



European Personnel
Selection Office

Annual Activity Report 2024

annexes

EUROPEAN PERSONNEL SELECTION OFFICE

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

For DG HR Services

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 EPSO to the Director.

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: 5 June 2025

Christina Vlassis
Internal Control Coordinator

For EPSO

I declare that in accordance with the Commission's communication on the internal control framework ⁽²⁾, I have reported my advice and recommendations on the overall state of internal control in EPSO to the Director.

I hereby certify that the information provided in section 2 of the present annual activity report and in its annexes is, to the best of my knowledge, accurate and complete.

Date: 5 June 2025

Antonio Friz
Acting Head of Corporate Services Unit

⁽¹⁾ C(2017)2373 of 19.04.2017.

⁽²⁾ C(2017)2373 of 19.04.2017.

ANNEX 2: Performance tables

General objective 7: A modern, high performing and sustainable European Civil Service

Impact indicator: Image of the European Union

Source of the data: Eurobarometer

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

Impact indicator: Staff engagement index in the European Commission

Source of the data: European Commission

Baseline (2018)	Interim Milestone (2021)	Target 2024	Latest known results (2023)
69%	Increase	Increase	73%

Specific objective 1: *Highly qualified staff is made available to all EU institutions by organising open competitions and selection procedures in an inter-institutional context – covering thereby the services' evolving needs*

Result indicator: Laureate delivery rate (administrators, assistants, linguists, specialists: meeting the targets set out in the Notices of Competition).

Source of the data: Notices of Competition, Reserve lists in Recruiter Portal

Baseline (2019)	Interim Milestone 2022	Target 2024	Latest known result 2024
≥ 90% of the cumulative published target figures	≥ 90% of the cumulative published target figures	Maintain or increase	109%
<p>Result indicator: Number of candidates tested</p> <p>Source of data: Calls for Expression of Interest, CAST lists in Recruiter Portal</p>			
All pre-selected candidates are invited for testing on time. New profiles are being integrated according to the needs of the institutions.	All profiles requested by the institutions are being integrated on a regular basis. Furthermore, EPSO is providing the required testing of candidates as per the Calls for Expression of Interest.	EPSO continues to integrate all profiles requested by the institutions on a regular basis and to provide the required testing of candidates as per the Calls for Expression of Interest. The ultimate goal is to provide an even more cost-efficient and effective selection process.	Recruiters shortlisted 8755 applications, and 8208 tests were delivered, the difference being due to candidates not presenting for testing.
<p>Result indicator: Strategic 3-year planning established on time</p> <p>Source of data: EPSO, EPSO Working Group and EPSO Management Board</p>			

Baseline (2019)	Interim Milestone 2022	Target 2024	Latest known result 2024
The 2020 strategic planning exercise, covering the period 2020-2022, was completed by endorsement of the EPSO Management Board in October 2019.	The 2023 strategic planning exercise, covering the period 2024-2026, to be completed by endorsement of the EPSO Management Board in October 2022.	Complete strategic 3-year planning exercise before October each year in cooperation with the institutions.	Following the continued technical issues EPSO encountered with the test provider Prometric, EPSO unilaterally terminated the framework contract in February 2024. EPSO analysed several different alternatives to resume testing and received approval from its Management Board in February 2024 to pilot three test events with the company TestWe. In June 2024, EPSO's Management Board confirmed this company as a so-called "gap-solution" until the tender would yield an outcome in 2025.
<p>Result indicator: Timely delivery of accurate certification examinations in compliance with the Institutions' requirements</p> <p>Source of data: EPSO</p>			
All candidates tested within the deadline and list of certified Officials delivered on time.	100 % timely and accurate delivery of list of certified officials according to the deadlines set by Institutions	EPSO continues a 100 % timely and accurate delivery of list of certified officials according to the deadlines set by Institutions.	Target met
Main outputs in 2023:			
Other important outputs			
Output description	Indicator	Target	Latest known results (situation on 31/12/2024)
Finalised open competitions under the 'old' competition model.	Number of finalised competitions.	100% completed by 31 December 2024.	All competitions published in 2022 were finalised by summer 2024.

Output description	Indicator	Target	Latest known results (situation on 31/12/2024)
Completed open competitions under the new competition model: new reserve lists established for all categories of officials (AD, AST and AST/SC).	Delivery rate of successful candidates, as set out in the legally binding notices of competition.	≥90% of the cumulative target figures of successful candidates for reserve lists of open competitions completed by 31 December 2024. Competitions completed based on initially agreed timelines.	Due to delays incurred by EPSO's delivery crisis, no New Model competitions were completed by the end of 2024
Support by EPSO to tailored selection procedures for: 1) temporary agents 2) internal competitions 3) testing organised for Junior Professionals Programmes (JPP).	Delivery of support as set out in the Service level agreements.	100% of candidates applying to the JPP programme are invited to be tested within agreed deadlines in 2024.	78.5% of candidates applying to the JPP programme were invited to be tested. 21.5% had already passed tests making them eligible for the next step of the programme. 1223 tests were delivered in 2024.
CAST Permanent selection (regular testing of pre-selected candidates and introduction of new profiles).	Candidates pre-selected by the institutions are tested and results uploaded in the database. This database of candidates (both applicants and already tested candidates) across all profiles is available to the recruiting services of EU institutions (Recruiter Portal).	100% of candidates pre-selected by the EU institutions are invited to be tested within agreed deadlines throughout 2024.	Recruiters shortlisted 8,755 applications, and 6,976 tests were delivered.
	In order to meet the EU institutions' needs, EPSO will introduce new profiles into CAST P and update both the Recruiter Portal and the CAST part of its website accordingly.	100% of candidates pre-selected by EU institutions based on new CAST P profiles are invited to be tested within agreed deadlines throughout 2024.	Target met

Output description	Indicator	Target	Latest known results (situation on 31/12/2024)
Second questionnaire launched to managers and active Recruiter Portal users.	Launched to at least 3000 respondents in all 10 client EU institutions in total.	35% response rate.	The second questionnaire was intended to measure the satisfaction following the new reserve lists under the New Competition Model, using the first questionnaire as a benchmark. Given that no New Model competitions were completed by the end of 2024 due to delays incurred by EPSO's delivery crisis, it was not considered useful to launch the second questionnaire. It will be launched as soon as there is a sufficient number of reserve lists under the New Competition Model and experience with recruiting from them.

Specific objective 2: Improve EPSO's selection methods.

Result indicator: New types of tests (content and/or delivery mode) introduced in order to improve the quality of assessment and optimise the use of resources.

Source of the data: Notices of Competition, Call for expression of interest, Assessment Centre management tool, markers' module

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2024)
<p>The EPSO Assessment Centre is delivered in different modules and phases, relying on the use of efficient talent-ranking methods and remote technologies.</p>	<p>Improve balance between general and specific competencies and enhance more remote assessment.</p> <p>More flexibility for Selection Boards and improved quality at the preliminary phase of the selection process.</p>	<p>More digitalised and technology-based selections for improvement of quality and efficiency.</p>	<p>Oral tests were delivered in remote only, via Cammio (framework contract), since December 2020.</p> <p>Equality of treatment and flexibility was ensured on one hand by individual scoring (applied since 2021) and, on the other hand, by the general use of the open book approach (written test assignment published on EPSO website before the start of the Assessment Centre).</p> <p>In 2023, EPSO's Management Board has decided to discontinue Assessment centres for any competitions published under the new model. The last Assessment Centre ran from 21 February to 13 May 2024 (EPSO AD/401/22 Green deal competition).</p>

Main outputs in 2024:

Other important outputs

Output	Indicator	Target	Latest known results (situation on 31/12/2024)
Development of a reusable item database for the elaboration of field related multiple-choice questionnaires (FRMCQ).	Number of FRMCQ/year. Number of items/year.	25 3 500	Many FRMCQ items have been developed in 2024. About 100 items were created for each field of the specialists competitions. In total, about 1200 items have been created, revised, translated, proofread and delivered to candidates.
Pilot the use of AI based methodologies in the context of test development.	Use of Automated Item Generation (AIG). Use of automated marking tools.	Proceed with existing approaches and test new tools. Pilot automated marking tool.	The pilot to develop items via AI has been ongoing in 2024 with results expected early 2025. Marking via AI has been put on hold by the Management of EPSO.
Provide support for the assessment of general competencies at recruitment stage (3-tier approach).	Training of recruiters. Assessment performed by EPSO psychologists.	Delivery of standard e-learning modules and ad-hoc advise. Delivery of competency-based interviews, situational interviews and marking of written tests.	In 2024, EPSO has supported the Committee of the Regions in its internal competitions, providing, among other things, training and e-learning modules on CBI and SCBI. EPSO also provided test content for those 2 interviews as well as for a written test (EUFTE).
Propose to institutions alternative ways to assess competencies within CAST-P.	Propose the use Videorecorded Interview. Propose the use of automated item generation for the development of multiple-choice questionnaires.	Delivery of results of pilot project by Q1 and possible extension Delivery of results of pilot project on finance by Q1 and possible extension to other fields.	Video recorded interviews have been used by 2 institutions in 2024. Outcome of the pilot project on finance is expected early 2025.

Output	Indicator	Target	Latest known results (situation on 31/12/2024)
Introduce new testing approaches	Introduction of the field related essay test. Introduction of the pass/fail scoring system.	Pilot the approach in a competition to be published in Q1. Pilot the approach in a competition to be published in Q1.	Written tests have been developed for at least 5 competitions where the written test was preferred over the EUFTE. Source texts in the fields were chosen and assignment and marking guides have been developed together with the SMEs.

