce/EDPS/Events/Speaking_eng_policy

4. Management and internal control systems

For the sake of complete transparency, points 4.1 dealing with the characteristic and the nature of activities and 4.2 dealing with the new EDPS strategy are extracts from the EPDS Annual Report 2015.

4.1. Characteristics and nature of activities

4.1.1. The mission of the EDPS

The European Data Protection Supervisor is the European Union's independent data protection authority established under [Regulation \(EC\) No. 45/2001](#), devoted to protecting personal information and privacy and promoting good practice in the EU institutions and bodies. The EDPS:

- **monitors** and **ensures** the protection of personal data and privacy when EU institutions and bodies process the personal information of individuals.
- **advises** EU institutions and bodies on all matters relating to the processing of personal information. We are consulted by the EU legislator on proposals for legislation and new policy development that may affect privacy.
- **monitors** new technology that may affect the protection of personal information.
- **intervenes** before the EU Court of Justice to provide expert advice on interpreting data protection law.
- **cooperates** with national supervisory authorities and other supervisory bodies to improve consistency in protecting personal information.

4.1.2. Core values and guiding principles

4.1.2.1. The core values

The EDPS is guided by the following core values in how we approach our tasks and how we work with our stakeholders:

- **Impartiality** – working within the legislative and policy framework given to it, being independent and objective, finding the right balance between the interests at stake.
- **Integrity** – upholding the highest standards of behaviour and doing what is right even if it is unpopular.
- **Transparency** – explaining what it is doing and why, in clear language that is accessible to all.

- **Pragmatism** – understanding its stakeholders’ needs and seeking solutions that work in practice.

4.1.2.2. General principles

1. The EDPS serves the public interest to ensure that EU institutions comply with data protection policy and practice. He contributes to wider policy as far as it affects European data protection.
2. Using his expertise, authority and formal powers to build awareness of data protection as a fundamental right and as a vital part of good public policy and administration for EU institutions.
3. He focuses his attention and efforts on areas of policy or administration that present the highest risk of non-compliance or impact on privacy. He acts selectively and proportionately.

4.1.3. Data Protection and the EDPS in 2015

4.1.3.1. A new strategy

2015 was a crucial moment for data protection, a period of unprecedented change and political importance, not only in the EU but globally. In this context, the new European Data Protection Supervisor (EDPS) finalised a strategy for the next five years to turn his vision into reality and to identify innovative solutions quickly.

This 2015-2019 Plan summarises:

- the major data protection and privacy challenges over the coming years;
- three strategic objectives and 10 accompanying actions for meeting those challenges;
- how to deliver the strategy, through effective resource management, clear communication and evaluation of our performance.

The EDPS aims and ambitions build on its strengths, successes and the lessons learned from implementing its *Strategy 2013-2014: Towards Excellence in Data Protection*.

In March 2015 we launched our [Strategy 2015-2019](#), *Leading by Example*. Our aim was to seize the historic opportunity to develop data protection over the period of our new mandate. The Strategy sets out our objectives for the coming five years and the actions necessary to achieve them. The Key Performance Indicators (KPIs) outlined in this report have been developed to ensure that we are fully accountable and transparent on how we achieve our objectives.

First and foremost we outlined our commitment to open a new chapter for European data protection through supporting the negotiation and adoption of innovative and future-oriented data protection rules. We provided the EU legislators with detailed recommendations on the proposed data protection reform and made them widely available in a user-friendly mobile app, which allowed users to compare the proposed texts from the Commission, the Parliament and the Council alongside the EDPS

recommendations. This required a huge effort but it made the legislative process more transparent for the public and the legislators themselves. It has ensured that the three legislative bodies and their data protection authority can be held accountable for their contributions to the process. In December 2015, final agreement on the General Data Protection Regulation (GDPR) was reached. This hugely significant reform undoubtedly marks one of the EU's greatest achievements in recent years.

Second, we stressed the role of the EU institutions themselves in setting the standard and leading by example in implementing the reform. Over the course of 2015 we worked closely with [Data Protection Officers](#) (DPOs), carried out detailed inspections and provided the EU institutions with support and advice, notably in the form of the Guidelines on [eCommunications](#) and [mobile devices](#). As the data protection authority of the EU institutions and bodies we will continue to support them in preparing for the changes to come over the course of 2016.

At the international level, the EDPS was at the forefront of both the EU and the global debate on privacy and data protection throughout 2015. There are now 109 countries which have data protection laws in place, and many look to the EU as an example. As an ambassador for EU data protection, in 2015 the EDPS both visited and welcomed visits from data protection authorities around the world. We increased our contribution at the international level through our continued participation in international fora and cooperation with international organisations, as well as through totally new initiatives, such as the preparations for an [Ethics Advisory Group](#).

As technology continues to develop and to transform our lives it is essential that data protection *goes digital*. We have to promote technological solutions which both support innovation and enhance privacy and data protection, in particular by increasing transparency, user control and accountability in big data processing. Our work in 2015 put the EDPS at the centre of these discussions. Our Opinions on [big data](#), [mobile health](#) (mHealth), and [intrusive surveillance](#) all called for specific actions to maximise the benefits of new technology without compromising the fundamental rights to data protection and privacy.

Our mandate and our Strategy are designed to address the current period of unprecedented change and political importance for data protection and privacy, both in the EU and globally, and the EDPS intends to ensure that the EU remains at the forefront of the debate.

4.1.3.2. Data protection reform

After almost four years of intense negotiation and public debate, political agreement on the General Data Protection Regulation was reached in December 2015. The EDPS was active as an advisor throughout this process, including [meeting with civil society](#) organisations in May.

Our final message to the legislators was in July, when we provided them with our first set of comprehensive, article-by-article recommendations for enhancing safeguards, cutting bureaucracy and ensuring the relevance of the reform during the next generation of technological change. We launched this [Opinion](#) in the form of a free-to-download mobile app, which allowed users to compare the Commission proposal, the Parliament and Council texts for negotiation and the EDPS recommendations, all on one screen.

In October, we added our [detailed recommendations](#) on the proposed Directive for the sectors of police and justice to this app, urging the legislators to be consistent in the standards required of all [controllers](#), with only limited deviations to account for the special circumstances of law enforcement data processing.

4.1.3.3. Leading by example

In September we called for a new digital ethics; one which puts human dignity at the heart of personal, data-driven technological development. This [Opinion](#) provided the basis for our discussions with companies, regulators and academics in the US (in San Francisco and Silicon Valley) that same month, and at the International Conference in Amsterdam in October. It also announced our intention to set up an Ethics Advisory Group, to be appointed in January 2016, which will look into the longer term implications of big data, the internet of things and artificial intelligence.

Additionally, in 2015 we initiated a project to develop a framework for greater accountability in data processing. This was applied first of all to the EDPS, as an institution, a manager of people and financial resources and a [controller](#), informing our development of internal rules, as well as institution-wide guidance on whistleblowing and a code of conduct for the Supervisors.

In the course of 2015, we also organised two meetings with [Data Protection Officers](#) (DPOs) in which we discussed topics such as accountability, IT security and data protection impact assessments. We also involved DPOs in the preparation of our contribution to the reform of [Regulation 45/2001](#). Throughout the year we issued 70 Opinions on notifications of processing operations, many on recruitment and staff appraisal, and dealt with 143 complaints, 30 percent more than in 2014. We visited five EU agencies, as well as conducting our bi-annual compliance survey, the results of which will be published in January 2016.

4.1.3.4. Data protection on the ground

In 2015, we undertook five important inspections. These included an inspection of recruitment activities at the European Commission's Directorate General for Human Resources (DG HR), and an inspection at the European Investment Bank (EIB), concerning its handling of sensitive data in fraud investigation and anti-harassment procedures. We also issued two Opinions on data processing as part of due diligence controls for combating money-laundering and terrorism financing at the European Investment Fund (EIF).

