

Annex 1 :
Amendment of Annex VII – Risks 2016

Nr.crt.	Risk description		Activity/Objective 2016	Impact (1-5) in terms of financial and reputation	Likelihood (1-5) based on previous experiences	Inherent risk (if no controls applied or ineffective) Critical/High/Medium/Low	Considering controls in place + effectiveness	Impact (1-5) in terms of financial and reputation	Likelihood (1-5) based on previous experiences	Residual risk (critical/high/medium/low)	Measures to achieve acceptable risk for management
	Consequence	Cause									
1	Inconsistency and low quality of the messages sent by the Agency as well as stakeholders reluctant to accept/implement ERA outputs	(may be caused by) insufficient/inadequate methods to communicate/promote Agency products/services and to convince stakeholders of the benefits of ERA outputs	Activity 5: Evaluation, management and resources Objective 37 and 39	5	2	High (10)	Communication plan/activities in place (e.g. organization of railway events, satisfaction surveys) Regular feedback from stakeholders/various dissemination activities	5	2	High (10)	a) Mandatory development/inclusion in all ERA projects of early impact assessment b) Continue implementation of ERA communication strategy action plan c) Development and evaluation of Agency outputs through railway indicators
2	Decrease of the likelihood of identifying and preventing potential Col situations as well as fraud cases.	(may be caused by) insufficient awareness on ethical conduct/guidance on specific areas	Activity 5: Evaluation, management and resources Objective 46	3	3	Medium (9)	<ul style="list-style-type: none"> Conflict of interest policy for all staff ; Induction session on ethics Code of Good Administrative behaviour Practical guide to staff on ethics and conduct A functional mailbox on ethical issues However, the existing rules are not promoted and measures are rarely taken to make sure that these rules are observed	2	1	Low (2)	Implement the action plan of the Anti-fraud strategy
3	Fail in the implementation of the Agency roadmap for the 4RWP (i.e. internal preparation for the new functions/responsibilities)	(may be caused by) The complexity of the programme affected by number of factors involved (i.e. political – e.g. seat agreement/headquarters, technical, economical - e.g. fees and charges, unexpected changes of legislation, uncertainties regarding implementing rules, short deadlines) impacting all units	Activity 1: Harmonised approach to Safety Activity 2: Removing technical barriers Activity 1: Objective 1 & 5 Activity 2: Objective 11 -15	5	3	Critical (15)	a) Internal task force in charge of the overall coordination of the programme has been established in April 2015. b) Monthly progress reports to the ERA management team to identify potential problems and decide adequate measures. c) Coordination meetings with the European Commission, NSAs and the AB have been put in place to ensure coherence of the programme.	5	2	High (10)	A 4RWP Steering Committee involving all key stakeholders shall be set up as soon as the technical pillar has entered into force.
4	<ul style="list-style-type: none"> major shortcomings in the project planning, inadequate use of resources low quality of deliverables. 	(may be caused by) insufficient preparedness of the Member States (e.g. roles, responsibilities, working methods) involved in delivering the key processes (i.e. issuing vehicle authorisation, safety certificates, checking ERTMS trackside files) to the specific requirements	Activity 1: Harmonised approach to Safety Activity 2: Removing technical barriers Activity 2: Objective: 15	5	4	Critical (20)	a) The key processes provides the possibility of different iteration in the assessment phase giving time to put in place and to have enough feedback from the audit scheme to be put in place for NSA and NOBO activities. b) Regular and structured meetings with the stakeholders (in particular NSAs, MSs, EC) c) Participation of the Agency in real cases authorisation. d) Monitoring MS progress towards conformity with the 4RWP e) Regular and structured meetings with the stakeholders(in particular NSAs, MSs, EC)	5	3	Critical (15)	a) Participation of the Agency in learning case phase. b) Applicants pre-engagement in delivering of the key processes should be implemented in close cooperation with NSAs.