Specific objective 3: EPSO's communication and outreach with potential candidates is proactive and targeted in order to reach a pool of diverse talent in an inclusive manner according to the needs of the recruiting institutions.

Result indicator: Candidate satisfaction rate with EPSO's selection procedures: pre-selection-stage and Assessment Centre

Source of the data: Candidates' satisfaction surveys (following computer-based tests and oral tests)

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2024)
Oral tests (Assessment Centre): ≥73% satisfied/very satisfied (of which at least 32% very satisfied).	Oral tests (Assessment Centre): ≥80% satisfied/very satisfied (of which at least 40% very satisfied).	Oral tests (Assessment Centre): ≥90% satisfied/very satisfied (of which at least 50% very satisfied).	The last Assessment Centre ran from 21 February to 13 May 2024 (EPSO AD/401/22 Green deal competition).
Computer-based tests (CBT, pre-selection stage): ≥90% satisfied.	CBT Tests: ≥Achieve pre-Covid levels of 90% satisfaction rate among candidates who sat the CBT tests. Rates set as part of EPSO's ambition to provide high quality, efficient and effective selection procedures.	CBT Tests: Maintain the satisfaction rate of ≥90% of candidates who sat the CBT tests also in line with EPSO's ambition to provide high quality, efficient and effective selection procedures.	The overall candidate satisfaction rate stands at 65.5% for tests delivered with live remote proctoring from January to December. Since resumption of testing, the candidate satisfaction is captured via an EPSO survey issued after testing of each competition as the gap solution contractor does not have a survey feature. However, given the low response rate from candidates, it is difficult to measure candidate satisfaction properly. At present, it stands at 65% for tests delivered with remote proctoring in 2024.

Result indicator: Strong awareness of the EU Careers brand, especially online and on-campus.

Source of data: EPSO

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2024)
Number of visits of the EU Careers website: 4 519 990	General target: Annual increase of sessions by 10%	Maintain the same annual increase rate for the number of sessions of the EU Careers website.	Number of visits of the EU Careers website: 5 510 160. The number of visits has increased in 2024 because EPSO has published more competitions and also organised more tests with the new provider.
		Sustain an accessible website (AA standard, according to the UN Convention on the rights of persons with disabilities) with regular screening exercises.	The next upcoming external screening exercise is planned in 2025.
Social media engagement (number of followers on all social media channels and engagement rates)	Average annual growth of followers per channel: Facebook 5%, LinkedIn: 12%, Instagram: 20%, X: 2%	Maintain the same rate of growth for the number of followers and the monthly average target for engagement.	Growth of followers per channel in 2023: Facebook: +0.84%, LinkedIn: +23.13%, Instagram: +34.61%, X: -1.19% Slight decrease on X due to EPSO's cautious editorial policy and current uncertainty surrounding the platform's future.

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2024)
<p>Outreach via promotional activities (number of events and visitors, number of applicants):</p> <ul style="list-style-type: none"> • 970 events (including Ambassador events) • 16 843 662 number of page views EU Careers brand • 4 519 990 number of visits on EU Careers website. <p>Total number of applicants in EPSO selection procedures/competitions: 42 606 (excl. CAST P)</p>	<p>Maintain the number of activities (events organised by ambassadors and visitors/participants of other events).</p> <p>Establish possible links between the number of events and number of applicants in selection procedures.</p>	<p>Maintain the number of activities (events organised by ambassadors and visitors/participants of other events).</p> <p>Establish possible links between the number of events and number of applicants in selection procedures.</p>	<ul style="list-style-type: none"> • 1 046 events (including Ambassador events) took place during the year, with a total reach of 122 000 people. The number of events has increased by 22% compared to 2022 (855). This increase is mostly due to the boost in outreach activities in which EPSO staff has participated or that EPSO staff has organised. • 23 134 360 number of page views EU Careers brand • 3 121 590 number of visits on EU Careers website.
<p>Result indicator: Targeted communication actions implemented aiming at attracting more talent with disabilities and specific needs.</p> <p>Source of data: Candidate application form, Data base of organisations representing disability, EPSO unit.04</p>			

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2024)
A call for collaboration to all EU organisations involved in the promotion and welfare of EU citizens with disabilities was launched on 03/12/2019	Disability monitoring tool implemented in the application form.	Increased number of candidates (500) with disabilities and specific needs (at least 10% compared to the baseline) applying to EPSO competitions and selections	The call for cooperation to EU diversity and inclusion organisations remains open and offers the possibility to join EPSO's network of partner organisations in diversity and inclusion. All organisations registered in the data base receive information material about EPSO's competitions upon their publication. Enhanced cooperation is ongoing with several identified (umbrella) European diversity organisations, representing various underrepresented groups, including people with disabilities. In 2024, EPSO participated in a Global Careers Fair for persons with disabilities to attract more candidates with special needs. Communication material on published competitions was regularly shared with disability partner organisations. In addition, a revised version of EPSO's Guide for Reasonable Accommodation was published on EPSO's website in 2024.
In 2019, EPSO received 331 requests for special adjustments of selection tests (competitions and selections).	Targeted communication actions and monitoring extended to other diversity and focus groups.	Potential corrective measures and additional actions implemented based on the monitoring's results.	In 2024, the total number of requests for special accommodations was 419 which is an increase compared to 2023 due to a higher number of testing events in 2024.

Main outputs in 2023:

Communication with citizens and candidates

Output	Indicator	Target	Latest known results (situation on 31/12/2024)
E-mail queries by individual candidates and citizens are answered in the respective, one of 24 official EU languages within the required deadlines.	Ratio of queries per application dealt with in time by EPSO's Candidate Contact Service (CCS).	In 2024, 90% of queries followed up by CCS within the required deadlines.	In 2024, 91% of queries were followed up within the required deadlines.

EU Careers website

Maintain visibility of website in view of reaching targeted and diverse audiences.	Number of visits.	Above 3 500 000 by end 2024.	5 510 160
	Number of visitors.	Around 2 200 000 by the end of 2024.	3 121 590

Social Media strategies and initiatives

Enhance visibility on social media, by increasing the number of followers.	Number of followers.	By end 2024, target number of followers: Facebook: 465 000 (442 000 in Oct 2023) X: 42 000 (40 000 in Oct 2023) LinkedIn: 240 000 (234 000 in Oct 2022) Instagram: 75 000 (71 000 in Oct 2023)	By end of 2024: Facebook: 446 825 X: 40 266 LinkedIn: 296 392 Instagram: 99 349
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Outreach strategy

Action Plan with Member States.	Package of materials to support Member States' promotion efforts.	One video tutorial per competition.	EPSO complied
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Output	Indicator	Target	Latest known results (situation on 31/12/2024)
		One webinar per competition	EPSO complied
	Implementation of the Outreach action plan Number of playlists with testimonials of EU officials from all Member States.	By the end of 2024, EPSO's YouTube channel will contain at least 25 playlists for Member States.	By end of 2024: 24 playlists
Communication plan on the new competition model.	Package of materials and events for promotion purposes.	Production of brochure and infographics Organisation of at least one webinar for Member States and one webinar for institutional clients.	By end of 2024: Facebook: 446 825 X: 40 266 LinkedIn: 296 392 Instagram: 99 349
EU Careers Students Ambassadors			
Maintain the number of universities represented in all Member States with a focus on high quality, and with a special emphasis on under-represented countries	Number of universities from across all EU Member States participating in the programme.	Maintain number of universities represented to 160.	Academic year 2023/2024: 213 Ambassadors at 179 universities Academic year 2024/2025: 278 ambassadors at 197 universities
EU Careers Staff Ambassadors			
Increase the number and diversity of Staff Ambassadors.	Number of Staff Ambassadors with a diverse profile.	350 Staff Ambassadors by end of 2024, mainly from under-represented Member States.	By end of 2024: 360
Diversity and Inclusion			
Output	Indicator	Target	Latest know results (situation on 31/12/2024)

Output	Indicator	Target	Latest known results (situation on 31/12/2024)
Implement new outreach and communication activities according to EPSO's Equality & Diversity Action Plan, including for EPSO's diversity target groups to increase the diversity of the talent pool, with a special focus on ethnic minorities and disability. Implementation of EPSO's contribution to the EU Anti-racism Action Plan.	Number of diversity organisations in EPSO's database.	After revision of the database, it contains 180 valid contacts, which represents at least a 10% increase in 2023. 10% increase in the number of diversity organisations by end 2024	233 diversity organisations are registered in EPSO's dedicated database
	Enhanced collaboration with selected diversity umbrella and internal staff organisations.	Collaboration ongoing with all selected diversity organisations, including enhanced cooperation with ENAR, ERGO and Diversité Europe via dedicated Focus Group meetings.	Collaboration continued in 2024 with ERGO, 'Keep dreaming' and 'Diversité Europe' in the context of the Focus Group meetings.
	Organisation of information sessions to staff, Selection Board members and EU Careers Ambassadors.	5 Masterclasses/presentations provided to EU Career student and Staff Ambassadors, persons with disabilities, and various networks. At least 1 information session or masterclass per stakeholder in 2024	In the 2024/25 academic year 6 masterclasses are provided to EU Career student ambassadors, including masterclasses of 4 stakeholders.
	Development of a new diversity & equality video.	Publication of the video in 2023 (including audio-description). No diversity video is foreseen for 2024, however several diverse staff testimonials should be published on EPSO's website and social media channels in 2024.	Several new staff testimonials were published or updated on EPSO's dedicated Equal Opportunity web pages in 2024 and various social media channels.

