

Making the railway system
work better for society.

Consolidated Annual Activity Report of the EU Agency for Railways

2019

Table of Contents

Management Board’s analysis and assessment.....	4
Executive summary.....	8
Part 1 - Achievements of 2019	10
1.1 Activity 1. Contributing to shaping target reference and global reference for the EU rail system	11
1.2 Activity 2. Developing the harmonised regulatory SERA technical framework	17
1.3 Activity 3. Implementing the harmonised regulatory SERA technical framework (under 4RP)	22
1.4 Activity 4. Monitoring, evaluating and reporting	30
1.5 Activity 5. Delivering efficient and effective services	35
Part 2 – Management.....	42
2.1 Management Board.....	42
2.2 Major Developments.....	44
2.3 Budgetary and financial management.....	45
2.4 Delegation and sub-delegation of the powers of budget implementation to agency’s Staff.....	48
2.5 Human resources management.....	48
2.6 Strategy for efficiency gains.....	50
2.7 Assessment of audit and ex-post evaluation results during the reporting year	50
2.7.1. Internal Audit Service (IAS).....	50
2.7.2. Internal Audit Capability (IAC) (where applicable).....	50
2.7.3. European Court of Auditors (ECA).....	50
2.8a Follow up of recommendations and action plans for audits and evaluations	50
2.8b Follow up of recommendations issued following investigations by the European Anti-Fraud Office (OLAF).....	51
2.9 Follow up of observations from the Discharge authority.....	51
2.10 Environment management.....	51
2.11 Assessment by management.	51
Part 3 – Assessment of the effectiveness of the internal control systems	54
3.1 Effectiveness of internal control systems	54
3.2 Conclusions of assessment of internal control systems	54
Part 4 – Management assurance.....	56
4.1. Review of the elements supporting assurance.....	56
4.2 Reservations.....	56
Part 5 – Declaration of assurance.....	57
Declaration of Assurance	57
Annexes	58
Annex I – Core business statistics.....	58

<i>Annex II – Statistics on financial management</i>	59
<i>Annex III – Organisational chart</i>	66
<i>Annex IV – Establishment plan and additional information on Human Resources management</i>	67
<i>Annex V – Human and financial resources by activity</i>	70
<i>Annex VI – Contribution, grant and service level agreements. Financial Framework Partnership Agreements</i>	71
<i>Annex VII – Environment management</i>	72
<i>Annex VIII – Final annual accounts</i>	73
Glossary	77

Management Board's analysis and assessment

The Annual Activity Report 2019 of the EU Agency for Railways is prepared in line with the provisions of the Agency Regulation (EU) No. 796/2016 and those of the Commission Delegated Regulation (EU) 2019/715 of 18 December 2018 on the framework financial regulation.

The report describes the performance of the Agency, together with financial and management information for the year 2019. The above-mentioned regulations also require the Management Board to adopt the Annual Activity Report and forward it by 1 July to the European Parliament, the Council, the Commission and the Court of Auditors, and to make it public.

The Agency has made the necessary efforts to align the content of the current report to the provisions of the Communication from the Commission on the strengthening of the governance of Union Bodies under Art. 70 of the Financial Regulation 2018/1046 and on the guidelines of the Single Programming Document and the Consolidated Annual Activity Report, issued in April 2020.

Assessment by the Agency's Management Board

The Board has assessed the Executive Director's report on the achievements and results for 2019. The Board acknowledges the Agency's performance and notes the following key aspects:

(1) The Agency has successfully started by 16 June 2019 to perform its role of **EU authority responsible for issuing authorisations for placing railway vehicles on the market, single safety certificates for railway undertakings and ERTMS trackside approvals, as stated in the legal framework of the 4th Railway Package.**

In 2019, this role was performed in relation to the eight Member States which have transposed the technical pillar of the 4th Railway Package, with the remaining ones following by 16 June 2020 or latest 31 October 2020.

The Board notes that all the new legal instruments and structures envisaged to complete the technical pillar's legislative framework were in place in 2019, most notably: the practical arrangements on vehicle authorisations (VA), on single safety certificates (SCC), the recommendation on ERTMS trackside approval, a scheme for fees and charges, a Board of Appeal and its rules of procedure, common safety methods and the reviewed technical specifications for interoperability.

The One-Stop Shop (OSS) release one was put in production and used for the VA, SSC and ERTMS Trackside approval applications. Further releases will be put in production at regular basis in order to support additional functionalities like e.g. the full integration with ERATV, to improve the performance of the tool or, if any, to correct bugs identified when using the OSS in production.

Several decisions taken by the Management Board in 2019 have supported Agency's new role, including: the decision on establishing procedures for decision-making by the Executive Director in relation to authorisations for placing vehicles on the market, single safety certificates, and ERTMS track-side approvals; the decision on the continuation of the mandate for the 4th Railway Package Readiness Assurance; the decision on establishing the Board of Appeal and on appointing its members and Chairperson.

At the same time, the Management Board has unfortunately still not managed in 2019 to decide on a language arrangement for the Agency.

The Management Board welcomes the transparency proven by the Agency in sharing up-to-date data on the number of applications and requests received and processed by the Agency for its authority tasks.

The Management Board express their satisfaction regarding the good continuation of the peer review activities in 2019, which allowed the MB to get reports about the Agency's preparedness for the 4th RP and to address the early issues linked to its implementation in a constructive way.

This decision of the Management Board to endorse the Agency's Executive Director initiative and make it a part of their continued attention is a proof that the MB was deeply interested in the Agency's preparedness for its new tasks and it has proven to be a very constructive forum where information and good practices can be exchanged. In this context the management board decided to continue to support the Agency by continuation of the steering group until end of 2020.

(2) The Board notes that the Agency has continued to successfully deliver **its tasks in the field of EU rail interoperability and safety**.

At the beginning of 2019 the necessary revisions of the TSIs linked to the 4th Railway Package were voted. The first year after these revisions was mainly dedicated to identifying the priorities and to establishing a multi-annual planning for potential future revisions, including the correlation between the TSIs revision cycle and the standards revision cycle. In parallel, a strong focus was maintained on the cleaning up of the remaining national technical rules.

The Agency delivered the ERTMS Opinion service pack 2 for handling of Change Requests. A revision of TAP TSI was performed in 2019 to facilitate-ticketing and multi-modal travel, while for TAF TSI an intermediate report was issued on the access to tracking data for customers.

