



EUROJUST
P.O. Box 16183
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THE NETHERLANDS

AD 2010-70

ADMINISTRATIVE DIRECTOR

DECISION ON THE ADOPTION OF THE REVISED EUROJUST INTERNAL CONTROL STANDARDS FOR EFFECTIVE MANAGEMENT AND REQUIREMENTS

THE ADMINISTRATIVE DIRECTOR OF EUROJUST,

Having regard to Article 38.1 of the Council Decision on the strengthening of Eurojust and amending Council Decision 2002/187/JHA setting up Eurojust with a view to reinforcing the fight against serious crime¹, whereby the responsibility for putting in place internal control systems and procedures suitable for carrying out his tasks shall lie with the Authorising Officer;

Having regard to Article 38(4) of the College Decision 2009-08 adopting the Financial Regulation applicable to Eurojust², whereby the Authorising Officer shall put in place minimum standards and that these minimum standards shall be drawn up on the basis of the standards laid down by the Commission for its own departments;

Whereas the Eurojust Internal Control Standards (ICS) adopted by the College of Eurojust on 10 October 2006 are obsolete in relation to the Commission's revised Internal Control Standards for effective management and requirements, being implemented by the Commission since 2008;

After having consulted the College of Eurojust on 7 December 2010;

After having updated ICS 3 and ICS 4 on 9 December 2010;

HAS DECIDED AS FOLLOWS:

Article 1

To adopt the Eurojust revised Internal Control Standards (ICS) for effective management and Requirements.

Article 2

This Decision shall take immediate effect.

Done at The Hague on 15 December 2010

Hans Jahreiss
Administrative Director

¹http://www.eurojust.europa.eu/official_documents/Eurojust_Decision/2009/consolidated/EJDecision-consolidated-2009-EN.pdf

² http://www.eurojust.europa.eu/official_documents/Financial_Regulations/EJCD2009-8-FinancialRegulation.pdf



Eurojust Internal Control Framework - Internal Control Standards for Effective Management and Requirements

Nr.	Internal Control Standard (ICS)	Requirements
<u>Mission and values</u>		
1	Mission: The Eurojust's mission and vision are clearly defined in up-to-date and concise mission statements developed from the perspective of Eurojust's stakeholders and customers.	<ul style="list-style-type: none"> a. The College and Administration Units and Services have up-to-date mission statements which are linked across all hierarchical levels; and b. These mission statements have been explained to postholders and are readily accessible.
2	Ethical and Organisational Values: Management and staff are aware of and share appropriate ethical and organisational values and uphold these through their own behaviour and decision-making.	Eurojust has procedures in place – including updates and yearly reminders – to ensure that all post holders are aware of relevant ethical and organisational values, in particular ethical conduct, avoidance of conflicts of interest, fraud prevention and reporting irregularities and to ensure that when conducts contrary to such values take place (such as fraud, harassment and so forth) corrective measures are immediately taken.
<u>Human Resources</u>		
3	Staff Allocation and Mobility: The allocation and recruitment of staff is based on Eurojust strategic objectives and the priorities set in the Work Program and Unit Plans. Management support and plan staff mobility so as to strike the right balance between continuity, diversity and renewal.	<ul style="list-style-type: none"> a. Whenever necessary, and at least once a year, management aligns the organisational structures and staff allocations with priorities and workload; b. A yearly Recruitment Plan is developed and aligned with priorities and needs of the business (work of the College, National Desks, and Administration); c. Staff job profiles are aligned and consistent with relevant mission statements; d. Eurojust has a policy to promote, implement and monitor mobility, in order to