Output	Indicator	Target	Latest known results (situation on 31/12/2024)
	Equality and Diversity follow-up tool implemented (via the EPSO accounts or in the application form) to collect precise data in a structured way, including ethnicity.	Implementation of the follow-up tool, partly via change requests about disability, area of residence, educational level foreseen in 2024, in collaboration with DG DIGIT and in the framework of the HRT-programme.	All pending Change Requests with DIGIT were put on hold and suspended in 2024, due to the planned phasing out of TALENT. Instead, the monitoring tool will be implemented in the context of the HRT-programme, led by DG HR and DIGIT.
	Launch and analysis of the 2 nd diversity survey.	Preparation, launch, analysis and reporting foreseen in 2024.	The 2 nd diversity survey was launched in May 2024. The main findings of the results will be published in early 2025.

Specific objective 4: *The linguistic abilities in a third language of staff eligible for a first promotion are evaluated in a harmonised, consistent and cost-efficient manner.*

Result indicator: Timely delivery of assessments concerning the diplomas and certificates submitted by the staff members

Source of the data: EPSO

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2024)
100% of files evaluated within the deadline	100 % of files (diplomas and certificates) submitted within the deadline evaluated by the end of each year.	100 % of files (diplomas and certificates) submitted within the deadline evaluated by the end of year.	100% delivery, all diplomas and certificates submitted were evaluated.
Result indicator: Timely delivery of linguistic tests			
Source of data: EPSO			
All staff members tested within the deadline	100% satisfaction by the end of each year of requests received for testing third language capabilities.	100% satisfaction by the end of each year of requests received for testing third language capabilities.	100% delivery, all registered staff members were offered a language test.

Main outputs in 2023:

Other important outputs

Output	Indicator	Target	Latest known results (situation on 31/12/2024)
Delivery of assessments of linguistic ability by EPSO and the Assessment Committee to satisfy the requirement of Article 45(2) and Article 85(3) of Staff Regulations.	Timely delivery of assessments concerning the diplomas and certificates submitted by the candidates.	100% evaluation of files (diplomas and certificates) submitted within the deadline.	100% evaluation all diplomas and certificates submitted.
Delivery of assessments of linguistic ability by EPSO and the external service providers to satisfy the requirements of Article 45(2) and 85(3) of Staff Regulations.	Delivery of linguistic tests of level B2 in quarterly sessions	100% satisfaction of requests received for testing third language capabilities.	100% delivery of test results for all registrations.

Output	Indicator	Target	Latest known results (situation on 31/12/2024)
Delivery of an online satisfaction survey for candidates processed during the year.	Satisfaction rate of candidates with the assessment of their third language abilities.	≥90% satisfaction rate of candidates who reply to the satisfaction survey.	95% satisfaction rate of staff members who replied to the survey.

ANNEX 3: Draft annual accounts and financial reports

Annex 3 Financial Reports - DG EPSO - Financial Year 2024

Table 1: Commitments

Table 2: Payments

Table 3: Commitments to be settled

Table 4: Balance Sheet

Table 5: Statement of Financial Performance

Table 5 Bis: Off Balance Sheet

Table 6: Average Payment Times

Table 7: Income

Table 8: Recovery of undue Payments

Table 9: Ageing Balance of Recovery Orders

Table 10: Waivers of Recovery Orders

Table 11: Negotiated Procedures

Table 12: Summary of Procedures

Table 13: Building Contracts

Table 14: Contracts declared Secret

Table 15: FPA duration exceeds 4 years

Table 16: Commitments co-delegation type 3 in 2024

Additional comments

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2024 (in Mio €) for DG EPSO					
			Commitment appropriations authorised*	Commitments made	%
			1	2	3=2/1
Title 20 Administrative expenditure of the European Commission					
20	20 02	Other staff and expenditure relating to persons	0.11	0.11	100.00 %
	20 03	Administrative operating expenditure	7.29	6.58	90.34 %
Total Title 20			7.40	6.69	90.48 %
Total Excluding NGEU			7.40	6.69	90.48 %
Total DG EPSO			7.40	6.69	90.48 %

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

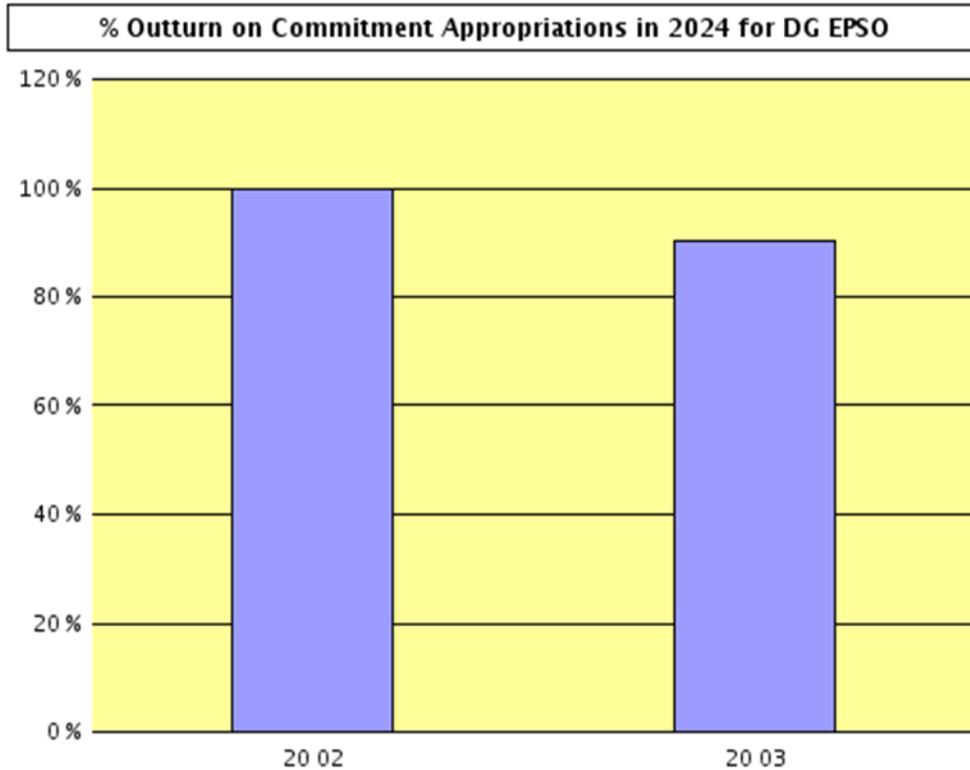


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS in 2024 (in Mio €) for DG EPSO					
			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 20 Administrative expenditure of the European Commission					
20	20 02	Other staff and expenditure relating to persons	0.25	0.11	45.45 %
	20 03	Administrative operating expenditure	10.27	4.78	46.58 %
Total Title 20			10.52	4.90	46.55%
Total Excluding NGEU			10.52	4.90	46.55%
Total DG EPSO			10.52	4.90	46.55 %