Through carrying out inspections and responding to consultations and notifications, we also ensure that the EU's large-scale IT systems –Eurodac (for processing asylum requests), Visa Information System (VIS), Schengen Information System (SIS), Customs Information System (CIS) and the Internal Market Information System (IMI)–comply with data protection rules. In 2015, we inspected SIS and VIS. We also issued an Opinion on plans by the EU Agency for the Operational Management of Large-scale IT systems in the area of freedom, security and justice (eu-LISA) to consider the use of Multi-Spectrum Imaging devices to scan fingerprints as part of the asylum procedure and the storage of this data in a database maintained by the agency. In 2016 we will urge the EU institutions and bodies to consolidate existing platforms for the law enforcement sector in the interest of more coherent and effective supervisory arrangements.

In 2015 we dealt with five requests under the 2001 Public Access to Documents Regulation. Two important rulings by the EU Court of Justice in 2015 also helped to clarify the relationship between transparency and data protection. In *Dennekamp v. European Parliament*, the Court held that uncovering conflicts of interest was sufficient justification for granting access to information about MEPs affiliated to a now defunct pension scheme. In *ClientEarth and Pesticide Action Network Europe (PAN Europe) v European Food Safety Authority (EFSA)*, the Court held that transparency regarding the identity of external experts involved in an EFSA guidance document was necessary to demonstrate their impartiality and ensure accountability. The EDPS intervened in both cases.

In its judgment on 3 December (*General Court T-343-13 CN v Parliament*), the Court also followed our legal reasoning on the question of the information to be provided to a petitioner when requesting consent for the publication of his personal data, which included sensitive health data.

4.1.3.5. Cooperation with data protection authorities in the EU

We have continued to be an active member of the Article 29 Working Party (WP29), focusing our efforts where we can add most value. This has included work on the Opinion on applicable law, on the Commission's proposed Data Protection Code of Conduct for Cloud Service Providers and liaison with the Council of Europe's Cybercrime Committee. At the annual Spring Conference we encouraged our partner authorities to speak with one authoritative voice to present credible solutions for global digital challenges.

In cooperation with the Article 29 Working Party (WP29), for budgetary reasons we began a preliminary analysis of logistical arrangements for providing the Secretariat for the European Data Protection Board (EDPB), which will come into force with the new data protection reform. In close liaison with the WP29 we have set up an internal task force which will facilitate the transition, so that the Secretariat and the Board can be fully operational from day one. We are also contributing to another preparatory task force, established with national colleagues at the last WP29 plenary meeting of 2015.

Similarly, we have been preparing for the expansion of our coordinated supervision role, which will likely encompass Europol, Smart Borders, Eurojust and the European Public Prosecutor's Office.

Separate from our supervision responsibilities, we have continued to serve as secretariat to the supervision coordination groups for CIS, EURODAC, VIS, SIS II and the IMI.

4.1.3.6. Identifying policy solutions

The vigorous debate on big data has continued following the publication of our [Opinion](#) on the subject. In addition to numerous speaking engagements, in September 2015 we hosted *Competition Rebooted* in collaboration with the Academy of European Law, a workshop aimed at deepening understanding in this area. We announced that a second Opinion on competition would be published in 2016 and, over the next year, we intend to encourage a Europe-wide dialogue among regulators, academics, industry, the IT community and consumer protection organisations on big data, the internet of things and on fundamental rights in the public and private sectors.

We also advised the institutions on new legislation, such as the proposed EU Passenger Name Record (PNR) Directive. This Directive would potentially allow for the collection of personal data from all airline passengers in the EU. In September 2015 we issued an [Opinion](#) on PNR, highlighting the lack of evidence to justify such a sweeping measure.

We have closely followed developments on the Transatlantic Trade and Investment Partnership (TTIP). EDPS Giovanni Buttarelli also delivered a speech before the European Parliament calling on the EU to ensure that the TTIP, as well as any new agreement, will fully respect our data protection standards.

The management of the EU's external borders in the face of unprecedented migration flows was perhaps one of the biggest political concerns for the EU in 2015. Border management involves processing the personal information of millions of individuals.

During 2015 we provided advice to Frontex, the EU border agency, on the *PeDRA* project, which aims to enable the agency to act as a hub for information collected by Member States on suspected smugglers or traffickers. We were involved at several stages in the development of this project and issued a prior checking [Opinion](#) in July, to ensure data quality and security and to prevent discriminatory profiling.

The EDPS has also been working with the European Medicines Agency (EMA) on the anonymisation of clinical reports for the purpose of publication. In our first policy [Opinion](#) of the new mandate we tackled the opportunities and risks of mobile health apps and services, and provided recommendations on how to build trust through transparency, user control and data protection safeguards.

In our July [Opinion](#) on the EU-Switzerland agreement on the automatic exchange of tax information, we aimed to set down principles in an area of proliferating international accords in the OECD campaign against banking secrecy in tax matters. We have also provided advice to the Commission and the European Central Bank (ECB) on the reform of securities markets, the prevention of market abuse and collection of detailed credit information.

4.1.3.7. Technology

With data security a growing concern for all organisations, in 2015 we issued Guidelines on the use of [electronic communications](#) and [mobile devices](#) in the workplace. We also worked with EU institutions and their [Data Protection Officers](#) (DPOs) to ensure the implementation of effective security measures, such as encryption, and participated in an inter-institutional project for encrypting emails. Guidelines on web services, mobile apps and cloud computing will be concluded in 2016, complemented by guidance on specific areas such as accountability in IT management and risk management.

Through our Newsletters and Opinions on big data and mobile health we have continued to monitor and report on the data protection implications of new technologies. Meanwhile, the Internet Privacy Engineering Network (IPEN) has continued to grow, focusing its work on standardisation initiatives on privacy, online tracking and privacy engineering.

As Cloud computing will soon become the standard way of computing, we increased our engagement with legislators, the industry and the EU institutions and bodies in 2015, focusing on how to exploit the potential of this technology whilst also remaining in control of personal data. We encouraged EU institutions and bodies to establish a common IT strategy, and have supported the first inter-institutional Call for Tender for the provision of cloud-based services- Cloud I.

The Hacking Team affair revealed the capabilities of software for infiltrating IT systems and covert surveillance. In our December [Opinion](#) on the subject we therefore called for more monitoring and regulation of the market for spyware, especially with the growth of the internet of things.

4.1.3.8. International interaction

In 2015 we continued to promote international standards for data protection and enforcement cooperation among [data protection authorities](#) (DPAs).

The preliminary ruling of the EU Court of Justice (CJEU) in October declared the EU-US Safe Harbour decision invalid. With our partners in the Article 29 Working Party (WP29), we called on the EU and the US to put in place a more sustainable legal instrument which respects the independence of DPAs. We also worked with [Data Protection Officers](#) (DPOs) to draw up a map of transfers taking place in the EU institutions and bodies under the Safe Harbour scheme.

Data protection reform is also on the agenda of the Council of Europe, and in 2015 we continued to contribute to the work of the committees responsible for modernising Convention 108. We have also been involved in the OECD's Working Party on Security and Privacy in the Digital Economy, preparing proposals for a risk-based approach to data protection, to be discussed at the ministerial conference on the digital economy in Cancun in June 2016.

We continued to deepen our engagement with APEC, GPEN, the French-speaking association of personal data protection authorities (AFAPDP), the Ibero-American data protection network, the Berlin Group and the international conference of data protection and privacy commissioners.

4.1.3.9. Communicating our message

In May, we launched a new EDPS logo. At the end of the year we completed the first phase of updates to the EDPS website. These projects aimed to mark a new era for the EDPS and for data protection.

There was a dramatic increase in engagement with our social media platforms, especially on Twitter where both our followers and number of tweets increased significantly, but also on LinkedIn and YouTube, for which we increased our efforts.

In addition to three editions of the EDPS newsletter, we issued 13 press releases and answered 31 written media enquiries, while the EDPS and Assistant EDPS gave 39 direct interviews to European and international journalists. Our heightened visibility was reflected in the appearance of the EDPS in over 400 articles, radio broadcasts, videos or other media in 2015.

Our outreach activities also expanded in 2015. We welcomed a record number of visitors to our stand at the annual EU Open Day on 9 May and organised seven study visits for groups from European universities and youth organisations. In addition to the open meeting with civil society on data protection reform, both the Supervisors and EDPS staff are increasingly active ambassadors of the EU approach to privacy, as was evident in our sponsorship of the annual Computers, Privacy & Data Protection conference.