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		<p>ensure that the right person is in the right job at the right time and, where feasible, to create career opportunities; and</p> <p>e. Necessary support is defined and delivered to staff to facilitate their integration in the (new) team.</p>
4	<p>Staff Development: Staff performance is evaluated against individual annual objectives, which fit with the overall objectives identified in the Work Program and Unit Plans. Adequate measures are taken to ensure competency development to assist staff to achieve full potential and to achieve the Eurojust objectives.</p>	<p>a. In the context of all performance assessments (the Career Development Review (CDR), probationary report, etc) discussions are held individually with all staff to establish their (annual) objectives and to develop a learning culture;</p> <p>b. Staff performance is evaluated according to standards set by management;</p> <p>c. A yearly Learning and Development Plan is developed for the whole organisation based on needs deriving from Eurojust objectives, Unit Plans and appraisal reports;</p> <p>d. A Training Map is completed annually by each staff member discussed with and approved by the line manager. An individual training record is maintained and kept up to date; and</p> <p>e. Management ensure that every staff member attends at least the training courses of a compulsory nature as defined in the Learning and Development Plan of Eurojust.</p>
<p><u>Planning and risk Management Processes</u></p>		
5	<p>Objectives and Performance Indicators: Eurojust's Objectives are clearly defined and updated when necessary. These are formulated in a way that makes it possible to monitor their</p>	<p>a. Eurojust's Annual Work Programme (AWP) is developed in accordance with applicable guidance and on the basis of a dialogue between top managers, middle managers and staff in order to ensure it is understood and owned;</p>





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	<p>achievement. Key performance indicators (KPIs) are established to help management evaluate and report on progress made in relation to their objectives.</p>	<ul style="list-style-type: none"> b. The AWP clearly sets out how the planned activities at each management level will contribute to the achievement of objectives set, taking into account the allocated resources and the risks identified; c. To the extent possible, the AWP Objectives are established in line with the SMART criteria, i.e. they are Specific, Measurable (verifiable), (discussed and) Accepted, Realistic and Timed; d. Whenever necessary, the Objectives are updated to take account of significant changes in activities and priorities; e. Where appropriate Eurojust shall establish road-maps of on-going multi-annual activities, setting out critical milestones for the actions that need to be taken before the budget appropriations can be implemented for the whole period of the activity; f. In the AWP, there is at least one performance indicator per objective, both at policy area and at operational (business) activity level, to monitor and report on achievements. To the extent possible, the performance indicators are established according to the RACER criteria, i.e. they are Relevant, (discussed and) Accepted, Credible, Easy and Robust; and g. Reporting structures are in place to alert management when indicators show that the achievement of the objectives is at risk.
6	<p>Risk Management Process: A risk management process that is in line with applicable provisions and guidelines is integrated into the annual activity planning.</p>	<ul style="list-style-type: none"> a. A risk management exercise is conducted at least once a year as part of the AWP process and whenever management considers it necessary (typically in the event of major modifications to Eurojust's activities occurring during the year). Risk Management is performed in line with applicable provisions and guidelines; b. Risk management action plans are realistic and take into account cost/benefit





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		<p>aspects in order to avoid disproportionate control measures. Processes are in place to ensure that actions are implemented according to plan and continue to be relevant; and</p> <p>c. Risks considered critical are indicated in the Annual Work Plan (AWP) and followed-up in the Annual Activity Report (AAR).</p>
<u>Operations and Control Activities</u>		
7	<p>Operational Structure: Eurojust's operational structure supports effective decision-making by suitable delegation of powers. Risks associated with the Eurojust's sensitive functions are managed through mitigating controls and ultimately staff mobility. Adequate IT governance structures are in place.</p>	<p>a. Delegation of authority is clearly defined, assigned and communicated in writing, conforms to legislative requirements and is appropriate to the importance of decisions to be taken and risks involved;</p> <p>b. All delegated and sub-delegated authorising officers have received and acknowledged specific delegation instruments;</p> <p>c. As regards financial transactions, delegation of powers (including both 'passed for payment' and 'certified correct') is defined, assigned and communicated in writing;</p> <p>d. Eurojust's sensitive functions are clearly defined, recorded and kept up to date. For each sensitive function: (i) A risk assessment is carried out and relevant mitigating controls are established; and (ii) Once a staff member has been exercising the same sensitive function(s) for five years, risk is re-assessed, following which management decides to move the staff member, or to transfer the sensitive function(s) or to implement additional mitigating controls which reduce the residual risk to a level it considers acceptable;</p> <p>e. Eurojust records derogations granted to allow staff to remain in sensitive functions beyond five years along with documentation of the risk analysis and the mitigating controls. It reports on these in the Annual Activity Report based on corresponding instructions; and</p>