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

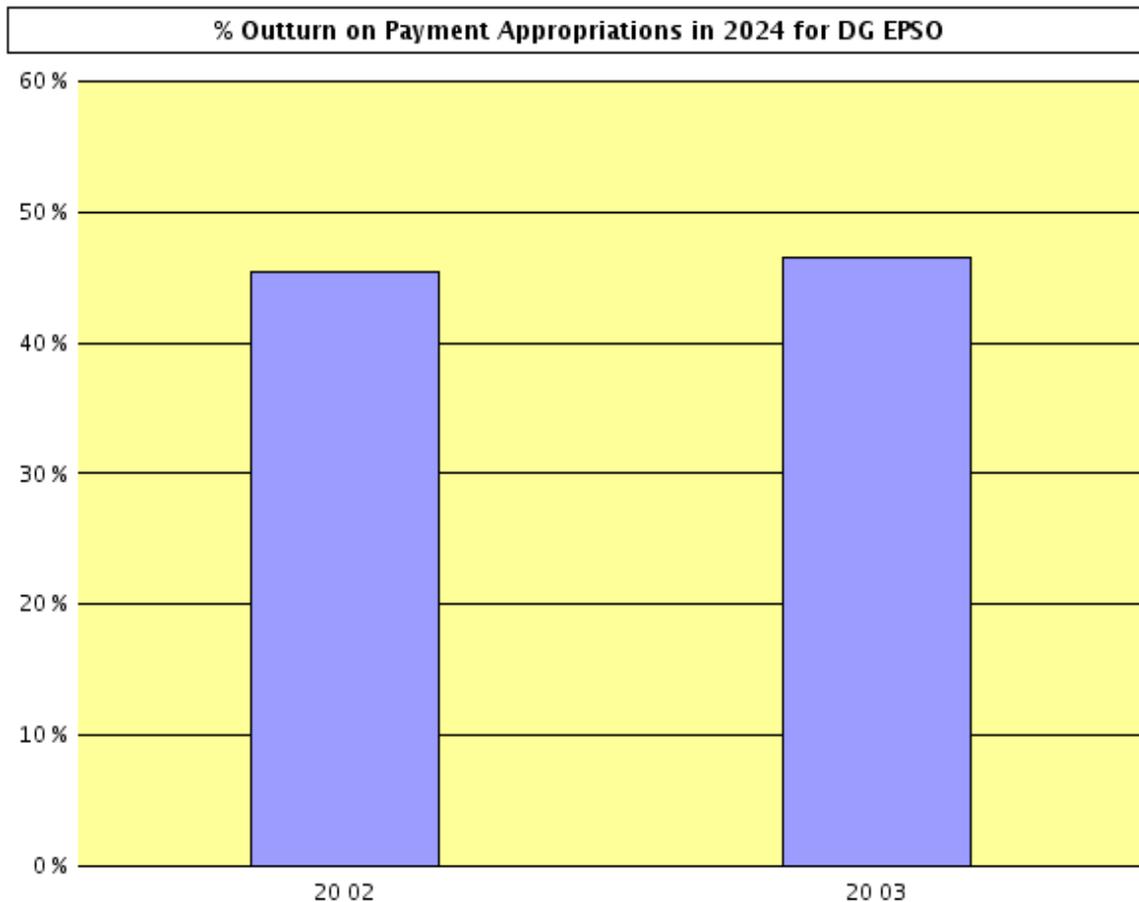


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG EPSO									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2023	Total of commitments to be settled at end of financial year 2024	Total of commitments to be settled at end of financial year 2023
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
20	20 02	Other staff and expenditure relating to persons	0.11	0.01	0.10	94.50%	0.00	0.10	0.14
	20 03	Administrative operating expenditure	6.58	2.09	4.50	68.28%	0.00	4.50	2.98
Total Title 20			6.69	2.09	4.60	68.71%	0.00	4.60	3.12
Total Excluding NGEU			6.69	2.09	4.60	68.71%	0.00	4.60	3.12
Total for DG EPSO			6.69	2.09	4.60	68.71 %	0.00	4.60	3.12

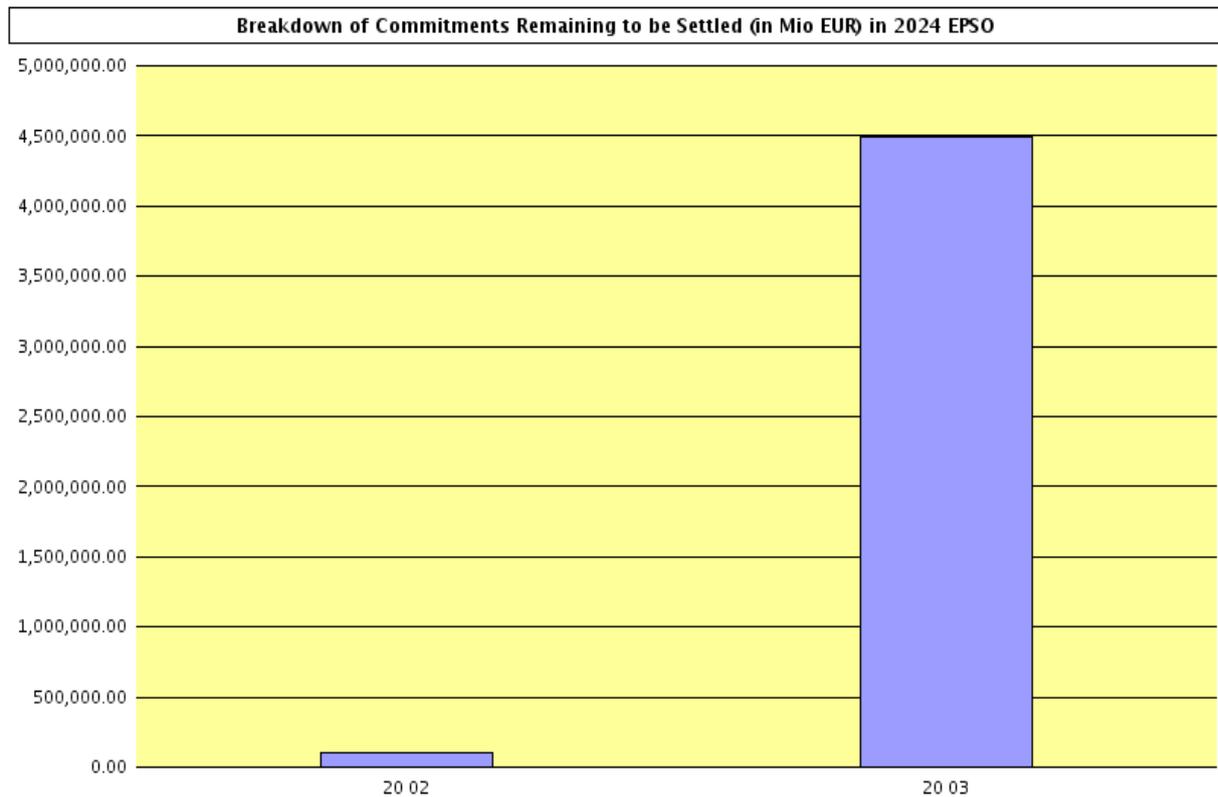


TABLE 4 : BALANCE SHEET for DG EPSO

BALANCE SHEET	2024	2023
A.I. NON CURRENT ASSETS	0.00	0.00
A.I.1. Intangible Assets	0.00	0.00
A.II. CURRENT ASSETS	26,030.00	76,510.00
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	26,030.00	76,510.00
ASSETS	26,030.00	76,510.00
P.II. CURRENT LIABILITIES	0.00	0.00
P.II.4. Current Payables	0.00	0.00
P.II.5. Current Accrued Charges & Defrd Income	0.00	0.00
LIABILITIES	0.00	0.00
NET ASSETS (ASSETS less LIABILITIES)	26,030.00	76,510.00

Non-allocated central (surplus)/deficit*	-82,697,690.05	-76,577,658.19
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TOTAL DG EPSO	0.00	0.00
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P.III.2. Accumulated Surplus/Deficit	82,671,660.05	76501148.19
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It should be noted that the balance sheet and statement of financial performance presented in Annex 3 to this Annual Activity Report, represent only the assets, liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and statement of financial performance they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

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

TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE for DG EPSO

STATEMENT OF FINANCIAL PERFORMANCE	2024	2023
II.1 REVENUES	-297,769.76	-424,064.91
II.1.2. EXCHANGE REVENUES	-297,769.76	-424,064.91
II.1.2.2. OTHER EXCHANGE REVENUE	-297,769.76	-424,064.91
II.2. EXPENSES	4,648,803.26	6,594,576.77
II.2. EXPENSES	4,648,803.26	6,594,576.77
II.2.11.OTHER EXPENSES	4,648,803.26	6,594,576.77
STATEMENT OF FINANCIAL PERFORMANCE	4,351,033.50	6,170,511.86

Explanatory Notes (facultative):

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

TABLE 5bis : OFF BALANCE SHEET for DG EPSO

OFF BALANCE	2024	2023
OB.4. Balancing Accounts	0.00	0.00
OB.4. Balancing Accounts	0.00	0.00
OFF BALANCE	0.00	0.00

Legal Times									
Maximum Payment Time (Days)	Total Nbr of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)	Late Payments Amount	Percentage
30	397	389	97.98 %	14.78	8	2.02 %	34.38	131,062.86	3. %
120	30	30	100.00 %	13.10				0.00	0. %

Total Number of Payments	427	419	98.13 %		8	1.87 %		131062.86	3. %
Average Net Payment Time	15.02576112			14.66			34.38		
Average Gross Payment Time	15.19906323			14.8329356			34.375		

Suspensions							
Average Report Approval Suspension	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
0	8	9	2.11 %	427	206,948.83	4.23 %	4,896,682.74

DG	GL Account	Description	Amount (Eur)

NB: Table 6 only contains payments relevant for the time statistics. Please consult its exact scope in the AAR Annex3 BO User Guide (https://myintracomm.ec.europa.eu/budgweb/EN/abac/dwh/Pages/its-030-10-20_documentation.aspx).

TABLE 7 : SITUATION ON REVENUE AND INCOME in 2024 for DG EPSO								
Chapter		Revenue and income recognized			Revenue and income cashed from			Outstanding balance
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	
		1	2	3=1+2	4	5	6=4+5	7=3-6
32	Revenue from the supply of goods, services and work - assigned revenue	535,733.01	76,510.00	612,243.01	509,703.01	76,510.00	586,213.01	26,030.00
Total DG EPSO		535,733.01	76,510.00	612,243.01	509,703.01	76,510.00	586,213.01	26,030.00

TABLE 8 : FINANCIAL IMPACT OF EX-ANTE AND EX-POST CONTROLS in for DG EPSO

EX-ANTE CONTROLS BY TRANSACTION		Total ex-ante amounts
NON ELIGIBLE IN COST CLAIMS		
CREDIT NOTES		
RECOVERY ORDERS ON PRE-FINANCING		
Sub-Total		

EX-POST CONTROLS BY TRANSACTION		Total ex-post amounts
RECOVERY ORDERS OTHER THAN ON PRE-FINANCING		
INCOME LINES IN INVOICES		
Sub-Total		

GRAND TOTAL (EX-ANTE + EX-POST)		
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TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 12/31/2024 for DG EPSO

	Number at 1/1/2024 1	Number at 12/31/2024	Evolution	Open Amount (Eur) at 1/1/2024 1	Open Amount (Eur) at 12/31/2024	Evolution
2023	10		#####	76,510.00		-100.00 %
2024		5			26,030.00	
	10	5	-50.00 %	76,510.00	26,030.00	-65.98 %