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5	Operational 4RWP - One Stop Shop development Delay in the implementation of the Agency new tasks –i.e. granting safety certificates and issuing vehicle authorisation	(may be caused by) Delays in the development of the 'One stop shop' tool (i.e. development lifecycle, disagreement Agency/NSAs)	Activity 1: Harmonised approach to Safety Activity 2: Removing technical barriers Activity 2: Objectives: 13	5	3	Critical (15)	a) Application Architect Designer (ADD) appointed from September 2015 b) Close cooperation between the ADD and the operational units to ensure the capture of the business needs as soon as possible c) Participation of the Agency in the NSA subgroup on cooperation agreements to capture the views of the NSAs	5	2	High (10)	a) First set of OSS specification already available from February 2016 b) Final specifications to be provided by February 2017. c) Develop an IT architecture allowing several iteration of specifications coming from new business needs d) Analyse the possibility to complement the NSA network of February 2016 by a workshop dedicated to this subject
6	Operational 4RWP -Issuing vehicle authorization Impact the Agency roadmap for 4RWP	(may be caused by) Tools not ready before starting issuing vehicle authorization (implementing acts, IT systems OSS)	Activity 2: Removing technical barriers Activity 2: Objectives: 13	4	3	High (12)		4	3	High (12)	Develop alternative/contingency plans solutions in the related project plans
7	Human resources - 4RWP Impact on the planning and allocation of human resources.	(may be caused by) a) Uncertainty in the number of applications the Agency can expect to receive for various authorisation processes (i.e. vehicle authorisations and safety certificates) due to the fact that the legal framework gives the choice to the applicants to who it will apply (i.e. NSAs or ERA) in the case of an area of use and an area of operation in only one MS. b)The number of VA is also difficult to predict.	Activity 5: Evaluation, management and resources Objective: 46	4	3	High (12)		4	3	High (12)	a) Survey to the manufacturer to estimate the number of VA based on the current ongoing tenders and those ones expected in the next years b) Participation of the Agency in real cases authorisation and in learning case phase allowing to estimate the need in staff
8	Human resources - Competences & allocation • lack of quality and delays of the agency current and future key outputs/objectives (e.g. implementation of railway registers, one single stop shop) • damage of the Agency reputation.	(may be caused by) Inadequate competences/allocation and recruitment of staff as well as unclear remits (e.g. especially for new areas of responsibilities) and high turnover of external staff (e.g. IT area)	Activity 5: Evaluation, management and resources Objective: 46	5	4	Critical (20)	a) Competence management project ongoing b) Implementation of the selection procedure	4	3	High (12)	a) Short term - Analyse the possibility to plan and recruit contractual staff (e.g. to compensate the limited recruitment of temporary agents and resources allocated for SZR JU; high turnover of external IT staff). b) Mid and long term - Continue the implementation of the competency management system project (e.g. identifying competency requirements for the 4RWP, gap analysis, selection of pool of experts)