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		<p>f. The standard ICT governance policy of Eurojust shall be applied; in particular, priorities are clearly set and monitored with the involvement of the ICT Steering Group.</p>
8	<p>Processes and Procedures: The Eurojust's processes and procedures used for the implementation and control of its activities are effective and efficient, adequately documented and compliant with applicable provisions. They include arrangements to ensure segregation of duties and to track and give prior approval to control overrides or deviations from policies and procedures.</p>	<p>a. Eurojust's main operational (business) and financial processes and procedures and IT systems are adequately documented;</p> <p>b. Eurojust's processes and procedures ensure appropriate segregation of duties (including for non-financial activities);</p> <p>c. Eurojust's processes and procedures comply with applicable provisions, in particular the Eurojust Financial Regulation (e.g. ex-ante and ex-post verifications) and Eurojust's Rules of Procedures; and</p> <p>d. A method is in place to ensure that all instances of overriding of controls or deviations from established processes and procedures are documented in exception reports, justified, duly approved before action is taken and logged centrally.</p>
9	<p>Management Supervision: Management supervision is performed to ensure that the implementation of activities is running efficiently and effectively while complying with applicable provisions.</p>	<p>a. Management at all levels supervise the activities they are responsible for and keep track of main issues identified. Management supervision covers both legality and regularity aspects and operational performance (i.e. achievement of AWP Objectives);</p> <p>b. The supervision of activities involving potentially critical risks is adequately documented;</p> <p>c. Management monitors the implementation of accepted audit recommendations (i.e. from European Court of Auditors and Internal Audit Service, and from the</p>





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		<p>Joint Supervisory Body (JSB)), and related action plans; and</p> <p>d. At least once a year and at any time deemed appropriate, the Administrative Director informs the College of any potentially significant issues related to internal control and audit and OLAF investigations, as well as material budgetary and financial issues that might have an impact on the sound financial management of appropriations or which could hamper the attainments of the objectives set.</p>
10	<p>Business Continuity: Adequate measures are in place to ensure continuity of service in case of "business-as-usual" interruption. Business Continuity Plans (BCP) are in place to ensure that the Eurojust is able to continue operating to the extent possible whatever the nature of a major disruption.</p>	<p>a. Adequate measures – including handover files and deputising arrangements for relevant operational (business) activities and financial transactions – are in place to ensure the continuity of all services during 'business-as-usual' interruptions (such as sick leave, staff mobility, migration to new IT systems, incidents, etc);</p> <p>b. Business Continuity Plans (BCP) cover the crisis response and recovery arrangements with respect to major disruptions (such as pandemic diseases, terrorist attacks, natural disasters, etc). They identify the functions, services, and infrastructure which need to be restored within certain time-limits and the resources necessary for this purpose (key staff, buildings, IT, documents and other). Eurojust Plans take account of the BCPs of the horizontal Units and Services in respect of their responsibilities for corporate services, completed as appropriate by measures specific to the Unit concerned;</p> <p>c. Procedures are established for exercising, updating and validating the BCPs. Reviews are at least annual, through the existing risk management process;</p> <p>d. Electronic and hardcopy versions of the BCPs are stored in secure and easily accessible locations, which are known to relevant staff; and</p> <p>e. Contingency and back-up plans for information systems are established, maintained, documented and tested as determined by operational, business</p>

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		continuity and security needs.
11	Security, Fire and Safety: appropriate process and procedures are implemented in order to provide the security and safety of Eurojust's assets and personnel	<ul style="list-style-type: none"> a. Risk assessment related to the security and safety of the assets and personnel is performed on a regular basis; b. Perform the security and fire safety services at Eurojust premises and monitor the performance of the security and safety systems and implemented measures; and c. Provide security and safety related trainings, briefing session and exercises.
12	ICT Security: The ICT security management framework is in place which ensures that the ICT related risks are assessed on a regular basis and the appropriate measures are in place.	<ul style="list-style-type: none"> a. Perform the risk assessment of new systems and significant changes / upgrades of the systems; b. Identify the ICT security requirements and provide input / advice on the measures to be implemented in order to fulfil the objectives defined in the requirements; and c. Monitor the ICT security related events on the systems and monitor the performance of the implemented ICT security measures.
13	Document Management: Appropriate processes and procedures are in place to ensure that the Eurojust's document management is secure, efficient (in particular as regards retrieving appropriate information) and complies with applicable legislation.	<ul style="list-style-type: none"> a. Document Management Systems (DMS) and related procedures comply with relevant compulsory security measures, provisions on document management and rules on protection of personal data; and b. In particular, every document that fulfils the conditions laid down in the implementing rules needs to be registered, filed in at least one official file (each file being attached to a heading of the Filing Plan), and preserved by appropriate use of Eurojust's registration and filing systems.