4.1.3.10. Internal administration

Amid the challenges of a new mandate and the changing data protection landscape, we have pursued ambitious goals with a small team of dynamic, talented and highly motivated EU officials.

In 2015 we received a clean report from the Court of Auditors for the fourth consecutive year and have continued to improve the implementation rate of our budget. We established new policies on learning and development, career guidance and equal opportunities and, with EPSO, held a specialist competition for data protection experts. This resulted in a reserve list of 21 exceptional candidates which will cover the forthcoming recruitment needs of the EDPS and the future EDPB.

In 2015, the EDPS was allocated a budget of EUR 8 760 417, an increase of 1.09% compared to the 2014 budget. We improved the implementation of our budget to around 94% in 2015, compared with 85% in 2011, whilst also complying with Commission austerity guidelines and budget consolidation. We also met twice with the finance team of the European Ombudsman in 2015 to identify common need, as a basis for closer collaboration in 2016.

4.2. Strategy 2015-2019

4.2.1. EDPS strategic objectives

The EDPS' vision is to help the EU lead by example in the global dialogue on data protection and privacy in the digital age. Its three strategic objectives and 10 actions are detailed in Annex 4.

4.2.2. Action plan

The related action plan is detailed in Annex 5.

4.2.3. Measuring performance

Further to the adoption of the Strategy 2015-2019, in March 2015, the existing key performance indicators (KPIs) were re-evaluated to take into account the objectives and priorities of the new Strategy. As a result, a new set of KPIs has been established, to help us to monitor and adjust, if needed, the impact of our work and the efficiency of our use of resources.

The table below shows the performance of our activities in 2015 in accordance with the strategic objectives and action plan defined in the Strategy 2015-2019.

The KPI scoreboard contains a brief description of each KPI, the results on 31 December 2015 and the set target.

The indicators are measured against initial targets in most cases. For three indicators, the results of 2015 will be used as benchmark. Two KPIs will be calculated starting in 2016.

The results show that the implementation of the Strategy is largely on track and no corrective measures are needed at this stage.

One key performance indicator (KPI 7) did not meet the initial target. This was mainly due to changes in planning at the European Commission, which resulted in initiatives being postponed until 2016. Additionally, on one occasion the EDPS was not consulted by the Commission.

Key Performance Indicators 2015-2019

KEY PERFORMANCE INDICATORS		RESULTS AT 31.12.2015	TARGET 2015
Objective 1 - Data Protection goes digital			
KPI 1	Number of initiatives promoting technologies to enhance privacy and data protection organised or co-organised by EDPS	9	2015 as benchmark
KPI 2	Number of activities focused on cross-disciplinary policy solutions (internal & external)	9	8
Objective 2 - Forging global partnerships			
KPI 3	Number of initiatives taken regarding international agreements	3	2015 as benchmark
KPI 4	Number of cases dealt with at international level (WP29, CoE, OECD, GPEN, International Conferences) for which EDPS has provided a substantial written contribution	13	13
Objective 3 – Opening a new chapter for EU Data Protection			
KPI 5	Analysis of impact of the input of EDPS to the GDPR		<i>To be calculated starting 2016</i>
KPI 6	Level of satisfaction of DPO's/DPC's/controllers on cooperation with EDPS and guidance, including satisfaction of data subjects as to training	79.5%	60%
KPI 7	Rate of implementation of cases in the EDPS priority list (as regularly updated) in form of informal comments and formal opinions	83%	90%
Enablers – Communication and management of resources			
KPI 8 (composite indicator)	Number of visits to the EDPS website Number of followers on the EDPS Twitter account	195 715 3631	2015 as benchmark
KPI 9	Level of Staff satisfaction		<i>To be calculated starting 2016</i>

4.3. Inter-institutional cooperation

The EDPS benefits from inter-institutional cooperation in many areas by virtue of Service Level Agreements with the Commission and a cooperation agreement with the Parliament. This administrative cooperation is vital for us as it increases efficiency and allows for economies of scale.

In 2015, we continued our close cooperation with various Commission Directorates-General (Personnel and Administration, Budget, Internal Audit Service (by means of an SLA and a Memorandum of Understanding (MoU)), Infrastructure and Logistics, Education and Culture), the Paymaster's Office (PMO); the European School of Administration (EUSA); and the Translation Centre for the Bodies of the European Union. This cooperation takes place by means of service level agreements, which are updated regularly.

Furthermore, the EDPS signed two new SLAs respectively related to "Administrative arrangement on the access of EU Classified information with DG HR" and also with DG HR on the so called "Laissez passer".

4.4. Events during the year that affected reputation

There were no events during 2015 that might have had a negative impact on the institution's reputation.

4.5. Internal control management system

Internal control covers the globality of the policies and procedures put in place by the institution to ensure the economic, efficient and effective achievement of its objectives. In order to assess and improve the effectiveness of the internal control system, in 2013 the EDPS adopted 15 out of the 16 Internal Control Standards (ICS), laid down in the European Commission decision of 2007⁵⁶.

Since then an increasing number of implementing measures was put in place to provide effective internal control of the processes in place. By way of example, measures taken to implement the internal controls standards (ICS) include: adoption of a new ICS decision on 6/7/2015 removing another one of the 15 ICS inappropriate for the EDPS; presentation of the new code of conduct to all EDPS staff; continuation of the presentation of unit activities to all staff; adoption of the MoU with IDOC; adoption of the Code of conduct for the Supervisors; adoption of a whistleblowing policy.

The four-level system of activities planning (strategic, annual, monthly and weekly) forms the basis on which the EDPS manages his workload.

According to Art. 13 of the EDPS Rules of Procedure, the EDPS shall establish each year an Annual Management Plan. That plan shall translate the long term strategy of the EDPS into general and specific objectives. Indeed he sets out the activities to be undertaken, by specific objective. In line with the Art. 13 the Annual Management Plan also includes the key performance indicators, defined in the Strategy 2015-2019, which were regularly measured to monitor progress achieved during the implementation phase.

Since the adoption of the decision on risk management in July 2012 –modern tools that help to identify the risks and possible plans of action- the EDPS has included risk management as an essential element of his global strategy. Risk management goes beyond assessing the risks; it also involves putting controls and measures in place that then need to be monitored (see Annex 6).

These controls put in place by the EDPS, along with the procedural channels, are intended to correct any financial or procedural error that might arise. They are an

⁵ Communication SEC(2007)1341.

⁶ Only ICS number 16 related to Internal Audit Capability is not applicable to the EDPS.

integral part of the management of the EDPS, as are any corrections to which they give rise. The AOD is thus aware of any corrections. Neither the nature nor the frequency of the identified risks has been significantly relevant.

4.6. Internal evaluation of the internal control system and indicators underpinning the statement of assurance

The monitoring of the implementation of the ICS is the responsibility of the Internal Control Coordinator (ICC), who reports directly to the Director. Regular controls are carried out on the basis of a control matrix, which includes all the recommendations and actions to be undertaken in order to comply with the adopted ICS. The matrix is the object of regular reviews and updates. The ICC also meets with the EDPS units/sectors to ensure effective implementation.

Since July 2014 a report on the implementation of the ICS is established twice a year to assess their effectiveness. The report is submitted to the Management Board for adoption.

Furthermore, the ex-post facto verification and the accounting correspondent functions monitor, on a sample basis, the legality and regularity of the financial transactions as well as the quality of accountancy once a year.

This enables the institution to demonstrate that the overall internal control system is effective, not only that sufficient controls are in place but also that these controls take account of the risks involved and are effective.

At this stage, the AOD estimates that the level of management and control put in place is appropriate, and improving. Such improvements are not likely to have a 'material' impact within the meaning of paragraph 5.1. No reservations are necessary with regard to the improvements underway.

At the time of writing this annual activity report, no significant errors have occurred and no reservations are necessary as regards preventive controls.

No recommendations that are currently being implemented are therefore likely to have a material impact⁷.

4.7. Results of independent audit during the year

There are two kinds of independent audit applicable to the EDPS. The first is the work of the European Court of Auditors and the second is that of the institution's Internal Auditor.