The MB acknowledges positively the transparent way how the Agency deals with new urgent policy requests impacting its SPD and involves the MB, e.g. the requests on occurrence reporting.

The Agency looked into the potential risks in automation, in particular impact on train drivers skills from ATO and continued the work in the field of safety culture.

(3) The Management Board notes that the Agency has performed its tasks in the field of **NSA monitoring, in line with the targeted scope, as well as the NoBo monitoring tasks**.

The Management Board deems these activities as being important to support the tasks related to issuing the VA and SSC, as well as for the TSI revision process and encourages the Agency to keep a sustained rhythm for these activities in the future.

(4) The Management Board appreciates **Agency's presence in relevant EU and international fora as well as its facilitating role in the context of the NSA and NIB cooperation**.

The Management Board acknowledges Agency's important contribution in the framework of the RASCOP platform, CEN/CENELEC, OSJD, OTIF as well as its key role played in the scope of the IPA and EuMedRail projects.

(5) The Management Board acknowledges the Agency's efforts **to strengthen its strategic development in coordination with the European Commission and in relation to the Executive Board strategic agenda**.

In 2019, several roadmaps have been shared with the Management Board and have been reflected in the content of SPD 2020. The Management Board welcomes Agency's efforts to ensure a strategic response to the emerging topic on linked data, by defining 2 pilots which have been included in SPD 2020.

Other topics from the Executive Board's strategic agenda to which the Agency responded by setting up dedicated projects include Women in Transport and the Agency's organisational culture change. These projects will be implemented starting 2020.

In 2019 the MB appreciated the way in which the SPD 2021 workshop was organised and encourages the Agency to use a similar concept for the future workshops. As for the SPD document itself, the Management Board appreciate that the Agency has started to use it as a living document and to share progress with the Executive and Management Board on a pro-active basis.

(6) The Management Board acknowledges the Agency's efforts to cope with **budget constraints** in the course of 2019, as well as the support offered by the European Commission in this respect.

The Agency has faced in 2019 the challenges inherent to the start-up of the fee-based activities in the context of the European accounting rules. With all the necessary investments put in place to make sure that the authority tasks could be delivered timely, including the hiring of the necessary experts, and with the fees and charges being levied with a time lag, the Agency has found itself under financial pressure, which could be dealt with based on the European Commission's support.

(7) The Management Board acknowledges the **level of transparency of Agency's reporting on the budget spending and the achievement of outputs**, respectively.

In 2019, the Agency regularly reported on its budget spending and has also started to provide the Management Board with a regular monitoring of the outputs achievement, including early warning on indicators which face a risk of not being achieved. This allows both the Management Board and the Agency to have a pro-active approach in relation to the achievement of the SPD targets.

(8) The Management Board notes the continued work on **complying with internal control standards and the constructive approach to the observations from the Internal Audit Service and the European Court of Auditors**.

The Management Board encourages the Agency to complement the assurance and compliance activities with initiatives related to increasing efficiency and performance, in line with the European Commission's recommendations.

(9) The Management Board welcomes the continued efforts of the Agency in terms of strengthening **communication**, marked by the successful organisation of the CCRCC event in 2019, publications, as well as the Agency's website, which is positively perceived by the Agency's stakeholders.

The Management Board acknowledges the Agency's presence in the context of the EC initiatives related to Women in Transport and encourages strengthening it in the future.

Conclusions and recommendations

(1) The information provided in the Annual Activity Report 2019 gives the Management Board sufficient assurance that the resources assigned have been used for their purpose in accordance with principles of sound financial management. In addition, the control procedures put in place give the necessary guarantees concerning the legality and regularity of the transaction underlying the accounts.

(2) The Board notes a satisfactory degree of achievement of Agency's targets for the various outputs, as well as a satisfactory degree of achievement for its set of KPIs in 2019. The Management Board encourages the Agency to continue the regular monitoring of budget spending and outputs achievement and to keep as standing agenda item on these aspects on the occasion of the Management Board meetings.

(3) The Management Board recognises that the Agency has shown its preparedness to cope with the authority tasks in 2019 and encourages the Agency to keep a sustained level of performance for the years to come. The Management Board will continue its close involvement in this with the help of the Steering Group. It also invites the Budget Authority to dedicate sufficient resources to the EU Agency for Railways, in line with the expected prioritisation of tasks.

(4) The Management Board will continue to monitor the satisfactory development of the operation of the financial budget, the internal control standards, the IAS reporting and the report from the ECA. In addition to strengthening its compliance and assurance activities, the Management Board encourages the Agency to address the efficiency and performance gains, in line with the European Commission recommendations.

(5) The Management Board appreciates Agency's efforts to strengthen the strategic planning of its activities in coordination with the European Commission and in line with the Executive Board's strategic agenda and encourages the Agency to continue these efforts in the future.

(6) The Management Board acknowledges Agency's proven efforts to cope with the challenges related to availability of resources during 2019 and its effectiveness in ensuring business continuity despite these challenges. Agency's agility is needed even more for the incoming period in order to effectively cope with the Covid-19 crisis impacts. In this context, the Management Board already notes Agency's efforts to ensure continuity of its operations and to accompany the railway sector in facing the related challenges.

(7) The Management Board adopts the Annual Activity Report in its meeting of 17 June 2019. In the light of the above analysis and assessment, the Management Board requests to forward this Report, together with this analysis, to the European Commission, the European Parliament, the Council, the Permanent representatives of the Member States and the Court of Auditors.

For the Management Board

The Chairwoman

Clio LIÉGEOIS

Executive summary

The Annual Activity Report for 2019 highlights the main achievements of the Agency's activities against the work programme defined for the year, taking into account the main internal and external factors which have influenced the work of the Agency.