TABLE 10: Recovery Order Waivers >= 60 000 € in 2024 for DG EPSO

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

Number of RO waivers

There are no waivers below 60 000 €

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TABLE 11: Negotiated Procedures in 2024 for DG EPSO

The procedures are presented in the Annual Management and Performance Report of 2024

TABLE 12: Summary of Procedures in 2024 for DG EPSO

The procedures are presented in the Annual Management and Performance Report of 2024

TABLE 13: BUILDING CONTRACTS in 2024 for DG EPSO

Legal Base	Procedure subject	Contract Number	Contractor Name	Contract Subject	Contracted Amount (€)

TABLE 14: CONTRACTS DECLARED SECRET in 2024 for DG EPSO

Legal Base	LC Date	Contract Number	Contract Subject	Contracted Amount (€)

TABLE 15: FPA duration exceeds 4 years - DG EPSO

TABLE 16 : Commitments co-delegation type 3 in 2024 for DG EPSO

ANNEX 3: EPSO COMMITMENTS MADE IN 2020 WITH RESPECT TO THE CO-DELEGATIONS TYPE III	
	Commitments made
Total	6692064.72
Of which Co-deleg Type III per giving DG	108800
	<i>HR</i> 108800

ANNEX 4: Financial scorecard

DG EPSO

The Annex 4 of each Commission service summarises the annual result of the standard financial indicators measurement. Annexed to the Annual Activity Report 2024, 11 standard financial indicators are presented below, each with its objective and result for the Commission service and for the EC as a whole (for benchmarking purposes)³:

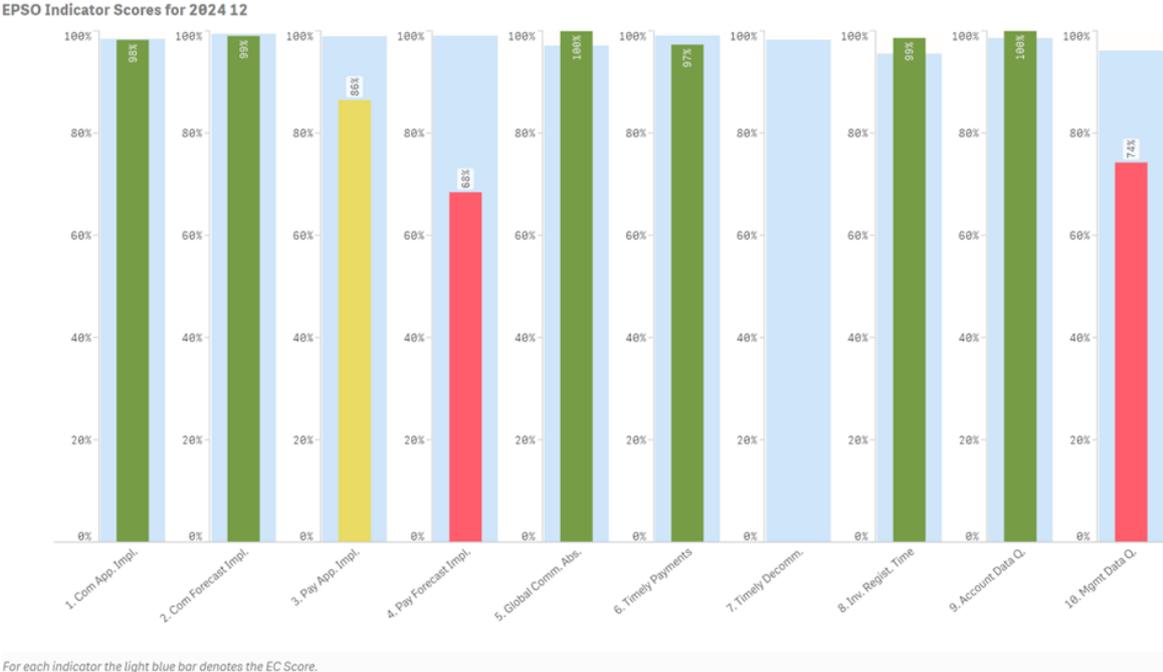
- Commitment Appropriations (CA) Implementation
- CA Forecast Implementation
- Payment Appropriations (PA) Implementation
- PA Forecast Implementation
- Global Commitment Absorption
- Timely Payments
- Timely Decommitments
- Invoice Registration Time
- Accounting Data Quality
- Management Data Quality
- Timely Invoice PF Clearing

For each indicator, its value (in %) for the Commission service is compared to the common target (in %). The difference between the indicator’s value and the target is colour coded as follows:

- 100 – >95% of the target: dark green
- 95 – >90% of the target: light green
- 90 – >85% of the target: yellow
- 85 – >80% of the target: light red
- 80 – 0% of the target: dark red

The Commission services are invited to provide commentary for each indicator’s result in the dedicated comment section below the indicators scores as this can help the reader to understand the Commission’s service context. In cases when the indicator’s value achieves 80% or less of the target, the comment becomes mandatory.

The detailed definitions of the indicators are available on the internal DG BUDG site (BudgPedia) and managed by unit BUDG.C5 Financial Reporting.



³ If the EC service did not perform any transaction in the area measured by the indicator or the information is not available in the central financial system, the indicator is not calculated (i.e. displayed as “-”) in this Annex.

Indicator	Objective	Comment ⁴	EPSO Score	EC Score
1. Commitment Appropriations Implementation	Ensure efficient use of commitment appropriations expiring at the end of Financial Year		98%	99%
2. Commitment Forecast Implementation	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year		99%	99%
3. Payment Appropriations Implementation	Ensure efficient use of payment appropriations expiring at the end of Financial Year		86%	99%
4. Payment Forecast Implementation	Ensure the cumulative alignment of the payment implementation with the payment forecast in a financial year	Alignment with the payment forecast was not 100% respected as a consequence of the time-out in the publication of competitions in 2023 and the time to put in place the gap-solution to resume testing in 2024. Corrective measures to ensure forecast is implemented: monthly reports distributed to senior management and operational units to raise their awareness. Systematic review of open commitments by staff in the Finance/contracts sector. Reactiveness and adjustments in collaboration with operational colleagues, when needed.	68%	99%
5. Global Commitment Absorption ⁵	Ensure efficient use of already earmarked commitment appropriations (at L1 level)		100%	97%
6. Timely Payments	Ensure efficient processing of payments within the legal deadlines	2 invoices were sent by contractors directly to colleagues while they were absent. It was reminded to all that the Systematic use of functional mailbox for reception of invoice (for contractors not using eInvoicing). Reminders to be sent regularly, especially prior to holidays. Reinforcement	97%	99%

⁴ An explanation behind the indicator result can be provided, e.g. the comment about the achievement itself, reference to the whole Commission performance (better or worse), reasons behind this achievement. The comment is mandatory for the 'Timely payments' indicator. For the rest of indicators the comment is mandatory only if the score is equal or below the target of 80%.

⁵ Due to technical limitation: 1. the indicator does not take into account the Com L1 Consumption between the FDC ILC date and the FA FDI allowed as an exception in the external actions for Com L1 of type GF, i.e. with Financing Agreement, under the FR2018 Article 114.2. 2. it is technically not possible to exclude the decommitment of RAL (C8) which is subsequently re-committed for a new purpose. As a result, the actual Indicator score may be slightly higher than the one reported for DGs using the GF commitments.

		of the back-up organisation within the Finance team.		
7. Timely Decommitments	Ensure efficient decommitment of outstanding RAL at the end of commitment life cycle	The indicator is not applicable for DG EPSO in 2024 due to the lack of underlying transactions recorded by DG EPSO in 2024.	-	98%
8. Invoice Registration Time	Monitor the accounting risk stemming from late registration of invoices in the central accounting system ABAC		99%	96%
9. Accounting Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the accounts		100%	99%
10. Management Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the management decisions	Due to a heavy workload and time dedicated to SUMMA trainings and awareness-raising amongst EPSO and EUSA, transactions such as legal commitments were not closed in the system.	74%	96%
11. Timely Invoice PF clearing	Ensure efficient clearing by invoices of prefinancing payments within the invoice payment time limit	The indicator is not applicable for DG EPSO in 2024 due to the lack of underlying transactions recorded by DG EPSO in 2024.	-	100%

ANNEX 5: Materiality criteria

Since 2019⁽⁶⁾, 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 EPSO total payments and with a financial impact below EUR 5 million. In such cases, quantified reservations are no longer needed.

In any case, no such cases are to be reported for 2024.

The qualitative criteria used by EPSO to establish that there are no specific issues and shortfalls in the management and control systems, which give rise to reservations, take into account the nature of our activities, the risk environment and the expectations of all of our stakeholders.

They concern events which could:

- Seriously compromise the image or reputation of the EU institutions;
- Relate to serious shortfalls in the internal control system of the Office;
- Concern critical recommendations of the Court of Auditors or the Internal Audit Service.
- Relate to issues possibly entailing reputational damages for the European institutions.

In accordance with the guidelines in the Communication to the Commission COM (2003)28 of 21 January 2003 and the accounting modernisation project, EPSO considered the quantitative materiality criterion to be below a threshold of 2% of the budget allocated to the ABB activity concerned.

⁽⁶⁾ Agreement of the Corporate Management Board of 30/4/2019.