⁷ The materiality criteria used for this judgment are given in Chapter 5.1 of this report.

4.7.1. Court of Auditors

Preliminary findings of the Court of Auditors for 2015 have already been received but they the final report will be public at a later stage. As regard the legality and regularity of underlying transactions, one transaction was examined. It formed part of a random sample from administrative expenditure as a whole, covering all Institutions and Bodies. This transaction concerns the payment of staff salaries and allowances. Its examination did not give rise to any observation.

In the context of the in-depth assessment of supervisory and control systems of the EDPS, five procedures for the recruitment of contract agents and five procurement procedures for the award of supply or service contracts were examined. Findings are still provisional and under discussion.

4.7.2. Internal Audit Service (IAS)

The Commission's Internal Auditor is the internal auditor of the EDPS. To make sure that EDPS resources are effectively managed, the internal auditor conducts regular checks on EDPS internal control systems and on its financial transactions.

The EDPS follows 14 of the 16 ICS established by the European Commission (see EDPS decisions 2012 and 2015). The ICS are regularly monitored and a report has been established since 2014 to keep the management up to date with their implementation. It is done in the first quarter of the year to assess the implementation in the previous year and a mid-term review is carried out in June.

An in-depth review has been carried out by the IAS in May 2015 on the implementation of the ICS at the EDPS. The objective of the engagement was to assess the status of implementation of the Internal Control Standards (ICS) in the EDPS, and, where necessary, make recommendations for improving the effectiveness of controls.

The related final report represents the reference report for 2015. In October 2015 the EDPS provided an action plan to the IAS to implement their recommendations. Collaboration is still going on in relation to the implementation of those recommendations.

The summary of the IAS findings is detailed in the chart below.

	ICS	Implemented	Largely implemented with some room for improvement	Substantial additional effort needed	Reference to recommendations rated 'very important'
1	Mission		x		
2	Ethical and organisation values		x		
3	Staff Allocation and Mobility		x		
4	Staff Appraisal and Development	x			
5	Objectives and Performance Indicators			x	Develop SMART objectives and RACER indicators (Rec N°5)
6	Risk Management	x			
7	Operational Structure		x		
8	Processes and Procedures			x	Complete the documentation and inventory of processes and procedures (Rec N°10)
9	Management Supervision	x			
10	Business Continuity		x		
11	Document Management		x		
12	Information and Communication	x			
13	Accounting and Financial reporting	x			
14	Evaluation of Activities			x	Introduce and implement a policy on evaluation of activities (Rec N°13) Post fieldwork event: The EDPS has updated its set of ICS on 6 July 2015 removing ICS 14 considered as not applicable.
15	Assessment of Internal Control System	x			

4.7.3. Follow-up to the European Parliament's discharge resolution of 2014

1. *"Regrets that the Supervisor did not make available full information about its policy on conflicts of interest; urges the Supervisor to adhere to the rules covered by Article 16 of the Staff Regulations and to lay down clear binding rules regarding "revolving doors" in accordance with the guidelines published by the Commission and to inform Parliament in its AAR for 2015";*

The EDPS has adopted a Code of conduct for the Supervisors on 16 December 2015, where the issue of conflicts of interest has been developed on point 4 and Annex 1.

Regarding the "revolving doors" issue and Article 16 of the Staff Regulation, the EDPS has just participated to the first meeting of a CPQS subgroup dedicated to this point. It took place on 7 March 2016. Up to now EDPS had no cases to declare. The EDPS is a very small institution and its only 'senior

official' would be therefore the Director of the EDPS. For the time being, the EDPS does not have a decision that deals with revolving door cases but the purpose of EDPS presence to this first meeting was precisely to get acquainted with the situation of other institutions best practices so the EDPS can decide in due course the right approach to this matter.

2. *"Notes that a decision on internal rules concerning whistleblowing was adopted by the Supervisor in 2015; asks the Supervisor to include that information in its AAR for 2015 and to ensure full compliance with Article 22c of the Staff Regulations, which came into force on 1 January 2014";*

The EDPS AAR report has introduced a section on Human Resources (see point 3.1 above and its Annex 2).

3. *"Notes that very limited information is available on procurement procedures and selection criteria of contractors; observes that only one contract award decision for 2014 is published on the Supervisor's website; calls on the Supervisor to include a list of all contracts awarded in which it has participated, even if launched by other institutions, and their procedures and selection criteria on their website and in its AAR for 2015";*

The EDPS is now inserting a specific sub chapter relating to Procurement in Chapter 3 relating to Resource Management (see page 7 above).

4. *"Reiterates Parliament's request made last year for the Supervisor's building policy to be attached to its AAR, especially given that it is important that the costs of such a policy be properly rationalised and not excessive; calls, therefore, on the Supervisor to provide the discharge authority with its building policy in its AAR for 2015";*

The EDPS has not a building policy since it is hosted by the European Parliament in one of its buildings. Indeed, under an inter-institutional agreement which foresees prices and services delivered, the European Parliament hosts the EDPS in its premises and provides assistance in the fields of IT and infrastructure.

In October 2012, the EDPS moved to a new building (Montoyer 30) which is being shared by the EDPS, the European Ombudsman, the European Court of Auditors and the European Parliament itself. Considerable savings are being generated as some of the premises are shared and the costs split between the four institutions.

5. *"Reiterates Parliament's request made last year to have an exhaustive table of all the human resources at the Supervisor's disposal, with a break-down according to grade, sex and nationality; notes that that table should be automatically included in the Supervisor's AARs; calls, therefore, on the Supervisor to provide Parliament with an exhaustive table of all human resources as detailed in this paragraph in its AAR for 2015";*

See new Annex 2

6. *"Calls on the Supervisor to provide, by the end of May 2016, detailed information on missions undertaken by its Members and staff in its AARs, including the cost of each mission";*

The EPS is providing this information on point 3.4 above.

4.8. Follow-up to reservations from previous years

In relation with the recommendations from European Parliament decision on discharge 2013, the EDPS is providing the following comments:

1. *"The European Parliament requests to be informed about the budgetary impact of the reorganisation of the Supervisor's secretariat (Point 12 of the resolution)";*

There was no reorganisation of the EDPS Secretariat in 2014.

2. *"The European Parliament notes the installation of a video-conference system at the Supervisor's new premises; asks to be informed about how many times the system was used in meetings in 2013 (Point 14 of the resolution)";*

The video-conference system has been used regularly in 2014 every time there has been a need. In addition, instead of attending conferences abroad, short video interventions often have been made available to the conference organisers with the kind and efficient assistance of the media services of the European Parliament (e.g. by means of the teleprompter).

3. *"The European Parliament demands that the Supervisor's building policy be attached to the AAR, especially given that it is important that the costs of such a policy are properly rationalised and that such costs are not excessive (Point 16 of the resolution)";*

The EDPS has not a building policy since it is hosted by the European Parliament in one of its buildings. Indeed, under an inter-institutional agreement which foresees prices and services delivered, the European Parliament hosts the EDPS in its premises and provides assistance in the fields of IT and infrastructure.

In October 2012, the EDPS moved to a new building (Montoyer 30) which is being shared by the EDPS, the European Ombudsman, the European Court of Auditors and the European Parliament itself. Considerable savings are being generated as some of the premises are shared and the costs split between the four institutions.

4. *"The European Parliament reiterates last year's request to have an exhaustive table of all the human resources at the Supervisor's disposal, with a breakdown according to grade, sex and nationality; notes that this table should be automatically included in the AAR of the institution (Point 17 of the resolution)";*

The EDPS is providing the requested figures in Annex 2 of this report.

5. *"The European Parliament expresses concern at the shortage of women holding senior posts; calls for an equal opportunities plan to be set in motion, particularly as regards management positions, with the aim of correcting this imbalance as quickly as possible (Point 18 of the resolution)";*

First reflections on an equal opportunity policy (which goes beyond gender balance) were included in the EDPS Annual Management Plan for the second half of 2015. As a result an Equal Opportunities Strategy has been adopted in 2015 which will be subject to consultation with the Staff Committee in the first half of 2016.