The Agency's **main achievements** of 2019 can be summarised along the following lines:

- › a successful start in Agency's role of authority in the framework of the 4th Railway Package technical pillar. With eight Member States having transposed in 2019, the Agency has started on 16 June 2019 its role of EU authority responsible for issuing authorisations for placing railway vehicles on the market (VA), single safety certificates (SSC) for railway undertakings and ERTMS trackside approvals. The One-Stop Shop release one was put in production and used for the VA, SSC and ERTMS Trackside approval applications;
- › establishing the Board of Appeal;
- › signing Cooperation Agreements with the NSAs of MSs not having notified the transposition in June 2020 (twelve agreements in 2019);
- › supporting the Commission in delivering a package of TSIs revisions at the beginning of the year and putting in place a new structure for the next TSI revision packages;
- › starting the first cycle of NSA monitoring (in line with the targeted scope) and of NoBo monitoring based on the schemes defined in the previous years and the learning acquired in the MB pilots performed in 2018;
- › delivering the ERTMS Opinion service pack 2 for handling of Change Requests;
- › Starting up the workstream on the development of a CSM on Assessment of Safety Levels and Safety Performance (ASLP), with delivery of a "Big Picture" document, setting the scene for further discussion and development;
- › progressing with the safety culture model and with attracting more organisations to sign the safety declaration;
- › revising TAP TSI to facilitate-ticketing and multi-modal travel;
- › keeping an active presence in EU and international fora (CEN/CENELEC, RASCOOP, OTIF, OSJD) and playing an active role in the implementation of the IPA and EUMedRail projects;
- › strengthening the strategic development in coordination with the European Commission and in relation to the Executive Board strategic agenda. The Agency responded, among others to the emerging need of ensuring linked data and has documented two pilots in this field, which will be implemented together with the sector in 2020. The Agency has also initiated projects in the field of its organisational culture change and Women in Transport, respectively;
- › preparing the content for training modules on VA, SSC and OSS and delivering successful training sessions, which are likely to support the delivery of its authority tasks;
- › establishing the European Vehicle Register;
- › maintaining a strong presence in the media, in parallel with the successful organisation of the CCRCC conference in Valenciennes and the ETCR training in Bruges.

The Agency ensured a high level of transparency by regularly reporting on the budget spending and the achievement of outputs, respectively. It continued to work on complying with internal control standards and on addressing the observations from the Internal Audit Service and the European Court of Auditors. The work on the efficiency gains and performance started to be planned and this will become more visible with the future SPDs and CAARs, in line with the European Commission's recommendations.

In 2019 the Agency made significant efforts to cope with budget constraints. The Agency faced in 2019 the challenges inherent to the start-up of the fee-based activities. With all the necessary investments put in place to make sure that the authority tasks could be delivered timely, including the hiring of the necessary experts, and with the fees and charges being levied with a time lag, the Agency has found itself under financial

pressure. The Agency has eventually managed to overcome these challenges, based on the support provided by the European Commission.

The Report reveals a satisfactory degree of achievement of Agency's targets for the various outputs, as well as a satisfactory degree of achievement for its set of KPIs. The Agency acknowledges that there is always room for continuous improvement and strives to continuously increase the rate of achievement of its objectives and targets. The report confirms a sound management of the budget, financial- and human resources. The Agency is properly following the audit results and audit recommendations received. The Agency's Management assurance is provided with no reservations.

Part 1 - Achievements of 2019

This part of the report records:

- › *the main achievements for the Agency's activities against SPD 2019*
- › *the achievement of Agency's KPIs, as defined in SPD 2019*
- › *the customer satisfaction perspective.*

All the annual achievements reported below are supporting the multi-annual objectives defined in SPD 2019.

A source of information is envisaged for the deliverables, which might refer to the Agency's Intranet, Extranet page or website. Some of the links might not have open access.

In **Activity 1**, in 2019 there was a focus on defining the strategic direction for the Agency focusing on how to strengthen the EU framework outside the EU and to prepare roadmaps for new upcoming strategic challenges. These roadmaps were drafted in close cooperation with the EC. In parallel, the ongoing activities were maintained for the coordination of networks and implementation of the IPA and EU MedRail project.

In **Activity 2**, at the beginning of 2019 the necessary revisions of the TSIs linked to the 4th Railway Package were voted. The first year after these revisions was mainly dedicated to identifying the priorities and to establishing a multi-annual planning for potential future revisions, including the correlation between the TSIs revision cycle and the standards revision cycle. In parallel, a strong focus was maintained on the cleaning up of the remaining national technical rules.

In **Activity 3**, the Agency started in 2019 to issue single safety certificates, vehicle authorisations and trackside approvals. In parallel, the Agency released and maintained the One Stop Shop (OSS) and upgraded the other registers according to the needs with a priority towards the implementation of the requirements linked to route compatibility checks (RINF and rolling stocks registers).

In **Activity 4**, the Agency implemented in 2019 the NSA and NoBos monitoring scheme and maintained its activities on accident/incident analysis and NIB reporting. The analysis tasks linked to impact assessment of recommendations and opinions were maintained and an additional analysis was made on the registers in order to define the potential future options to optimise the business value of the existing registers. The research activities continued to focus on the identification of research needs linked to the SERA needs and the management of the integration and follow-up of these needs within the relevant research programmes (mainly linked to the cooperation with Shift2Rail).

In **Activity 5**, the Agency implemented the necessary changes in order to continue the delivery of efficient and effective services towards its external and internal stakeholders.

1.1 Activity 1. Contributing to shaping target reference and global reference for the EU rail system**Objective 1.1 - Strengthening global cooperation in rail**

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
Coordination of the international relations based on Roadmap for engagement in the global development of regulations and standards	Report on priority needs according to roadmap for global development addressed within international relations (support to EC on international relations; ISO/IEC/ITU; OTIF; OSJD; workshops with supervisory authorities, international organisations and administrations of third countries)	Delivered to the Management Board	› Not achieved Draft report has been developed but not presented to the MB	N.a.
Coordination of SERA needs with external stakeholders	Report on priority needs for EU railway framework addressed within European and international organisations › CEN/CENELEC/ETSI (alignment of standards with EU regulation, incl. RASCOP) › Support of EC regarding standards › NSA Network › NIB and NRB management and coordination › UIC cooperation	Delivered to the Management Board	› Not achieved Information has been provided to EC in bilateral meetings as well as in meetings on international relations	N.a.

Objective 1.2 – Strategic Development

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
Agency's strategic development	Number of multi-annual roadmaps developed for priority topics from the programming document	At least 3*, published on website	› Partly achieved 3 roadmaps steered by the Agency have been discussed with the European Commission and shared with the EB and MB (Safety and Operations; TSIs; Data and digitalisation) The Agency has contributed to the CCS Principles Framework.	› Extranet: see link

			The Data and digitalisation pilots have been endorsed by MB Roadmaps have not been published on the ERA website, following EC request.	
	No. of intermediate strategic planning reports issued for new emerging topics	1**	<ul style="list-style-type: none"> › Achieved <p>1 roadmap for international/global cooperation was used as supporting document for the MB Workshop on SPD 2021</p>	<ul style="list-style-type: none"> › Extranet: see link above

* Proposals of topics for multi-annual roadmaps subject to confirmation of priorities: global cooperation; single vision of target rail system; improvement of the railway technical system specifications, based on identified needs and issues, including the coordination between the TSIs revisions cycle and the standards revision cycle; railway data and information management, including the use of databases and registers etc.