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9	<p>Implementation of interoperability objective jeopardized by external security issues</p> <p>Delays or limits to the implementation of key objectives in the field of interoperability (i.e. removal of technical barriers, cleaning up of national rules).</p> <p>(may be caused by) Potential occurrence of malicious acts and/or migration related issues affecting the rail sector</p>		<p>Activity 2: Removing technical barriers</p> <p>Activity 3: A single EU train control and communication system</p> <p>Activity 2: Objectives 9, 10.</p> <p>Activity 3: Objective 25</p>	4	5	Critical (20)	<ul style="list-style-type: none"> Safety requirements already in place TSIs and CSMs are the available mechanisms to enable the implementation of an EU common approach on security 	4	5	Critical (20)	<p>Developing the Agency position on rail security issues, such as including:</p> <ul style="list-style-type: none"> Impact of security issues in interoperability Extension of the existing interoperability and safety requirements within EU legislation to address security hazards emergence of new threats (e.g. Cyber-security)
10	<p>Innovation challenges</p> <p>Unsufficient adaptation to new changes and a lower competitiveness of the EU technical railway system</p> <p>(may be caused by) Worldwide diversification/innovation of the railway system, development of new technologies not taken into account by the Agency</p>		<p>Activity 4: A simplified access for customers</p> <p>Activity 5: Evaluation, management and resources</p> <p>Activity 4: Objective: 34</p> <p>Activity 5: Objectives: 42, 43 & 45</p>	4	4	High (16)	Rail expertise provided to the European Commission on research related to Single European railway Area (ERRAC, Shift 2 Rail)	4	3	High (12)	<p>a) Development of the ERA international strategy</p> <p>b) Development of the ERA Research Strategy (e.g. creating a general framework for enabling innovative solutions to be covered in future TSI's)</p>
11	<p>Agency planning and prioritisation</p> <p>Mismatch between the stakeholders expectations and the delivered outputs as well as increase perception that the Agency does not have sufficient impact over the railway sector</p> <p>(may be caused by) Lack of prioritisation and limited control over the changes (including divergent interests of stakeholders)</p>		<p>Activity 5: Evaluation, management and resources</p> <p>Objective 36, 37 and 39</p>	4	4	High (16)	<ul style="list-style-type: none"> Organisation of different stakeholders' networks Stakeholder consultation workshop for the SPD Prioritisation exercise ongoing; early assessment already started; ERA Management Team monthly reports monitoring Early engagement with the European Commission on the Agency strategic planning 	3	4	High (12)	<p>a) Implementation of ERA communication strategy action plan</p> <p>b) Implementation of the project on prioritization of activities (including ex-post evaluation based on developed railway indicators)</p> <p>c) Regular monitoring of the ERA KPIs</p> <p>d) Negotiate with the Commission the reviewed ERA priorities</p>
12	<p>Integrated Management System (IMS) programme</p> <ul style="list-style-type: none"> Delay in the achievement of ERA objective of ISO 9001 certification by 2017 and the strategic objective - be fully ready by 2018 for the 4RWP tasks, Damage ERA's reputation vis-a-vis to its stakeholders (e.g. EC, Council, NSA's, sector etc.) <p>(may be caused by) Delays in the implementation of the IMS programme</p>		<p>Activity 5: Evaluation, management and resources</p> <p>Objective 40</p>	5	4	Critical (20)	<ul style="list-style-type: none"> IMS Documentation Plan implemented Prioritisation of IMS processes development 	5	3	Critical (15)	<p>Effective planning and monitoring of the IMS programme by:</p> <p>a) reprioritising the Agency's activities taken into account the priorities for the certification;</p> <p>b) allowing sufficient time for implementation, and</p> <p>c) allocate adequate resources</p> <p>d) monthly monitoring of IMS implementation</p>

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13	<p align="center">IT systems</p> <ul style="list-style-type: none"> • reputational risk for ERA • negative business impact on stakeholders (e.g. no access to the relevant information to perform their work or support their operations, investigations etc.) 		<p align="center">Activity 5: Evaluation, management and resources</p> <p align="center">Objective: 49</p>	5	3	Critical (15)	<ul style="list-style-type: none"> a) additional resources allocated b) SECURIS project started 	5	2	High (10)	<p>To design an Information Security Management System (ISMS), named SECURIS@ERA, that will allow the Confidentiality, Integrity and Availability of the Agency's Information Assets</p>
14	<p align="center">Budget and procurement execution</p> <ul style="list-style-type: none"> 1. Significant carry-overs of committed appropriations for operational expenditures (29.42 % - Title III and 18.98 % - Title II of carry-overs of payment appropriations in 2015 in comparison to acceptable level of 30% - Title III and 20% - Title II) putting annuality principles at risk (resulting in a potential negative revision of the Agency's budget for the year n+1.) 2. Delays in the implementation of the Work Programme 3. High exposure to criticism from ECA and the Budgetary Authority (putting at risk the discharge process) 		<p align="center">Activity 5: Evaluation, management and resources</p> <p align="center">Objective 47</p>	4	3	High (12)	<ul style="list-style-type: none"> a) Close follow-up of the budgetary expenditure; b) Databox tool for following the implementation of the WP (SPD) c) Creation of a daily budget execution with commitments and payment details available to each unit. a) Procurement and contract management procedure in place 	4	2	Medium (8)	<ul style="list-style-type: none"> a) Continue monitoring the effectiveness of the procurement and contract management procedure b) Assign individual responsibilities/objectives for HoUs in the CDR related to budget and procurement execution