4.9. Conclusions on the effectiveness of internal control

In light of the information above, the authorising officer by delegation considers that the internal control system is operating appropriately; bearing in mind the level of expenditure and budget handled by the institution, and thus gives the necessary assurance to his annual statement.

5. Reservations and impact on the statement

5.1. Materiality criteria

In order to establish the Statement of Assurance the AOD applies the materiality criteria adopted by the Court of Auditors.

5.1.1. Objectives of materiality criteria

The materiality threshold gives the AOD a basis on which to establish the significant weaknesses that require a formal⁸ reservation to his statement. The assessment of a weakness falls to the qualitative and quantitative judgment of the authorising officer by delegation, who remains responsible for the statement of assurance, including the reservations made.

The purpose of this chapter is to define the qualitative and quantitative criteria for determining the level of materiality.

5.1.2. Qualitative criteria

The following parameters were used to establish significant weaknesses:

- significant/repeated errors without mitigation
- weakness in the internal control system
- insufficient supporting documents
- material problems identified by the Court of Auditors or the Internal Audit Service
- problems of reputation.

5.1.3. Quantitative criteria

Once a significant weakness has been identified, quantitative criteria must be applied to determine the level of materiality. This level will be used to determine whether the weakness 'merits' being reported.

- margin of error
- maximum amount of risk.

The Court of Auditors uses a 2% materiality threshold. Should the residual risk of an error be higher, the institution must explain the reasons for this.

⁸ The Commission (COM(2003)28 of 21 January 2003) considers that only 'material' reservations can be used to qualify the annual statement.

The EDPS has decided on 2% of annual appropriations as the materiality threshold in this regard, namely: EUR 175 208.34.

5.1.4. Criteria of the Internal Audit Service

A 'table of significance' is added to the internal auditors' report.

In this table, a distinction is made between recommendations and observations on the one hand, and levels of importance on the other: critical, very important, important and desirable.

According to the internal auditors, only 'critical' level observations *may* result in a reservation in the statement given in the annual activity report. For the EDPS, there are no observations at this level.

5.2. Reservations

No reservation.

5.3. Conclusion

Based on the above, the Director of the EDPS Secretariat has issued the annual statement with no reservation.

6. Statement of assurance from the authorising officer by delegation

I, the undersigned, Christopher Docksey,

Director of the EDPS Secretariat,

as Authorising Officer by Delegation

hereby declare that the information contained in this report is true and faithful.

I state that I have had reasonable assurance that the resources allocated to the activities described in this report have been used for the purposes anticipated and in accordance with the principle of sound financial management, and that the control procedures established provide the necessary guarantees as to the legality and regularity of the underlying operations.

This reasonable assurance is based on my own judgment and on the information available to me, such as the results of the self-evaluation and the report of the Internal Audit Service.

I confirm that I am not aware of any matter not reported that might be harmful to the institution's interests.

A handwritten signature in black ink, appearing to read 'C. Docksey', is written above a horizontal line.

Signed at Brussels on 30 May 2016

7. Annexes

Annex 1: Summary of annual activity report

The Financial Regulation (Article 66(9))⁹ provides that the *institution* shall submit to the budgetary authority (European Parliament and Council), no later than 15 June each year, a summary of the annual activity report for the previous year.

Alongside this, Article 48 of Regulation (EC) No 45/2001 provides that the EDPS shall submit an annual activity report to the European Parliament, the Council and the Commission.

The proposal is thus to summarise the authorising officer by delegation's annual activity report and include this summary in the activity report that is provided for in Article 48 of Regulation (EC) No 45/2001:

Overall, the European Data Protection Supervisor considers that the internal control systems in place provide reasonable assurance as to the legality and regularity of the operations for which the institution is responsible.

The European Data Protection Supervisor will ensure that his authorising officer by delegation continues his efforts to guarantee that the reasonable assurance given in the statement attached to his activities report is effectively backed up by appropriate internal control systems.

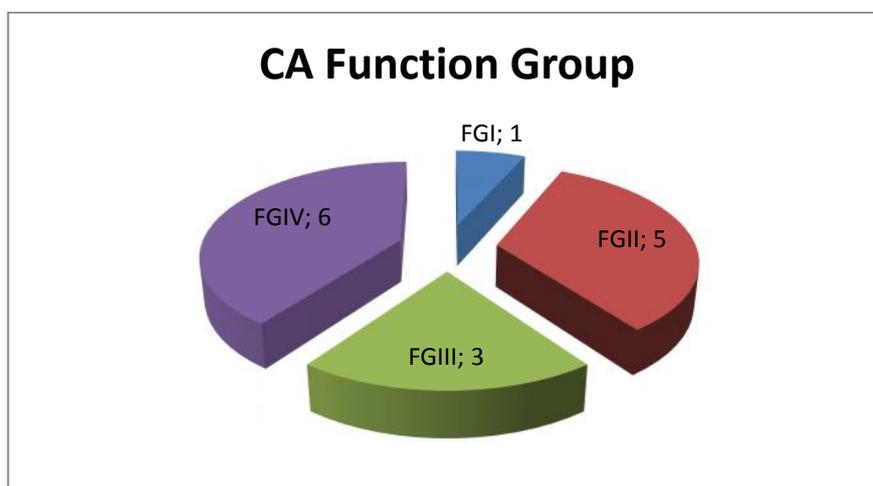
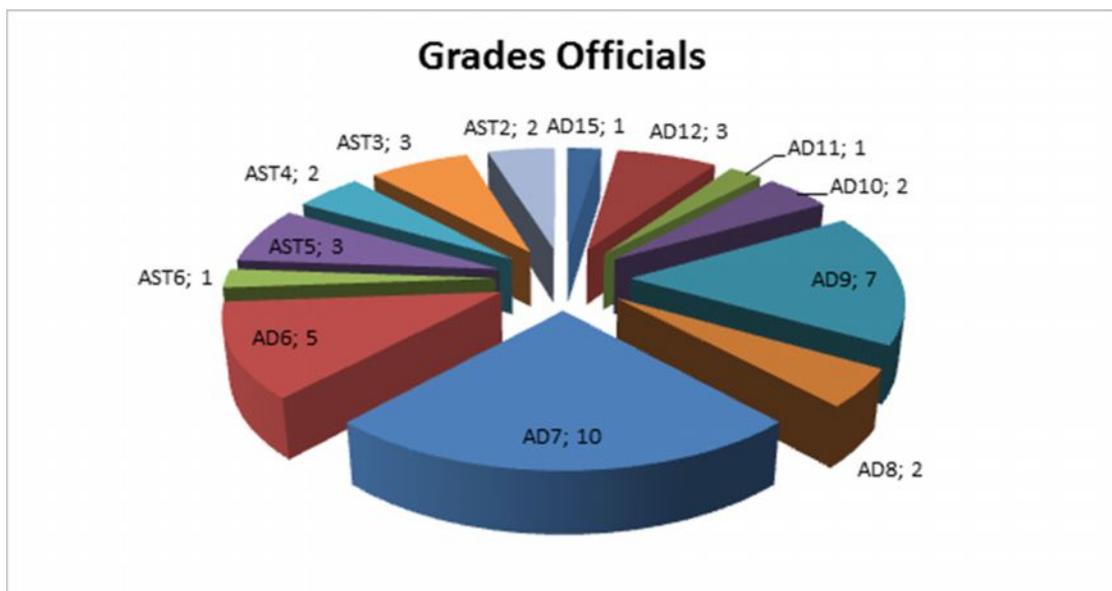
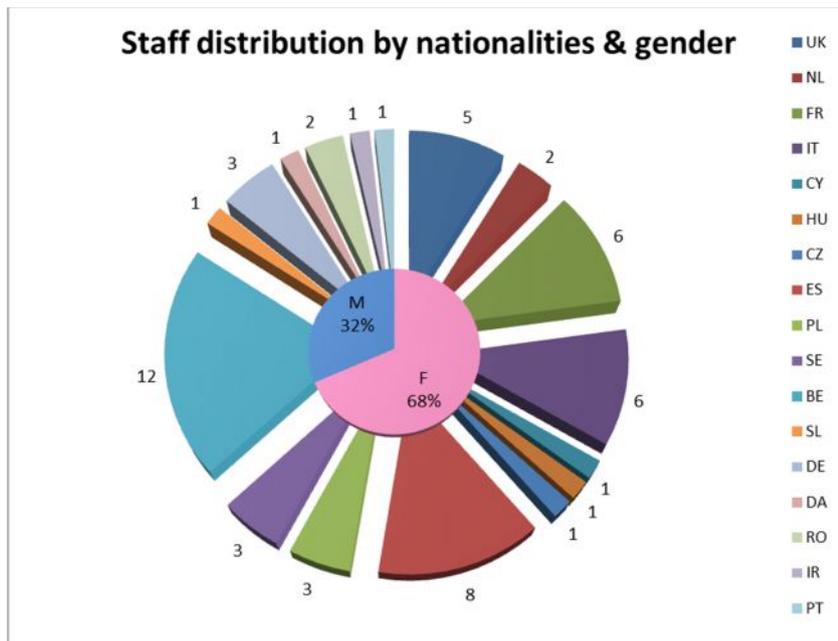
⁹ Financial Regulation, Article 66(9): “The authorising officer by delegation shall report to his or her institution on the performance of his or her duties in the form of an annual activity report containing financial and management information, including the results of controls, declaring that, except as otherwise specified in any reservations related to defined areas of revenue and expenditure, he or she has reasonable assurance that:

- (a) the information contained in the report presents a true and fair view;
- (b) the resources assigned to the activities described in the report have been used for their intended purpose and in accordance with the principle of sound financial management;
- (c) the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

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

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

Annex 2: Human resources at the EDPS



Annex 3: Budget 2015

TITLE 1 - EXPENDITURE RELATING TO PERSONS WORKING WITH THE INSTITUTION		2013	2014	DB 2015	DB 2015 vs 2014	DB 2015 vs 2014 (%)
Chapter 10	Members of the institution					
Article 100	Remuneration, allowances and other entitlements of Members					
	Item 1000 Remuneration and allowances	644.322,00	617.459,00	627.689,00	10.230,00	1,66%
	Item 1001 Entitlements on entering and leaving the service		130.000,00	0,00	-130.000,00	-100,00%
	Item 1002 Temporary allowances	0,00	296.000,00	296.000,00	0,00	0,00%
	Item 1003 Pensions	32.000,00	40.000,00			
	Item 1004 Provisional appropriation	0,00	11.160,00	11.160,00	0,00	0,00%
	TOTAL Article 100	676.322,00	1.094.619,00	934.849,00	-159.770,00	-14,60%
Article 101	Other expenditure in connection with Members					
	Item 1010 Further training	4.732,00	15.000,00	15.000,00	0,00	0,00%
	Item 1011 Mission expenses, travel expenses and other ancillary expenditure	59.394,00	59.394,00	59.394,00	0,00	0,00%
	TOTAL Article 101	64.126,00	74.394,00	74.394,00	0,00	0,00%
	TOTAL Chapter 10	740.448,00	1.169.013,00	1.009.243,00	-159.770,00	-13,67%
Chapter 11	Staff of the institution					
Article 110	Remuneration, allowances and other entitlements of officials and temporary staff					
	Item 1100 Remuneration and allowances	3.872.366,00	4.000.405,00	4.105.808,00	105.403,00	2,63%
	Item 1101 Entitlements on entering, leaving the service and on transfer	70.564,00	50.000,00	50.000,00	0,00	0,00%
	TOTAL Article 110	3.942.930,00	4.050.405,00	4.155.808,00	105.403,00	2,60%
Article 111	Other staff					
	Item 1110 Contract staff	158.917,00	197.389,00	251.756,00	54.367,00	27,54%
	Item 1111 Cost of traineeships and staff exchanges	179.428,00	179.428,00	179.428,00	0,00	0,00%
	Item 1112 Services and work to be contracted out	51.202,00	51.202,00	51.202,00	0,00	0,00%
	TOTAL Article 111	389.547,00	428.019,00	482.386,00	54.367,00	12,70%
Article 112	Other expenditure in connection with staff					
	Item 1120 Mission expenses, travel expenses and other ancillary expenditure	112.686,00	112.686,00	157.398,00	44.712,00	39,68%
	Item 1121 Recruitment costs	6.789,00	6.789,00	6.789,00	0,00	0,00%
	Item 1122 Further training	84.874,00	78.500,00	78.500,00	0,00	0,00%
	Item 1123 Social service			0,00	0,00	#DIV/0!
	Item 1124 Medical service	14.844,00	14.844,00	14.844,00	0,00	0,00%
	Item 1125 Union nursery centre and other day nurseries and after-school centres	80.000,00	80.000,00	80.000,00	0,00	0,00%
	Item 1126 Relations between staff and other welfare expenditure	3.865,00	6.000,00	6.000,00	0,00	0,00%
	TOTAL Article 112	303.058,00	298.819,00	343.531,00	44.712,00	14,96%
	TOTAL Chapter 11	4.635.535,00	4.777.243,00	4.981.725,00	204.482,00	4,28%
	TOTAL TITLE 1	5.375.983,00	5.946.256,00	5.990.968,00	44.712,00	0,75%

TITLE 2 - BUILDINGS, EQUIPMENT AND EXPENDITURE IN CONNECTION WITH THE OPERATION OF THE INSTITUTION		2013	2014	DB 2015	DB 2015 vs 2014	DB 2015 vs 2014 (%)
Chapter 20	Buildings, equipment and expenditure in connection with the operation of the institution					
Article 200	Rents, charges and buildings expenditure	798.516,00	885.000,00	885.000,00	0,00	0,00%
	TOTAL Article 200	798.516,00	885.000,00	885.000,00	0,00	0,00%
Article 201	Expenditure in connection with the operation and activities of the institution					
	Item 2010 Equipment	229.086,00	350.000,00	367.500,00	17.500,00	5,00%
	Item 2011 Supplies	19.524,00	15.000,00	15.000,00	0,00	0,00%
	Item 2012 Other operating expenditure	98.368,00	105.000,00	110.250,00	5.250,00	5,00%
	Item 2013 Translation and interpretation costs	875.000,00	775.000,00	775.000,00	0,00	0,00%
	Item 2014 Expenditure on publishing and information	150.000,00	112.000,00	112.000,00	0,00	0,00%
	Item 2015 Expenditure in connection with the activities of the institution	114.932,00	79.000,00	117.000,00	38.000,00	48,10%
	TOTAL Article 201	1.486.910,00	1.436.000,00	1.496.750,00	60.750,00	4,23%
	TOTAL CHAPTER 20	2.285.426,00	2.321.000,00	2.381.750,00	60.750,00	2,62%
	TOTAL TITLE 2	2.285.426,00	2.321.000,00	2.381.750,00	60.750,00	2,62%
TITLE 3 - EUROPEAN DATA PROTECTION BOARD (EDPB)						
Chapter 30	Expenditure in connection with the operation of the Board					
Article 300	Remuneration, allowances and other entitlements of the Chair					
	Item 3000 Remuneration and allowances			0,00	0,00	#DIV/0!
	Item 3001 Entitlements on entering and leaving the service			0,00	0,00	#DIV/0!
	Item 3002 Temporary allowances			0,00	0,00	#DIV/0!
	Item 3003 Pensions			0,00	0,00	#DIV/0!
	TOTAL Article 300	0,00	0,00	0,00	0,00	#DIV/0!
Article 301	Remuneration, allowances and other entitlements of officials and temporary staff					
	Item 3010 Remuneration and allowances			99.493,00	99.493,00	#DIV/0!
	Item 3011 Entitlements on entering, leaving the service and on transfer			25.000,00	25.000,00	#DIV/0!
	Item 3012 Allowances and miscellaneous contributions in connection with early termination of service			0,00	0,00	#DIV/0!
	TOTAL Article 301	0,00	0,00	124.493,00	124.493,00	#DIV/0!
Article 302	Other staff					
	Item 3020 Contract staff			45.579,00	45.579,00	#DIV/0!
	Item 3021 Cost of traineeships and staff exchanges			0,00	0,00	#DIV/0!
	Item 3022 Services and work to be contracted out			0,00	0,00	#DIV/0!
	TOTAL Article 302	0,00	0,00	45.579,00	45.579,00	#DIV/0!
Article 303	Other expenditure in connection with staff of the Board					
	Item 3030 Mission expenses, travel expenses and other ancillary expenditure			15.000,00	15.000,00	#DIV/0!
	Item 3031 Recruitment costs			4.500,00	4.500,00	#DIV/0!
	Item 3032 Further training			4.710,00	4.710,00	#DIV/0!
	Item 3033 Medical service			891,00	891,00	#DIV/0!
	Item 3034 Union nursery centre and other day nurseries and after-school centres			16.000,00	16.000,00	#DIV/0!
	TOTAL Article 303	0,00	0,00	41.101,00	41.101,00	#DIV/0!
Article 304	Expenditure in connection with the operation and activities of the Board					
	Item 3040 Meetings of the Board			0,00	0,00	#DIV/0!
	Item 3041 Translation and interpretation costs			0,00	0,00	#DIV/0!
	Item 3042 Expenditure on publishing and information			0,00	0,00	#DIV/0!
	Item 3043 Information technology equipment and services			300.000,00	300.000,00	#DIV/0!
	Item 3044 Travel expenses of external experts			0,00	0,00	#DIV/0!
	Item 3045 External consultancy and studies			0,00	0,00	#DIV/0!
	Item 3046 Other expenditure in connection with the activities of the EDPB			0,00	0,00	#DIV/0!
	TOTAL Article 304	0,00	0,00	300.000,00	300.000,00	#DIV/0!
	TOTAL CHAPTER 30	0,00	0,00	511.173,00	511.173,00	#DIV/0!
	TOTAL TITLE 3	0,00	0,00	511.173,00	511.173,00	#DIV/0!
	TOTAL BUDGET	7.661.409,00	8.267.256,00	8.883.891,00	616.635,00	7,46%