** Proposals of topics subject to confirmation of priorities: digitalization; multimodality; migration from trackside functions towards on-board functions.

Objective 1.3 – Enhancing Railway Safety through positive safety culture and integration of human and organisational factors

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
CSM ASLP	“Big Picture” document	Approved	› Presented and discussed in RISC (Nov 2019)	›
Integrate human and organisational factors	% of topics analysed by a task force / topics proposed by the network and accepted	100% coverage according to 2018 approved planning	› Achieved No topics proposed by the network. At the 15th HOF network meeting that took place in November the report on automation was presented and future areas of work were decided.-	› Extranet: see link
	Report on analysis of potential risks in automation, in particular impact on train drivers skills from ATO	Delivered	› Achieved The scope of the report was enlarged to include potential risks and opportunities for railway automation in general – meetings took place in Amsterdam and London.	› Extranet: see link
	No. sector HOF experts reached through virtual network	Min. 20 active participants	› Not achieved No decision could be taken on the technical support for this virtual network (analysis ongoing)	N.a.
Develop safety culture	No. of National/Regional Safety Culture Declaration Signing Events in cooperation with NSAs and/or IMs	2-3	› Achieved	› Internet: see link › Extranet: see link
	European Safety Culture Model and assessment method V2 of European Railway Safety Culture Model (review of V1 based on pilots)	Released V2 test report published	› Partly achieved Update model Achieved - V2 Model is ready and is released	› Extranet: see link

	<p>Model tested (at IMs and RUs; at NSAs) Guide of safety culture assessment Guide of safety culture oversight</p>	<p>Published Published</p>	<p>at HOF Network meeting (27/11/19) Guide on safety culture assessment (SCA) & oversight (SCO) still in progress SCA – pilot organised with Danish RU → Guide is being developed based on REX of pilot SCO - training developed (3 days) – pilot organised in beginning of 2020 (Switzerland/ Belgium) → Guide is being developed and training finished based on REX of Pilot</p>	
	<p>European Safety Culture evaluation process</p>	<p>Developed</p>	<p>› Not achieved Postponed with agreement of MB, to facilitate CSM ASLP start-up</p>	<p>N.a.</p>

Objective 1.4 – Implementing the EUMedRail Project

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
Workshops	No. of national workshops involving one beneficiary	6	› Achieved	› Extranet
	No. of regional workshops involving more than one beneficiary	2	› Achieved	› Extranet
	No. of international workshops including EUMEDRAIL annual conference	4	› Achieved	› Extranet
Traineeship arrangements for experts of the region	No. of trainees from the beneficiaries at the Agency	9	› Achieved	› Extranet
	No. of technical visits for specified subjects in Europe	2	› Achieved	› Extranet
	No. of technical (field) visits in the region	5	› Achieved	› Extranet
Experts participation to meetings organized by the Agency	No. of meetings/events organized by the Agency, where the experts from the region attend	2	› Achieved	› Extranet
Support to DG NEAR / UfM	No. of UfM working group meetings attended	3	› Achieved	› Extranet
	Evaluation of UfM documents related to rail transport	Performed	› Achieved	› Extranet

Objective 1.5 – Implementing the IPA Project

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
Workshops	No of IPA workshops with beneficiaries of western Balkans	4	› Achieved	› Extranet
Sharing best practices among beneficiaries of the Western Balkans and Turkey via peer review	No. of peer review activities	2	› Achieved	› Extranet
Experts participation to meetings organized by the Agency	No. of meetings/events organised by the Agency, where the IPA beneficiaries attended	4	› Achieved	› Extranet
Traineeship arrangements for IPA beneficiaries	No. of trainees from the IPA beneficiaries at the Agency	2	› Achieved	› Extranet
Support to the beneficiaries on request	No. of requests addressed	2	› Achieved	› Extranet
IPA report and support to EC	IPA report	Issued	› Achieved	› Extranet

	No. of days/month support to EC	0.5	› Achieved (2.2 days/month)	› Extranet
--	---------------------------------	-----	-----------------------------	------------

1.2 Activity 2. Developing the harmonised regulatory SERA technical framework**Objective 2.1 - Harmonised Railway Operations and Management Systems**

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
Operational rules	Proposals of solutions for priority issues from the issues log in the context of contribution to RFC activities: 1. Train composition 2. Technical checks 3. Train Braking	Solutions discussed with RFC and published	› Partly achieved ERA does not deliver the solutions but only facilitates the discussions. Discussions with RFC on-going.	N.a.
	Areas for further harmonisation and identification of national operating rules (by standards or by TSI requirements depending on the outcome of the TSI OPE text)	Identified as part of a multiannual roadmap	› Partly achieved In TSI OPE 5 priorities have been determined for which AMOC's have to be written. MS have been asked to provide input (continuous process).	› <i>Extranet: see link</i>
	Progress report on Transport of Dangerous Goods (TDG) risk assessment road map: - workshop organised on guide for risk assessment in Transport of dangerous goods; - examples of application published - survey for monitoring the use of risk assessment methodologies	Published	› Not achieved Target has been removed to facilitate the development of CSM ASLP. Work is on hold due to allocation of resources to CSM ASLP.	N.a.
Inspection, maintenance and repair of rolling stock - ECM certification	ECM accreditation scheme approved by EC and EA (European co-operation of Accreditation Bodies)	Implementing act voted	› Not achieved No feedback received from EA's. Task Force meetings planned	N.a.
		ECM guidelines published	› Not achieved Task Force meetings planned	N.a.