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

Procurements

Stage 1 – Procurement – administrative operating expenses

A - Planning

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls*	Cost effectiveness indicators
The needs are not well defined (operationally and economically) and that the decision to procure was inappropriate.	Publication of intended procurements / Work programme	Coverage: Procurement >€60,000 Depth*: Level 2 Frequency: Forward planning reviewed/ updated at least twice a year	Effectiveness: Annual forward planning for procurement processes <ul style="list-style-type: none"> • Project plan of procurement project incl. defined milestones • Total contract value / cost of control on procurement
	Note to AO(S)D on justification (economic, operation) for launching a procurement process Orientation note	Coverage: 100% Depth*: Level 2 Frequency: For each procurement process	Efficiency: <ul style="list-style-type: none"> • Cost of control on procurement / number of exceptions / number of procedures without successful award of contract / number of procedures closed during the year
Discontinuation of the services provided due to a late contracting.	Point discussed during management meeting	Coverage: Main ones Depth*: Level 2 Frequency: When need arises	Economy: <ul style="list-style-type: none"> • Number of FTEs dealing with monitoring and control of procurement processes. Synergies gained through SLA covering procurement with DG HR.

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.

B - Needs assessment & definition of needs

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls*	Cost effectiveness indicators
The best offer/s are not submitted due to the poor definition of the specifications.	Financial circuit: AOS approval and supervision of specifications	Coverage: 100% Depth*: Level 3 Frequency: for each procurement process	Effectiveness: <ul style="list-style-type: none"> • Total contract value / cost of control on procurement. • Number of bidders / procurement process.
	Additional unit supervision above a financial threshold: procurement >€60,000	Coverage: Those replying to criteria: procedure >€60,000 Depth*: Level 4	Efficiency: <ul style="list-style-type: none"> • Cost of control on procurement / number of procedures closed during the year. • Number of questions received by HR.R1 on specifications in ongoing processes. • Number of negative opinions given by GAMA.
	Or use of a consultative/advisory committee "CCAM/PPAG"	Frequency: for each procurement process	Economy: <ul style="list-style-type: none"> • Number of FTEs dealing with monitoring and control of procurement processes. • Synergy gains through SLA covering procurement with DG HR.

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.

C – Selection of the offer & evaluation

Main control objectives: Ensuring that the selection of the contractor is optimal

Main risks <i>It may happen (again) that...</i>	Mitigating controls (those in bold are strongly recommended)	Coverage frequency and depth of controls*	Cost effectiveness indicators
The most promising offer not being selected, due to a biased, inaccurate or 'unfair' evaluation process.	Opening committee and Evaluation committee	Coverage: 100% Depth*: Level 4 Frequency: for each procurement process	Effectiveness: <ul style="list-style-type: none"> • Total contract value / cost of control on procurement.
	Consultative committee "CCAM/PPAG" (GAMA)	Coverage: Risk based sampling Depth*: Level 4 Frequency: random	Efficiency: <ul style="list-style-type: none"> • Cost of control on procurement / number of procedures closed during the year. • Number of negative opinions by GAMA.
	Conflict of interests / compulsory note for each member of committee	Coverage: 100% Depth*: Level 4 Frequency: for each procurement process	Economy: <ul style="list-style-type: none"> • Number of FTEs dealing with monitoring and control of procurement processes.

	Exclusion criteria documented	Coverage: 100% Depth*: Level 4 Frequency: for each procurement process	<ul style="list-style-type: none"> • Synergies gained through SLA covering procurement with DG HR.
	Standstill period	Coverage: 100% Depth*: N/A Frequency: for each procurement process	

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 – Financial transactions

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls*	Cost effectiveness indicators
Contractor does not comply with the contractual provisions.	<ul style="list-style-type: none"> - Monitoring respect of contractual provisions. - ex ante verification 	<p>Coverage: 100%</p> <p>Depth*: Level 4</p> <p>Frequency: constant</p>	<p>Effectiveness:</p> <ul style="list-style-type: none"> • Detect error before payment, sound financial management and respect of contractual provisions. • Number a/o amount of credit notes / by number a/o amount of total payments. • Exceptions & NCE / total number of payments.
Amount paid is disconnected from the quality and the timing of the deliverables.	Financial circuit: all steps financial and operational	<p>Coverage: 100%</p> <p>Depth*: Level 4</p> <p>Frequency: constant</p>	<p>Efficiency:</p> <ul style="list-style-type: none"> • Cost of control on the financial circuit / value of payment executed during the year. • Value of payments per year / FTEs
	Signature at higher hierarchical level for higher amounts	<p>Coverage: Those replying to criteria</p> <p>Depth*: Level 2</p> <p>Frequency: when required</p>	<p>Economy:</p> <ul style="list-style-type: none"> - simplified financial circuits (exceptions for very low value payments (reimbursement to candidates) / total value of transactions.
Business discontinues. Contractor unable to deliver.	Business continuity plan	<p>Coverage: 100%</p> <p>Depth*: 3</p> <p>Frequency: when required</p>	

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 3 – Supervisory measures

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls (those in bold are strongly recommended)	Coverage, frequency and depth of controls*	Cost effectiveness indicators
An error or non-compliance with specifications or a fraud is not detected	Ex post controls on procedures / contractors	Coverage: Risk based percentage plus ex post controls Depth*: Level 4 Frequency: 3 times per year	Effectiveness: Ex post control result / error found
	Whistle blowing (after yearly reporting of awarded contractors notably)	Coverage: potentially 100% Depth*: N/A Frequency: random	
Management of the procurement is not improved in general	Internal Audit Service	Coverage: Whole process but limited number of tenders Depth*: Level 2 Frequency: random	Efficiency: Total value checked by Control ex post / costs ex post controls
	Review of ex post results	Coverage: Whole process but limited number of tenders Depth*: Level 2 Frequency: once a year	
	Review of exception reporting	Coverage: Whole process but limited number of tenders Depth*: Level 2	Economy: Cost ex post controls / total number of transactions checked

		Frequency: once a year	
	Review of the process after each procedure	Coverage: Procedure >€60,000 Depth*: Level 2 Frequency: after each procedure	

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

ANNEX 7: Specific annexes related to "financial management"

A. Free content

Ex-post controls

The frequency of control applied in 2024 was the same as in 2023, meaning there were 3 series of ex-post controls carried out for 2024 transactions: for January-May, for June-September and for October-December (the last one carried out in January 2025).

The ex-post control campaign covered 35 transactions made in 2024 (30 payments and 5 recovery orders) worth 1M, representing 6.6% of all transactions and 18.5% of their total value. The sampling method used was random and stratified, taking into consideration the fact that a large proportion of payments are low value and low risk.

No material issues were noted (no red code transactions) 25.7% of the verified transactions (9 payments) were found with minor issues (yellow code), due mainly to incomplete supporting documents. Comments and recommended actions proposed by the ex-post verifier were shared with the financial actors for further improvement. For the remaining 74.3% of the transactions verified no issues were noted (green code).

Given the nature of the expenditure and the very low/absence of errors found in the ex-post controls, the AOD has decided to apply a conservative level of error of 0.5% as per the instructions.

Exceptions reporting and non-compliance events

Two non-compliance events were detected during ex-ante verifications of payments and duly reported by operational units in 2024, both linked to noncompliance with the rules on expenditure, as services under a new framework contract have been ordered before the Order form was issued. Both events have been followed internally with a workshop in the form of a Q&A with a focus on the main financial transactions on the one hand and trainings (on Expenditure lifecycle) made mandatory for the colleagues involved with financial matters.

The total financial impact amounts to 15 542 €.

In relation to the reputational reservation noted in the 2023 Annual Activity Report on the problems encountered with the launch of a new automated proctoring system in online testing, the following measures have been undertaken:

- **Resumption of competition activities:** in February 2024, EPSO unilaterally terminated its test delivery contract and intensified efforts to implement a suitable interim solution as quickly as possible. Since May 2024, EPSO has successfully organised several selections and open competitions using a gap-solution provider. The

testing experience to date has been satisfactory, with no significant structural issues reported.

- **Implementation of EPSO's transformation agenda (EPSolution):** EPSO has launched the implementation of 22 cross-cutting projects aimed at monitoring and completing its transformation process. Key initiatives include:
 - Conducting a tender procedure to engage new delivery service providers and integrating them into EPSO's systems;
 - Upgrading the test portfolio to better meet current needs;
 - Establishing a mid- to long-term planning system;
 - Enhancing the candidate experience through targeted improvements;
 - Evaluating and refining EPSO's outreach strategy; and
 - Creating a structured system for data collection and statistical analysis of each competition's participant population.
- **Call for tender for computer-based testing services:** in October 2024, EPSO published a call for tender to conclude multiple framework service contracts for computer-based testing capacities. These services include hosting and delivering EPSO tests on a secure online platform accessible to candidates connecting remotely.

Several mitigation measures have been taken to address past issues, including:

- Assessing risks associated with service providers and aligning selection criteria with identified risks and controls;
- Developing contingency plans to address adverse scenarios effectively;
- Enhancing performance indicators to monitor and evaluate the effectiveness of actions taken. The contract includes objective and measurable KPIs, provisions for liquidated damages in cases of non-compliance, and regular management-level monitoring.

While several actions are still ongoing, the primary factors contributing to the 2023 reservation cannot be considered sufficiently mitigated, so the reservation is maintained in the AAR 2024.

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(s) in charge of Risk Management and Internal Control, including the results of internal control monitoring at department level;
 - the reports on non-compliance events;
 - the reports on ex-post supervision and/or audit results.