Annex 4: EDPS strategic objectives

1. Data protection goes digital

- (1) Promoting technologies to enhance privacy and data protection;
- (2) Identifying cross-disciplinary policy solutions;
- (3) Increasing transparency, user control and accountability in big data processing.

2. Forging global partnerships

- (4) Developing an ethical dimension to data protection;
- (5) Mainstreaming data protection into international policies;
- (6) Speaking with a single EU voice in the international arena.

3. Opening a new chapter for EU data protection

- (7) Adopting and implementing up-to-date data protection rules;
- (8) Increasing accountability of EU bodies collecting, using and storing personal information;
- (9) Facilitating responsible and informed policymaking;
- (10) Promoting a mature conversation on security and privacy.

Annex 5: EDPS strategic objectives and its Action Plan

DATA PROTECTION GOES DIGITAL

ACTION 1 - Promoting technologies to enhance privacy and data protection

- Work with communities of IT developers and designers to encourage the application of privacy by design and privacy by default through privacy engineering;
- Promote the development of building blocks and tools for privacy-friendly applications and services, such as libraries, design patterns, snippets, algorithms, methods and practices, which can be easily used in real-life cases;
- Expand the Internet Privacy Engineering Network (IPEN) to work with an even more diverse range of skill groups to integrate data protection and privacy into all phases of development of systems, services and applications;
- Provide creative guidance on applying data protection principles to technological development and product design;
- Highlight that data protection compliance is a driver for consumer trust and more efficient economic interaction, and hence can encourage business growth;
- Work with academia and researchers in the public and private sectors focusing on innovative fields of technical developments that affect the protection of personal data, in order to inform our technology monitoring activities.

ACTION 2 - Identifying cross-disciplinary policy solutions

- Initiate and support a Europe-wide dialogue amongst EU bodies and regulators, academics, industry, the IT community, consumer protection organisations and others, on big data, the internet of things and fundamental rights in the public and private sector;
- Work across disciplinary boundaries to address policy issues with a privacy and data protection dimension;
- Initiate a discussion on broad themes which integrates insights from other fields, and coordinate training efforts to familiarise staff with these related disciplines.

ACTION 3 - Increasing transparency, user control and accountability in big data processing

- Develop a model for information-handling policies, particularly for online services provided by EU bodies, which explains in simple terms how business processes could affect individuals' rights to privacy and protection of personal

data, including the risks for individuals to be re-identified from anonymised, pseudonymous or aggregated data;

- Encourage the development of innovative technical solutions for providing information and control to users, reducing information asymmetry and increasing users' autonomy.

FORGING GLOBAL PARTNERSHIPS

ACTION 4 - Developing an ethical dimension to data protection

- Establish an external advisory group on the ethical dimension of data protection to explore the relationships between human rights, technology, markets and business models in the 21st century;
- Integrate ethical insights into our day-to-day work as an independent regulator and policy advisor.

ACTION 5 - Mainstreaming data protection into international agreements

- Advise EU institutions on coherently and consistently applying the EU data protection principles when negotiating trade agreements (as well as agreements in the law enforcement sector), highlighting that data protection is not a barrier but rather a facilitator of cooperation;
- Monitor the implementation of existing international agreements, including those on trade, to ensure they do not harm individuals' fundamental rights.

ACTION 6 - Speaking with a single EU voice in the international arena

- Promote a global alliance with data protection and privacy authorities to identify technical and regulatory responses to key challenges to data protection such as big data, the internet of things and mass surveillance;
- Cooperate with national authorities to ensure more effective coordinated supervision of large scale IT systems involving databases at EU and national levels, and encourage the legislator to harmonise the various existing platforms;
- Maximise our contribution to discussions on data protection and privacy at international fora including the Council of Europe and the OECD;
- Develop our in-house expertise on comparative data protection legal norms.

OPENING A NEW CHAPTER FOR EU DATA PROTECTION

ACTION 7 - Adopting and implementing up-to-date data protection rules

- Urge the European Parliament, the Council and the Commission to resolve outstanding differences as soon as possible on the data protection reform package;

- Seek workable solutions that avoid red tape, remain flexible for technological innovation and cross-border data flows and enable individuals to enforce their rights more effectively on and offline;
- Focus during the post-adoption period on encouraging correct, consistent and timely implementation, with supervisory authorities as the main drivers;
- In the event that the EDPS provides the Secretariat for the new European Data Protection Board (EDPB), allow this body to be ready on ‘day one’ in close cooperation with national colleagues, in particular by ensuring proper transitional arrangements are in place to enable a seamless handover from the Article 29 Working Party;
- Work in partnership with authorities through the EDPB to develop training and guidance for those individuals or organisations that collect, use, share and store personal information in order to comply with the Regulation by the beginning of 2018;
- Engage closely in the development of subsequent implementing or sector-specific legislation;
- Develop a web-based repository of information on data protection as a resource for our stakeholders.

ACTION 8 - Increasing the accountability of EU bodies processing personal information

- Work with the European Parliament, Council and Commission to ensure current rules set out in Regulation 45/2001 are brought into line with the General Data Protection Regulation and a revised framework enters into force by the beginning of 2018 at the latest;
- Continue to train and guide EU bodies on how best to respect in practice data protection rules, focusing our efforts on types of processing which present high risks to individuals;
- Continue to support EU institutions in moving beyond a purely compliance-based approach to one that is also based on accountability, in close cooperation with data protection officers;
- Improve our methodology for inspections and visits, in particular a more streamlined method for inspecting IT systems.

ACTION 9 - Facilitating responsible and informed policymaking

- Develop a comprehensive policy toolkit for EU bodies, consisting of written guidance, workshops and training events, supported by a network;
- Identify each year the EU policy issues with the most impact on privacy and data protection, and provide appropriate legal analysis and guidance, whether in the form of published opinions or informal advice;

- Increase our in-house knowledge of specific sectors so that our advice is well-informed and relevant;
- Establish efficient working methods with the Parliament, Council and Commission and actively seek feedback on the value of our advice;
- Develop our dialogue with the Court of Justice of the EU on fundamental rights and assist the Court in all relevant cases, whether as a party or an expert.