Objective 2.2 - Harmonised Technical Specifications (fixed installations and vehicles)

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
Fixed Installations TSIs maintenance	CCM process	CCM process operational	› Not achieved Progress: 50% - Status: The CCM process is finalized, its practical implementation is ongoing for a start in Feb 2020. Discussion to agree on the process with all involved stakeholders took longer than expected	› Extranet: see link
	Prioritization of the change requests (CRs) by the Core Team (including open points)	90% of CRs prioritised	› Not achieved Progress: 10% - Status: The Working Groups had no meeting in 2019, and the CRs were not available in 2019. EC 1 st level prioritization list of CR received 24 th of January 2020 which is the starting point to define the 2 nd level of prioritisation.	N.a.
Rolling Stock TSIs maintenance	CCM process	CCM process operational	› Not achieved Progress: 50% - Status: The CCM process is finalized, its practical implementation is ongoing for a start in Feb 2020 Discussion to agree on the process with all involved stakeholders took longer than expected.	› Extranet: see link
	Prioritization of the change requests (CRs) by the Core Team (including open points)	90% of CRs prioritised	› Not achieved	N.a.

			Progress: 10% - Status: The Working Groups had no meeting in 2019, and the CRs were not available in 2019. EC 1 st level prioritization list of CR's received 24 th of January 2020 which was the starting point to define the 2 nd level of prioritisation.	
National Technical Rules management	No of MSs having their NTRs cleaned Implementing Act for cross acceptance of NTRs, including procedures on how to cover the rules not agreed by ERA	Achieved in all MS for vehicles Delivered to EC	› Partly achieved Cleaned VA rules published in RDD for 19 member states. Among the 19 MS, 7 technical opinions on negative assessment were sent. MS and EC to follow-up these TOs. For the other MS, various level of progress achieved.	› ERA website: see RDD

Objective 2.3 - Harmonised Train Control System and telematics (communications, signalling, ERTMS system authority, telematics system authority)

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
Manage Radio Communication evolution	Intermediate report on general definition of new radio communication system	Issued	› Partly achieved Progress report on general definition foreseen for July was delivered on time Progress report on general definition foreseen for December was not delivered due to lack of progress of external contributors (UIC,	› Extranet: see link

			ETSI,...), this report will be shifted to Q2 2020.	
Manage ERTMS long term evolution	ERTMS Opinion service pack 2 for handling of Change Requests	Issued	<p>› Achieved</p> <p>Request for technical opinion 'OPI2020-2' from the EC was received on the 31st of January 2020.</p> <p>On 14th of April 2020 the technical opinion has been sent for consultation to all the stakeholders.</p> <p>Final delivery on the 5th of May.</p>	› Extranet: see link
Manage the evolution of Telematics application for passengers (TAP TSI)	Revision of TAP TSI (to facilitate-ticketing and multi-modal travel)	Issued	<p>› Partly achieved</p> <p>Revised TSI was issued beginning of 2020.</p>	› ERA website: see link
Manage the evolution of Telematics application for freight (TAF TSI)	Intermediate report on the revision of TAF TSI (to facilitate better access to tracking data for customers and the development of the rail freight corridors, combined or multi-modal transport).	Issued	<p>› Achieved</p> <p>Intermediate report was sent to the EC in July 2019.</p>	› ERA website: see link

Objective 2.4 - Disseminating and Training to support implementation of the EU framework

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
Creating the ERA Academy	Terms of Reference, project plan and specifications for the e-learning portal	Issued	› Partly achieved (80%)	› Extranet: see link to ToR and Project plan and link to draft technical specifications for the ERA academy webtool
Creating content for internal and external training and dissemination, according to priorities	Content for the 2019 priorities including at least 4RP (OSS, SSC, VA) (training modules and dissemination activities)	Developed	› Partly achieved (80%) The videos on SSC and VA have been developed and are in the review phase. The one on ERTMS has been cancelled.	› Extranet: see link to dissemination activities in 2019 in relation to the 4RP › Internet: see links to video tutorials on VA and SSC
Delivering internal and external training and dissemination	Training modules and dissemination activities according to 2019 priorities	Developed	› Achieved Dissemination activities in 2019 in relation to the 4RP developed (including trainings SSC/VA for the Pool of Experts). ETCR summer course 01 – 12/07 delivered.	› Extranet: see link › Extranet: see link

1.3 Activity 3. Implementing the harmonised regulatory SERA technical framework (under 4RP)**Objective 3.1 - Ensuring the coordination of the Fourth Railway Package implementation**

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
Revision of SSC guides and procedures	Proportion of major problems detected during shadow running, learning cases and trainings to ERA and PoE staff, for which solutions are proposed in the relevant document	95% by 16th of June 2019	› Achieved No major problems have been detected in 2019 and thus there were no significant revisions of the SSC guides and procedures.	› Extranet: see link to the issue log
Revision of VA guides and procedures	Proportion of major problems detected during shadow running, learning cases and trainings to ERA and PoE staff, for which solutions are proposed in the relevant document	95% by 16th of June 2019	› Achieved 4 lines to take have been published on the Agency website before 16 th of June, 4 lines have been published between June and end of 2019. All questions from stakeholders answered.	› ERA website: see link (under related documents)
Revision ERTMS Trackside approval guide and procedures (including the follow up of funded projects)	Proportion of major problems detected during shadow running, learning cases and trainings to ERA and PoE staff, for which solutions are proposed in the relevant document	95% by 16th of June 2019	› Achieved Application guide has been revised. Learning cases reports and internal procedure are available at ERA.	› ERA website: see link to revised application guide (under related guidance)
Internal procedure for fees and charges financial tool	Proportion of major problems detected during shadow running, learning cases and trainings to ERA and PoE staff, for which solutions are proposed in the relevant document	95% by 16th of June 2019	› Achieved Financial procedure is part of the SSC procedure – no major issues have been detected.	N.a.