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

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

- 1) 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): not applicable to EPSO
- 1) Cases of "confirmation of instructions" (FR art 92.3): zero cases
- 2) Cases of financing not linked to costs (FR art 125.3): not applicable to EPSO
- 3) Financial Framework Partnerships >4 years (FR art 131.4): not applicable to EPSO
- 4) Cases of flat-rates >7% for funding indirect costs (FR art 184.6): not applicable to EPSO
- 5) Derogations from the principle of non-retroactivity pursuant to Article 196 of the Financial Regulation: not applicable to EPSO
- 6) Cases of financial support to third parties >EUR 60 000 (FR art 207): not applicable to EPSO
- 7) Cases of non-financial donations provided in the form of services, supplies or works (FR art 244.3): not applicable to EPSO

No such cases for EPSO/EUSA.

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 EPSO/EUSA's estimated cost of controls at Commission (EC) level

EXPENDITURE

The absolute values are presented in EUR

EPSO/EUSA	Ex ante controls***			Ex post controls			Total	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
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)
Administrative operating expenses	328,350.00 €	4,896,682.74 €	6.71%	134,900.00 €	5,432,415.75 €	2.48%	463,250.00 €	9.46%
OVERALL total estimated cost of control at EC level for expenditure	328,350.00 €	4,896,682.74 €	6.71%	134,900.00 €	5,432,415.75 €	2.48%	463,250.00 €	9.46%

The estimated total costs of control include direct, indirect and overhead costs. The fact that some financial tasks (in the context of procurement procedures and ex post controls) are performed by staff in the financial unit of DG HR on the basis of an existing SLA has been taken into account. It is estimated that a total of 2.5 FTEs (1,5 permanent staff members and 1 contractual staff) carry out financial and control activities for EPSO/EUSA. The cost has been calculated using the annual FTE costs as instructed by DG BUDG.

For EPSO, this gives an amount of EUR 463 250.

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

Internal Audit Service

Based on all work undertaken by the Internal Audit Service in the period 2020-2024 (3), namely:

- IT security management in the HR family (2021);

and taking into account that:

- Management has accepted all the recommendations issued in 2020-2024;
- Management has adopted an action plan to implement all the accepted recommendations. The IAS considers that the action plan is adequate to address the residual risks identified by the auditors;
- The implementation of the action plan is monitored through reports by management and follow-up audits by the IAS.

Conclusion on the state of internal control

The IAS concluded that the internal control systems in place for the audited processes are effective.

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 EPSO/EUSA	Payments made (2024-MEUR)	minus new prefinancing [plus retentions made] (in 2024-MEUR)	plus cleared prefinancing [minus retentions released and deductions of expenditure made by MS] (in 2024-MEUR)	Relevant expenditure (for 2024-MEUR)	Detected error rate or equivalent estimates	Estimated risk at payment (2024-MEUR)	Adjusted Average Recoveries and Corrections (adjusted ARC, %)	Estimated future corrections [and deductions] (for 2024-MEUR)	Estimated risk at Closure (2024-MEUR)
-1	-2	-3	-4	-5	-6	-7	-8	-9	-10
Procurement - Administrative operating expenses	490	0.00	0.00	490	0.50% - 0.50%	0.02 - 0.02	0.00% - 0.00%	0.00 - 0.00	0.02 - 0.02
DG total	490	0.00	0.00	490		0.02 - 0.02	0.00% - 0.00%	0.00 - 0.00	0.02 - 0.02
					Overall risk at payment in %	0.50% - 0.50%		Overall risk at closure in %	0.50% - 0.50%
						(7) / (5)			(10) / (5)

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 or equivalent, e.g. expenditure registered in the Commission’s accounting system, accepted expenditure or cleared pre-financing. In any case, this means after the preventive (ex-ante) control measures have already been implemented earlier in the cycle. In all cases of Co-Delegations (Internal Rules Article 3), "payments made" are 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 (none in EPSO).
- (4) Pre-financing actually cleared during the financial year (none in EPSO).
- (5) For the purpose of equivalence with the ECA's scope of the EC funds with potential exposure to legality & regularity errors (see the ECA's Annual Report methodological annex 1.1), our concept of "relevant expenditure" includes the payments made, subtracts the new pre-financing paid out, and adds the pre-financing actually cleared during the FY. This is a separate and 'hybrid' concept, intentionally combining elements from the budgetary accounting and from the general ledger accounting.
- (6) In this column, we disclose the detected error rates or equivalent estimates.
- (8) The adjusted average recovery and corrections percentage for the last 3 years is EUR 0 million, which is the best available indication of the corrective measures EPSO applied over the past years as a result of ex post controls. Given the very low level of risk at payment and thus very low amount of corrections, the AOD is using a rate of 0.5% as its conservative estimate used for the error rate.

B. Reservations

1. Reservation fiche

DG	EPSO
Title of the reservation, including its scope	<p>Reputational reservation on the problems encountered with the new automated proctoring system in online testing.</p> <p>EPSO relies exclusively on its contractor for the delivery of online testing to test large numbers of candidates in competitions. In October 2023, a new automated proctoring system was introduced in order to respond to issues identified in the live proctoring system in place earlier. However, the roll-out of the new automated proctoring system was not successful and it led to a temporary suspension of operations in the end of 2023, and adverse press. As a consequence, EPSO AAR 2023 featured a reputational reservation.</p> <p>Actions have been taken without delay to address the underlying problems both in the so-called “gap-solution” implemented to resume testing as of May 2024 as well as in the specifications of the call for tenders for online testing capacities published in the fall 2024 and aiming at strengthening the monitoring of the contractor’s performance through KPIs and deploying contingency actions to deal with adverse events.</p> <p>Considering the call for tenders is not awarded at the time of drafting and as a consequence, some of the mitigations measures (contractual provisions) cannot be implemented yet, it is considered prudent to maintain the reservation for the AAR 2024. The target is to lift the reservation of the next AAR, once the new framework contract is up and running.</p>
Domain	HR
Programme (or other relevant segment) in which the reservation is made and total (annual) amount of this programme	Administrative expenditure. Selection of EU staff via competitions and selection procedures.
Reason for the reservation	<p>One of the specific objectives set in the strategic plan for 2020-2024, is to make available to all EU Institutions highly qualified staff by organising open competitions and selection procedures. The achievement of this objective was deferred as competitions and selection processes had to be suspended temporarily in the end of 2023, after the unsuccessful roll-out of the new proctoring system, until the spring 2024. In particular, EPSO moved to the use of automated proctoring in order to improve the previously used live proctoring system. The preparation of the launch by the contractor was followed closely by the operational staff of EPSO, and modifications and improvements were requested prior to implementing the specific operational modalities. These modalities were soon revealed to be defective from a technical and legal (data protection) point of view and resulted in a temporary suspension of operations and incapacity to publish new competitions and selection processes. Adverse communications on EPSO’s operations appeared in different media and channels. Sometimes these were inaccurate/incomplete. However, they resulted a negative image for EPSO and the Commission. This may have a deterrent effect for future participants of such tests. All the above have led to reputational damage and this reservation.</p>
Materiality criterion/criteria	This is a reputational reservation without direct financial impact.

Quantification of the financial impact (amount at risk)	Non-quantified
Impact on the assurance	The achievement of EPSO's key specific objective, delivering competitions, has been delayed. The modernisation objectives described in EPSO's strategic plan 2020-2024 could be delayed and undermined. The impact of the events that led to the reservation is not quantifiable at the moment.
Responsibility for the weakness	The adequacy of the supervision which preceded the launch of the new proctoring system proved to be insufficient. Notably, the impact assessment, the external factors and the contingency planning aspects required more attention.
Responsibility for the corrective action	EPSO has launched actions to immediately address the identified issues and implemented the gap-solution to resume testing for both open competitions and CAST as from May 2024, starting with smaller selections and gradually upscaling to more challenging ones. The overall result has been satisfactory although imperfect. Once the new framework contract is signed with the new contractor, EPSO will be able to fully implement the actions relating to the monitoring of its performance.

2. Reservations not issued or lifted in 2024 due to the application of the 'de minimis' threshold.

Not applicable.

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

Degree of implementation of the digital solutions modernisation plan

In order to provide a state-of-play on the implementation of the 11 core principles defined by the EC Digital Strategy (ECDS), EPSO ran its own assessment for its 3 most expensive IT solutions (Talent Suite, EPSO Website and iSTAT) and the following scores were achieved:

- **Talent suite:** 45% ECDS mature
- **EPSO Website:** 68% ECDS mature
- **iSTAT:** 50% ECDS mature

For **Talent suite**, the 45% score was expected since it is running mainly on Legacy software but its replacement by new Information Systems that the HR Transformation Program will provide has already started since December 2024 (EPSO launched its first competition in the new Information systems in January 2025) and the same also applies to **iSTAT** and the remaining part of EPSO website.

Implementation of the corporate principles for data governance

EPSO manages datasets that are predominantly confidential and sensitive, given the high volume of personal data they contain. Additionally, as an interinstitutional office, EPSO operates within a unique framework that requires a tailored approach to data governance. While EPSO has not fully aligned with all standard corporate principles of data governance, we recognise the importance of a structured and compliant data governance framework.

EPSO has therefore initiated steps to review its current practices. The upcoming reporting period, along with the arrival of a new EPSO Director and changes in Corporate Unit management, presents an opportunity to reassess EPSO's data governance approach. Furthermore, EPSO is currently recruiting a Data Management Officer, who will be tasked with addressing these complexities and ensuring a balanced and effective integration of corporate principles where applicable.