ACTION 10 - Promoting a mature conversation on security and privacy

- Promote an informed discussion on the definition and scope of terms such as national security, public security and serious crime;
- Encourage the legislators to practically collect and examine evidence from Member States (in closed sessions if required) that require the collection of large volumes of personal information, for purposes such as public security and financial transparency, which would interfere with the right to privacy, to inform our advice to the EU legislator on necessity and proportionality;
- Promote convergence between the different laws on data protection in the areas of police and judicial cooperation, as well as consistency in the supervision of large scale IT systems. This should include the swift adoption of the draft Directive on the processing of data for the purposes of prevention, investigation, detection or prosecution of criminal offences.

Annex 6: Risk Register

The EDPS has implemented a risk management exercise in 2015 with a risk analysis performed by all units and sectors of the Institution. Workshops took place in order to establish the possible risks and the related mitigating measures. The results of this exercise are summarised in the table below:

Risk title & description (cause and effect)	Policy area & Activity / objective affected	Gross risk score			Controls	Person responsible & supervisor	Net (residual) risk score			Risk response	Monitoring		Control effectiveness Good = 1 Ok = 2 Bad = 3	Further action		
		Likelihood	Impact	Overall score (L x I)			Likelihood	Impact	Overall score (L x I)		avoid transfer reduce accept	Frequency		Monitor	Action	Owner
Reputational risk due to malicious attacks in the press, attacks by complainants, e.g. the complaint to the LIBE committee, allegations for political purposes of bad internal administration and budgetary practices made to Court of Auditors and before the EP	All EDPS activities	4	5	20	Accountability of staff on their daily work (handle contracts, respect deadlines, follow-up, etc.) Processes and procedures in place (ICS 8) Internal Control System in place (AAR, ICC) Code of conduct for		3	5	15	Reduce				Strengthen accountability of staff on their daily work (handle contracts, respect deadlines, follow-up, etc.)	All	Dec 2016

Budget Committee, e.g. "EDPS travel agency"					Supervisors											
					New procedures (RM, whistleblowing, etc.)											
Delayed / inadequate preparation of Ethics Advisory Group	EDPS <i>Priority 4: Developing an ethical dimension to data protection</i>	4	4	16	Call for interest for secretary of the Group Recruitment procedure for members Adopted decision on Terms of Reference		3	3	9	Reduce				Allocate administrative support to secretary	HH, LCN	Jan 2016
Delayed / inadequate preparation of International Conference	EDPS <i>Priority 6: Speaking with a single EU voice in the international arena</i>	3	5	15	Detailed preparation of bid Ongoing negotiations with IAPP and CDPD		2	5	10	Reduce				Install necessary resources. Recruit necessary internal expertise	LCN	June 2016
Delayed / inadequate / non cooperative preparation of secretariat of EDPB	EDPS <i>Priority 7: Adopting and implementing up-to-date dp rules</i>	3	5	15	Briefing WP29 and FoP on EDPS preparation Agreement of FoP on shared resources		2	5	10	Reduce				Establish an internal Steering Committee to closely follow preparation Nominate contact person for WP29	CD, SLx, LCN	Jan 2016 Jan 2016
Delayed / inadequate preparation of new tasks linked to Europol	EDPS <i>Priority 10: Promoting a mature conversation on security and privacy</i>	2	4	8	None		2	4	8	Reduce				Approval amending budget 2016 Recruitment of staff Specific training Meetings with Europol	LCN LCN MVPA MG MVPA	Jan 2016 May 2016 Dec 2016 Dec

														Preparation for cooperation board (secretariat)	MG SLx ACL	2016
Loss of competences / powers due to revision of Reg. 45/2001	<i>EDPS</i> <i>Priority 7: Adopting and implementing up-to-date dp rules</i>	4	5	20	Dialogue with DPOs Dialogue with stakeholders Input to COM expert report		3	5	15	Reduce				Meetings of Supervisors and Director with actors at appropriate institutional level Preparation of detailed EDPS advise	GB, WW, CD MVPA	Dec 2016 May 2016
Departure of ICC not followed by timely replacement	<i>Directorate</i> <i>Objective affected:</i> <i>Ensure that IAS internal control requirements are complied with at the EDPS</i>	4	4	16	Internal consultation Verification of CVs of potential candidates		3	4	12	Reduce				Recruit experienced auditor as shared resource EDPS/EDPB Modification of RoP	LCN CD	Jan 2017 June 2016
Inconsistent position of the EDPS	<i>Supervision</i> <i>Action point affected:</i> <i>Perform supervisory activities with excellence</i>	5	4	20	HoA/HoU to ensure consistency Internal communication to be continued (weekly meetings) DM		3	4	12	Reduce				Sharing of annotated version of Regulation	OL DH	June 2016
Lack of supervision visibility at the international data protection authorities level	<i>Supervision</i> <i>General aspect</i>	5	3	15	More participation and more speakers to international and EU conferences More exposure		4	3	12	Reduce				Increase communication on S&E activities Mention S&E in Supervisors speeches	DH	Dec 2016

																		Increase n° of press releases, tweets and news on S&E		
Inconsistency in messages delivered (speeches, advise, ...)	<i>Policy</i> <i>Action point 1 towards a more strategic approach</i> <i>action point 1.b consistent tone/balance</i>	3	5	15	Ensure that we apply our case manual in a consistent way Peer review Mentoring Nomination of HoAs Communication with other teams and Policy Assistant		2	5	10	Reduce								Systematise presence of relevant case officers at events Ensuring feedback from Supervisors on substance	SLx	Dec 2016 Dec 2016
Ineffective cooperation with EU institutions	<i>Policy</i> <i>Action point 2 Cooperation with WP29, the Institutions and other Stakeholders</i> <i>2.b cooperation with Commission, Council & EP</i>	4	5	20	Encourage personal contacts + initiatives via internal inventory Organize workshops, guidelines Raising awareness Policy Paper The Secretary General's letter to EC of 8/12/06 regarding consultation of the EDPS Regular meetings with DG Just and DG Home		2	4	8	Reduce								"MoU" and personal contact with COM Secretary General	ABu SLx	Dec 2016
Compromise of service providers infrastructures	<i>IT Policy</i>	4	4	16	Implement dialogues with service providers on risks and security		4	3	12	Reduce								Encrypted email project Information	FS	Dec 2016

					measures + establish escalation path for problems + raise staff awareness + apply effective technical security measures + Monthly on IT security								security policy	AG	Jun 2016
Compromise of private equipment used by EDPS staff for professional purposes	<i>IT Policy</i>	5	5	25	Adopt relevant security policies + raise staff awareness + implement effective technical security measures + Mobile device guidelines		4	3	12	Reduce			IP range verification	AG	Dec 2016
													Information security policy	AG	Jun 2016
Lack of Human resources in the Communication team (in view of the EDPB set-up)	<i>Communication</i> <i>All I&C activities</i>	3	5	15	More resources		2	5	10	Reduce			Recruitment procedure according to EDPB planning	OR	Dec 2016
Late alert to RMG with regard to urgent deadlines	<i>RMG</i> <i>Objective affected: meet the deadline with no errors in the output</i>	3	5	15	Continue to raise awareness at the level of HoU/HoS, and ask them to share with respective teams Memo on preparation of documents and related timing available on Intranet		2	4	8	Reduce			Improve planning of activities and sharing of information	LP, all teams	Dec 2016
Ineffective personal data protection notwithstanding high level of formal compliance	<i>DPO</i> <i>Objective affected: Ensure</i>	4	5	20	Verification after notification/complaints by data subjects Dialogue with staff delegated by the		3	5	15	Reduce			EDPS accountability program / privacy policy Establish a	DPO	Mar 2016

	<i>compliance of the institution with the Reg. 45/2001</i>				controller to perform operations									review plan for notifications ex. Art 25		
														Improve dialogue with staff delegated by the controller to perform operations		
Lack of resources to dedicate to DPO role due to part-time role and different line managers	<i>DPO</i> <i>Objective affected:</i> <i>Ensure compliance of the institution with the Reg. 45/2001</i>	4	3	12	None		4	3	12	Reduce				DPO action plan based also on the EDPS AMP 2016	DPO	Dec 2016
														Allocation of shared trainee	LCN	Jan 2016