Technical programme for SSC and VA Training – first round of training modules	Proportion of the identified experts from the ERA and the NSA from MS not having notified the transposition by 2020 who are trained	90% by 16th of June 2019	› Not achieved NSA Experts: 65%; ERA Experts: 54,4%; ERA SSC Experts allocated to projects (June 2019-June 2020): 76%; ERA VA Experts allocated to projects (June 2019-June 2020): 86%. ERA SSC Experts allocated to projects : 100% by September 2019; ERA VA Experts allocated to projects: 100% by June 2019.	N.a.
OSS releases	Proportion of significant problems detected during shadow running or user acceptance tests for which solutions are available in the release 1.0.	95% by 16th of June 2019	› Achieved Release 1.0 delivered on time (14/06/2019) with acceptable quality output (including problems detections and corrections during the shadow running phase).	› Extranet: see link
Establishment of the Board of Appeal	BoA established	By 16th of June 2019	› Achieved	› <i>ERA website:</i> see link
Negotiation of the Cooperation Agreements with NSAs	Proportion of Cooperation Agreements signed with the NSAs of MSs not having notified the transposition in June 2020	95%	› Achieved 100% of the target achieved. Target exceeded for 2019	› Extranet: see link
VA Learning cases	Proportion of applicants' requests for LC where the Agency is able to be engaged 80%	95%	› Achieved	› Extranet: see link to end of project report

ERTMS trackside approval Learning cases and follow up of funded projects	Proportion of applicants' request for LC and request for follow up of funded projects where the Agency is able to be engaged	80%	› Achieved Agency engaged in the requested LC (with FR, DE and NL) – 2 ended in June 2019, one started in September and is still ongoing.	N.a.
SSC Learning cases	Proportion of RUs for which the Agency will take the decision and having one of their SC expiring by end of 2019 engaged in LC	80%	› Achieved 100% of concerned RU's have been engaged. 5 applications have been submitted in 2019 for which a decision had to be issued by end 2019. All of those were involved in the learning cases. 3 of them were involved in the full scope and 2 in a limited way. The concerned RUs were THI Factory, SNCF fret , SNCF mobilité, RTS rail transport service and HUPAC	› Extranet: see link › ERA website: see ERADIS
Business helpdesk SSC/VA/ERTMS Trackside	Business helpdesk SSC/VA/ERTMS Trackside effective	By 16th of June 2019	› Achieved Service desk has been customized for this service. The website has a specific contact page and FAQ. The website is linked to SRM	› ERA website: see link
	Proportion of the requests on the Agency scope of work addressed to the business helpdesk answered within 10 working days	90%	› Partly achieved All requests answered within 10 days; not all requests closed	N.a.

			within 10 days due to unavailability of required resources (OSS IT tool and VA)	
--	--	--	---	--

Objective 3.2 - Issuing Single Safety Certificates

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
Issuing Single Safety Certificates	Proportion of decisions taken according to the legal framework deadlines (for completeness and assessment phases)	100%	<ul style="list-style-type: none"> › Achieved <p>5 applications have been submitted in 2019 for which decisions had to be issued before the end of 2019. In all of those cases the legal deadlines for taking a decision have been respected (one of the projects had a 1 day delay for the completeness check stage).</p>	<ul style="list-style-type: none"> › ERA website: see ERADIS

Objective 3.3 - Issuing Vehicle Authorisations, including ERTMS on-board assessments

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
Issuing Vehicle Authorisation, including ERTMS on-board assessments	Proportion of decisions taken according to the legal framework deadlines (for completeness and assessment phases)	100%	<ul style="list-style-type: none"> › Achieved <p>End of December 2019:</p> <ul style="list-style-type: none"> › 358 valid applications in the OSS › 314 decisions issued: 9 pre-engagement baseline; 299 CTT; 3 first; 1 new; 1 renewal; 1 fundamentally deficient 	<ul style="list-style-type: none"> › Intranet: see link to VA report

			All decisions taken according to legal framework deadlines (for completeness and assessment phases including the possible extension in case of e.g. justified doubts or when requested and agreed with the applicant)	
Services related to facilitation measures, at the request of the applicants and the NSAs, to support smooth transition between the current legal framework and the new one under the 4th RP (in accordance with Art. 55 and 56 of the Implementing Act on the practical arrangements for VA)	Services provided	Upon request	› Achieved Agency engaged in all the requested chargeable services (8 by the end of 2019)	N.a.

Objective 3.4 - Issuing ERTMS trackside approvals

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
Issuing Approvals	Proportion of decisions taken according to the legal framework deadlines (for completeness and assessment phases)	100%	› Achieved No formal decision on ERTMS trackside approval has been taken in 2019	N.a.

Objective 3.5 - Railway system data

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
ERADIS (users support - validation and publication of safety certificates, licenses and ECM certificates, specific training of users - maintenance and development)	(Development) New interface with OSS	Released by June 2019	› Achieved First release published 13 th of June. Second release published 28 th of June.	ERA website: see: link to ERADIS
	(Development) New use cases and interface implemented for ECM certificates	Released by December 2019	› Partly achieved (90%) The development of this functionality was intentionally delayed in order for the development team to provide vital support to the PAD unit for the issuing of single safety certificates. The development of the new interface with OSS had higher priority than the ECM functionalities which are only required by June 2020.	See link to ERADIS on test environment
	(Operations / maintenance / support) % of safety certificates published on time	98%	› Achieved	› Intranet: see link
	(Operations / maintenance / support) No of ERADIS users from NSA staff trained	2 workshops/ trainings organised for users	› Achieved	N.a.
RDD maintenance	(Development) % of change requests in scope of the release of RDD	100% implemented by end of 2019	› Not achieved Beside the patch (v. 3.6.1) installed mid-2019, no further CRs were implemented due to reassignment of resources for IT development (SRD)	N.a.

			Development) at the level of AAM Unit, following new requirements of Commission	
	(Operations / maintenance / support): % System availability for RDD	98%	› Achieved	› Intranet: see link
ERATV (Development according specifications for alignment for 4RP requirements, development of an interface with OSS , maintenance and users support)	(Development) % of published vehicle type authorizations issued under 4RP	100% from mid-2019	› Achieved	ERA website: see link to ERATV
	(Development) % Analysis of the interface started in coordination with OSS	100% in 2019	› Achieved	› Extranet: see link to the specification
	(Operations / maintenance / users support): % System availability	98%	› Achieved	› Intranet: see link
RINF (new parameters and development of core functionalities for supporting the Route Compatibility check by RUs, monitoring of Implementation by MS, maintenance and users support)	(Development) RINF updated with new parameters and core functionalities in operation	June 2019	› Partly achieved Target has been achieved later, the full release was placed in production in December.	› ERA website: see link to RINF and link to the application guide for RINF release dates.
	Application Programming Interface (API)	Ready by end 2019	› Not achieved <u>Target change: Instead of a simple API as initially foreseen, a complete API allowing the full data export will be developed in 2020.</u>	N.a.
	Definition of indicators: Monitoring of data imported by MS; provision of reports	100% One report published by end of 2019	› Partly achieved Indicators have been defined. Report will be published in May 2020.	› Extranet: see link
	(Operations / maintenance / support): System availability	98%	› Achieved	› Intranet: see link