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<u>Information and Financial Reporting</u>		
14	<p>Information and Communication: Internal communication enables management and staff to fulfil their responsibilities effectively and efficiently, including in the domain of internal control. Eurojust shall have an external communication strategy to ensure that its external communication is effective, coherent and in line with Eurojust's key political messages. IT systems used and/or managed by Eurojust (where Eurojust is the system owner) are adequately protected against threats to their confidentiality and integrity.</p>	<ul style="list-style-type: none"> a. Internal and external communications comply with relevant copyright provisions; b. Management scoreboards or equivalent tools are developed for Eurojust main activities and thereafter, if appropriate, at the level of Units and Services. These include concise management information necessary to oversee the entity's activities and evolution, for example: performance indicators, financial information, legality and regularity error rates, project deadlines, significant audit findings, human resources (HR) indicators or other relevant management information; c. Arrangements in line with Eurojust's Internal Communication Policy/Strategy are in place to ensure that management and staff are appropriately informed of decisions, projects or initiatives that concern their work assignments and environment; d. All postholders are encouraged to communicate potential internal control weaknesses, if judged significant or systemic, to the appropriate management level. Contact person(s) is/are assigned to facilitate and coordinate such reporting; e. Eurojust shall have a documented strategy for external communication, including clearly defined target audiences, messages and action plans. The Communication Strategy/Policy is devised from the beginning of policy formulation and is discussed with the appropriate management level responsible. Coordination is sought with other Units/Services and the College concerning communication priorities; f. The Information Systems' Security Policy specified in the Eurojust Security Rules is applied; and



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		g. The IT systems support adequate data management, including database administration and data quality assurance. Data management systems and related procedures comply with relevant Information Systems Policy, compulsory security measures and rules on protection of personal data.
15	<p>Accounting and Financial Reporting: Adequate procedures and controls are in place to ensure that accounting data and related information used for preparing the organisation's annual accounts and financial reports are accurate, complete and timely.</p>	<p>a. Each Authorising Officer is responsible for ensuring the reliability and completeness of accounting information under his/her control needed by the Accounting Officer for the production of accounts that give a fair view of Eurojust's financial position and budgetary implementation;</p> <p>b. The Accounting Officer of Eurojust is responsible for the quality of the information and accounting data supplied to the EU Commission for consolidation purposes to the best of her knowledge;</p> <p>c. Eurojust's accounting procedures and controls are adequately documented; and</p> <p>d. Financial and management information produced by Eurojust, including financial information provided in the Annual Activity Report (AAR), is in conformity with applicable accounting rules and the Accountant's instructions.</p>
Evaluation and Audit		
16	<p>Evaluation of Activities: Evaluations of expenditure programmes, legislation and other non-spending activities are performed to assess the results, impacts and needs that these activities aim to achieve and satisfy.</p>	<p>Evaluations are performed in accordance with the guiding principles of the European Commission's evaluation standards. Corresponding evaluation baseline requirements are applied for retrospective evaluations (interim, final and ex-post) while prospective evaluations (ex-ante and impact assessments) follow the relevant specific guidelines.</p>



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17	Assessment of Internal Control Systems: Management assess the effectiveness of the Eurojust's key internal control systems, including the processes carried out by implementing bodies, at least once a year.	Management assess the effectiveness of Eurojust's key internal control systems, including the processes carried out by implementing bodies, at least annually. Such self-assessments can, for example, be based on staff surveys or interviews combined with management reviews of supervisory reports, results of evaluation and ex-ante/ex-post verifications, audit recommendations and other sources that provide relevant information about Eurojust's internal control effectiveness.