During the reporting period, EPSO has taken concrete steps toward structured data management, following key aspects of the corporate approach. Specific actions include documenting tools, storage locations, and collaboration modalities for competition-specific documents, as well as ensuring transparency through roadshows and information sessions for EPSO colleagues.

Objective: EPSO/EuSA employs a competent and engaged workforce and contributes to gender equality at all levels of management

Indicator 1: Number and percentage of first female appointments to middle management positions.

Source of data: European Commission [data to be provided by SG / DG BUDG]

Baseline (2019)	Target2022 and 2024	Latest known results (31/12/2024)
3 (75%)	Target 2020-2022:1 first female appointment for middle management functions No target assigned for the period 2023-2024	For the period 2023-2024, 1 first female appointment made (in 2023)

Main outputs in 2024:

Description	Indicator	Target	Latest known results (31/12/2024)
Categories of staff.	Upgrades from AST to AD.	2 posts in 2024.	2
Gender balance at MM level: monitoring of the situation in the context of first female appointments	% of men and women	50/50	50% female representation at MM level (2 out of 4 MM)
Skills and competencies.	Number of specific training events, onboarding for newcomers.	2 sessions per year for newcomers. Further implementation of training packages.	2

Objective: EPSO/EuSA employs a competent and engaged workforce and contributes to gender equality at all levels of management

Indicator 2: EPSO staff engagement index.

Source of data: European Commission [data to be provided by SG / DG BUDG]

Baseline (2018)	Target 2024	Latest known results (31/12/2024)
73%	≥ 75% (and above Commission average)	71%

Main outputs in 2024:

Description	Indicator	Target	Latest known results (31/12/2024)
Maintain staff engagement <ul style="list-style-type: none"> - Regular communication with staff - Regularly monitor extra-hours Encourage staff to participate in activities organised internally or at corporate level	Staff engagement index.	Minimum 74%. <ul style="list-style-type: none"> - 3 all staff meetings per year and regular attendance of the Director at unit meetings - Balanced distribution of work between units and teams 	71% <ul style="list-style-type: none"> - 4 all staff meetings
	Number of staff participating in the activities	25% of colleagues attend at least one activity	NA (this would require an internal survey which has not taken place)
Raise awareness on diversity, equality and inclusion.	Specific training sessions.	2 internal sessions on EPSO Equality and Diversity Action Plan.	NA

- **Digital Transformation and Information management**

Objective: EPSO is using innovative, trusted digital solutions for better policy-shaping, information management and administrative processes to forge a truly digitally transformed, user-focused and data driven Commission.

Indicator 2: Degree of implementation of the digital strategy principles by the most important IT solutions

Source of data: EPSO

Baseline (2019)	Target 2024	Latest known results (31/12/2024)
10%	100%	65%

Main outputs in 2024:

Description	Indicator	Target	Latest known results (31/12/2024)
Deployment and usage of the new EPSO IT tools (through the HR Transformation Program).	Percentage of the deployment of the new EPSO IT tools.	100%	100%. The first version of the new EPSO IT Tools has been deployed and the first EPSO competition was launched through the new tools
Digital Culture EPSO will continue embracing the whole landscape of M365 tools, with specific focus on SharePoint Online. Newly designed competition flow will fully cater for this aspiration when implemented. EPSO staff is informed and encouraged to participate in the cyber aware training and activities.	EPSO staff will: a) be able to use basic functions of M365 suite, and be aware of more advanced M365 features necessary to their professional functions and b) have participated in cyber aware training/activities. c) enhance staff skills and competences for effective use of data, information and knowledge, particularly related to the Data Management activities including reporting	a) 100% b) 100% c) 2 EPSO staff will be trained upon EC Data platform supported tools portfolio besides QLIK (e.g. KNIME, Power BI)	a) 100% b) 90% c) 100% 2 EPSO staff was trained upon EC Data platform supported tools portfolio besides QLIK (e.g. KNIME, Power BI)
Digital-Ready EU policymaking Ensure outputs related to digital consideration that are taken into account in the early stages of the design of policy initiatives.	N/A	N/A	

Description	Indicator	Target	Latest known results (31/12/2024)
<p>Business-driven Digital Transformation</p> <p>EPSO business processes (considering also EPSO's New Competition Model), are digitally and optimally implemented in the new EPSO IT tools.</p>	<p>EPSO business processes are reconsidered, documented through digital tools and validated.</p>	<p>All the EPSO business processes that need to be reflected in the new EPSO IT tools.</p>	<p>100%</p>
<p>Seamless Digital Environment</p> <p>The new EPSO IT tools are designed to be streamlined, fit for purpose and to replace the current ones (that are running on legacy software) by using state of the art cloud supported technologies.</p>	<p>Percentage of deployment of the new EPSO IT tools.</p>	<p>100%</p>	<p>100% deployment of the first version of the new EPSO IT tool which will gradually replace the existing ones</p>
<p>Green, Resilient and Secure Digital Infrastructure</p> <p>Ensure outputs related to the continuous improvement of the department's performance as captured in the risk maturity quadrant (RMQ).</p>	<p>IT Security plans to be updated for the current EPSO IT systems and for the new ones coming from HRT to be created</p>	<p>100%</p>	<p>100% All IT Security plans have been updated for the current EPSO IT systems and for the new ones coming from HRT have been created</p>
<p>IT Security plans for the new EPSO IT tools or existing ones older than 2 years</p>	<p>Percentage of completion</p>	<p>100%</p>	<p>100%</p>
<p>Implementation of recommendations of quarterly IT security reports.</p>	<p>% of implemented recommendations</p>	<p>100% of important</p>	<p>100%</p>
<p>Mandatory cybersecurity and information security training for all newcomers.</p>	<p>% of newcomers' attendance</p>	<p>100%</p>	<p>100%,</p>
<p>Commitment to 100% migration of the DG/EA personnel to Welcome.</p>	<p>% of EPSO staff migrated</p>	<p>100%</p>	<p>100% of staff 1 functional account to be migrated first half of 2025</p>

Description	Indicator	Target	Latest known results (31/12/2024)
List of actions to implement the corporate principles for data governance for [the service's] key data assets.	Percentage of implementation of the corporate principles for data governance for [the service's] key data assets	Target by 2024: 80%	50%
List of key actions on information management and data protection			
Mandatory data protection training sessions for all staff, for newcomers and staff dealing with personal data as a priority.	Training attendance.	100%	Last year 100%
Data protection records management.	Number of DP records in DPMS up-to-date.	100%	100%
DPIAs completed where necessary.	Number of processing operations requiring DPIA covered.	100%	100%
DPC involved upfront in all activities (new pilots, new IT tools, etc.) with Data protection element.	Degree of involvement.	100%	100%
EPSO document management strategy in place with clear instructions where to store which types of documents	Staff familiar with EPSO document management strategy and implementing it in daily work.	100%	Staff familiar with the principles of the document management strategy and in the process of creating specific Unit libraries in preparation of the phase-out of U drives.

- **Sound environmental management**

Objective: EPSO/EuSA takes account of its environmental impact in their actions and actively promotes measures to reduce the related day-to-day impact of the administration and its work, with the support their respective EMAS Correspondents/EMAS Site Coordinators.

Main outputs in 2024:

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

Output	Indicator	Target (2019 as baseline)	Latest known results (31/12/2024)
Priority action to support the Greening the Commission Communication and action plan			
Remote testing of candidates in open competitions, investing in new digital solutions, reduced missions, organising most internal and external meetings and other events via videoconferencing, use of a low-energy building with smarter use of office space and increased use of teleworking).	Number of candidates tested remotely. Reduction of emissions linked to commuting and missions travel.	-12%	99% (only special need candidates are not tested remotely)
Other recommended actions			

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

Output	Indicator	Target (2019 as baseline)	
Priority action to support the Greening the Commission Communication and action plan			
Participation in corporate energy saving actions through building closure.	Awareness campaigns in conjunction with the L-107 EMAS team.	All EPSO/EuSA staff aware of this action.	100%

III. Organise sustainable events

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

Output	Indicator	Target (2019 as baseline)	
Priority action to support the Greening the Commission Communication and action plan			
Other recommended actions			
Guided walks to discover trees in the neighbouring parks around our building. Bringing awareness about the importance of biodiversity and about preserving the natural sites in our city.	Number of participants in the EPSO/EuSA staff.	Participation of EPSO staff. Two similar tours a year.	100%

IV. Promoting green public procurement (GPP)

V. Staff awareness

Output	Indicator ⁷	Target (2019 as baseline)	
Awareness actions in the framework of EMAS corporate campaigns on (for instance): <ul style="list-style-type: none"> - Energy and water use - Paper consumption - Digital mindfulness - GPP – biodiversity - Waste reduction/sorting Mobility	Awareness campaigns in conjunction with the L-107 EMAS team. Awareness walks in the Brussels parks close to our building. Number of participants in the EPSO/EuSA staff.	Maintain or improve the present situation. 100% of corporate or L)107 campaigns shared with EPSO all. Yearly participation to walks: at least 25% of staff	

⁷ In coordination with the OIB/OIL

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

Not applicable

ANNEX 12: EAMR of the Union Delegations

Not applicable

ANNEX 13: Decentralised agencies and other EU bodies

Not applicable

ANNEX 14: Reporting on the Recovery and Resilience Facility

Not applicable