VKMR	% VKM published	100%	› Achieved All requested VKM's are published every 1st Wednesday of the month	› ERA website: see link to the updated register of VKM (under related documents)
Establishing an EVR on the basis of the current ECVVR	(Development): EVR specifications for the implementation of the interfaces with the decentralized registration function available (Development): Specific changes to the core architecture of previous ECVVR	95% Released by end 2019 before testing	› Achieved The EVR specifications were published on the ERA website the 17 th December 2019 › Achieved: EVR developed based on core of ECVVR. Demo of EVR presented in the EVR task force meeting which took place on the 20 th November 2019	› ERA website: see link (under related documents) › Extranet: see link for agenda and presentation of task force meeting
	(ECVVR Operations / maintenance / support): % system availability	98%	› Achieved	› Intranet: see link

1.4 Activity 4. Monitoring, evaluating and reporting**Objective 4.1 - Collect and analyse evidence for decision making**

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
Impact assessments for recommendations and opinions	% of issued recommendations and opinions accompanied by an impact assessment	100%	› Achieved	› Intranet: see link to all the impact assessments.
Ex post assessments for selected topics	Number of completed ex post evaluations	1	› Partly achieved Specific 2019 topic identified and agreed with internal and external stakeholders. Pre-condition for finalising the report was the cleaning-up of the NTR (which was not finished in 2019). A first report on methodology, data and preliminary findings was finalised in December 2019. Follow-up report is foreseen for 2020.	› Intranet: see link
Economic Steering Group and task forces	Report on business analyses for Agency databases and registers endorsed by ESG	Delivered by Q3 2019	› Achieved	› ERA website: see link to final version of report

Objective 4.2 – Monitoring

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
NSA Annual Safety report analysis	Qualitative analysis of NSA Annual Safety reports to be presented at the NSA annual performance review Workshop	1 summary analysis presented at the workshop	› Achieved Report was presented in the workshop 3 rd / 4 th of December 2019. Report was signed 30 th of January 2020.	› Extranet: see link to report
NSA monitoring	No. of recommendations/audit reports delivered	8	› Achieved All on-site audits were performed, all draft reports were shared with NSA's, not all exit meetings with NSA's could take place in 2019 and therefore not all reports could be signed before end of 2019. 3 reports were signed in 2019.	› Extranet: see link (restricted access)
Support the NIB Peer review system	Information report by ERA as observer to the NIB Peer Review task force	Delivered	› Partly achieved The Agency has participated to: - The single Peer Reviews of NIB (LT and NO); - The NIB Peer Review Task Force	› Extranet: see link (restricted access)
Review of NIB accident investigation reports	Qualitative analysis of NIB accident investigation reports	1 summary analysis delivered	› Partly achieved Document finished according to the procedure in the 1st trimester of 2020 (all reports analysed up to the 31st of December 2019 have to be included in the summary).	› Extranet: see link

			Report has been presented on MT of 24/04/2020.	
CSM Risk Assessment Recognition bodies peer review	Information report by ERA as observer to the CSM RA recognition body peer review system	Delivered	› Service has been frozen A letter has been sent to the EC in March 2019 with possible options to be chosen on which output had to be delivered. So far no decision has been taken.	› Extranet: see link
NoBos monitoring	No. of reports for NoBos audit/inspection (Agency supporting the Accreditation Bodies/National Authorities)	4	› Achieved 3 audits reports delivered. 1 (planned) audit (for Italy) was later on converted into an observation upon specific request of MS Notifying Authority. This was beyond Agency control	› Extranet: see link

Objective 4.3 - Identifying research needs for the target rail system and supporting the partner organisations in research and innovation

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
Technological Watch	Service running	Criteria to measure the use of the service identified and a 1 st survey done end 2019	<ul style="list-style-type: none"> › Partly achieved Service is running; Due to low level of use of TechWatch service, priority is given to improve the visibility of the service (done on ERA welcome page via intranet). Therefore the survey is postponed to 2020 when its use increases. 	Intranet – Technological watch library
Support to S2R as requested by the S2R regulation Cooperation with other research bodies (ERRAC, EASA, other)	Research projects of interest for ERA identified, followed and monitored ERA 2020 needs for research identified	<ul style="list-style-type: none"> › <i>100% of S2R projects analysed and projects of interest for ERA identified</i> › <i>ERA 2020 needs for research fed in time to the relevant EU bodies (ERRAC, S2R, EC)</i> 	<ul style="list-style-type: none"> › Achieved 2018 call projects funded by S2R reviewed and those of interest for ERA identified with respective level of interest in ERA Research Agenda. Research projects of interest for ERA followed and monitored (ongoing activity until projects closure). › Achieved ERA 2020 needs for research identified and communicated to S2R. ERA contribution to S2R innovation programme steering committees (IP SteeCo), 	<ul style="list-style-type: none"> › Intranet (RSG page) › Intranet (RSG page)

			governing board, scientific committee also influence the drafting of S2R AWP 2020. ERA contribution to the ERRAC WG1 to ensure consistency between ERA needs/ Compelling vision and ERRAC strategic documents	
--	--	--	---	--

Objective 4.4 - Reporting on the Railway System

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
Report on progress with safety and interoperability in SERA (AR, Art. 35(4))	Annual overviews available on time	Annual overview 2019 available by Dec. 2019	› Partly achieved Annual overview 2019 was limited to Safety because of lack of interoperability data from NSA's, the overview was published in November 2019 through ERAIL.	› ERA website: see link to ERAIL
Annual assessment of achievement of safety targets (CSTs assessment report) SAD (Art.7) on the basis of gathered CSIs + support to Eurostat	Annual assessment report on achievements of CSTs	31/03/2019	› Achieved Report delivered and published on the ERA website on the 13 th of May.	› Agency website

1.5 Activity 5. Delivering efficient and effective services**Objective 5.1 - Ensure good corporate governance**

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
Issuing and updating SPD and CAAR	SPD 2020	Adopted by MB	› Achieved	› ERA website: link
	CAAR 2018	Adopted by MB	› Achieved	› ERA website: see link
Supporting EB and MB meetings	% of mandatory decision topics for 2019 covered by the EBMB meetings	100%	› Achieved	› ERA website: see link1 for MB decisions, link2 for MB summaries, link3 for adopted minutes of EB meetings
ICC services	% of nonconformities identified in the IMS Review report and ex-ante/ex post controls, for which corrective/preventive actions are established	100%	› Achieved	› Intranet: see link to NC register 2019
	Agency risk assessment	Documented and reported in the CAAR	› Achieved	› Intranet: area 'Risk management' – see link (for documenting the exercise). › See CAAR 2018, section 3.1 (for reporting)
	% of ERA staff made aware of antifraud and ethics	75% cumulated	› Achieved <ul style="list-style-type: none"> ○ 86% for ethics ○ 84% for antifraud 	› See EU Learn
	% of declarations of conflict of interest of staff published in the conflict of interest register	100%	› Partly achieved (95%)	› Intranet: Register of DoI see link (restricted access)

			Due to staff turnover, special individual situations (i.e. staff on outside activities, maternity leave) the target reference has to be adjusted by -2%	+ personnel files of each staff member
Legal support	% of legal acts issued by ERA, as defined by the Agency regulation, for which legal advice was provided	100%	Partly achieved Opinions, advices and recommendations: 90% SSC, VA, TAP: 100% of advice delivered when requested by project manager	N.a.
Accounting	Opinion in the CoA annual report on reliable Agency accounts	Positive	› Achieved MB decision n°202	› ERA website: see link
Integrated Management System	Rate of closing pre-2019 audits findings	100%	› Achieved	› Intranet: see link
	ISO 9001 certification	ISO 9001 certification maintained	› Achieved	› Intranet: see link
	Preliminary audit for the extension of the ISO 9001 certification to the delivery process	Implemented	› Achieved	› Intranet: see link
SECURIS (SECURE Information Systems)	% of SECURIS rules and procedures developed in IMS	100%	› Achieved Procedure RUL_IOM_001 was approved and stored in IMS	› Intranet: see link
	% of Information assets identified	75%	› Partly achieved The exercise was started as a pilot for the RSU and will be presented in May 2020 to the management team.	N.a.
	% of Information assets inventoried	10%	› Partly achieved The exercise was started as a pilot for the RSU and will be presented in May 2020 to the management team.	N.a.

Objective 5.2 - Ensuring sound management of the Agency's human and financial resources and building facilities

<i>Main projects/services</i>	<i>Output indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
Selection, Engagement, Learning and Development	% implementation of the establishment plan	98%	› Not achieved TA Target missed for 3%; CA: Target missed for 6%; SNE: Achieved It has to be noted this non-achievement is due to the unexpected budget constraints incurred. HR had offered the contracts of employment, but engagement was not possible until beginning 2020 when budget was available again.	Evidence can be requested with HR
	% of staff turnover	≤ 5%	› Achieved	N.a.
	% of time spent for learning and development out of total working time	N.a.	› Indicator not measured	N.a.
<i>Annual budget execution</i>	<i>% of the annual appropriations committed</i>	98%	› Achieved	› Intranet: see link
	% of carry-over of payment appropriations	<10% for T1, <20% for T2 and <30% for T3	› Partly achieved ○ T1 - Achieved ○ T2 - Achieved ○ T3 - Not achieved	› Intranet: see link
	% of execution of C8 payment appropriations	95%	› Achieved	› Intranet: see link
	% payments made by contractual deadline	>95%	› Not achieved	› Intranet: see link

Objective 5.3 - Supporting business delivery through IT-systems

Main projects/services	Output indicator	Target 2019	Achievements in 2019	Source of information
Workplace modernisation	No of current paper based process becoming fully digital	At least 1	› Achieved	› Extranet: see link
	% of available processes updated	At least 60%	› Achieved Cloud environment for e-mail and videoconferencing implemented Cloud environment for SRM developed Development of desktop environment for end-users devices	› Extranet: see link
Cloud computing services	ICT systems are made available through cloud services	Implemented	› Achieved Cloud environment for e-mail and videoconferencing implemented Cloud environment for SRM developed Development of desktop environment for end-users devices Other cloud services are available but not ready due to missing security settings.	N.a.
	MS Lync – SharePoint integration, Office 365	Deployed	› Achieved Office 365 cloud account provided to ERA staff and internal contractors, fully integrated with ERA extranet and intranet.	N.a.
Disaster Recovery	Mean elapsed time to restore applications at the alternate site	RTO: 6 working hours	N.a.	N.a.
Support stakeholders	% of users satisfied with the quality of IT service delivery in "Very Good/Excellent" rate.	70%	› Achieved 94%.	› Intranet: see link

ICT infra management and maintenance	Availability of the core ICT systems	Min 98%	› Achieved 99,78%	› Intranet: see link
ICT infrastructure renewal (Project)	Rate of renewal of ICT infrastructure	30% of the back-office	› Achieved Cloud infrastructure implemented in the WPM scope, physical servers in Kayl and Valenciennes have been renewed (>30%)	N.a.
Extranet and intranet management and maintenance	Availability of Extranet is 98%	98%	› Achieved 99,96%	› Intranet: see link
End-point computing environment	Rate of update for the fleet of the devices	10%	› Achieved 50 out of 318 end-user devices have been acquired in 2019	N.a.
	Number of updates deployed by year	4	› Achieved 7 software update packages have been deployed on the end-user platform	N.a.
Office automation tools and ERP licensing, consultancy and support	EU tools and off-the-shelf software	Made available	› Achieved	N.a.
Telecom services	Fixed and mobile telephony, internet, Testa access	Made available	› Achieved	N.a.
Audio-visual management and maintenance	Audio-visual equipment	Made available	› Achieved	N.a.

Objective 5.4- Communicating effectively through website and social media

<i>Main outputs/actions</i>	<i>Indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
Stakeholder Relation Management tool	Training sessions on Comms functions	10	› Partly achieved Training was provided on ad-hoc basis when requested by the EXO unit	N.a.
	Add-on	Implemented	› Achieved	N.a.
	ERA staff requests addressed	100%	› Achieved	N.a.
Website/online	Website visitors	Increasing trend	› Achieved 16,36% more visits compared to 2018.	› Internet: see link to Matomo
	% of internal change requests implemented	100%	› Achieved 100% of internal change requests implemented.	› Agency service desk: see link
	Number of followers	Increasing trend	› Achieved Twitter: ~ + 18,4% LinkedIn: ~ + 55%	› Internet: see link to Agorapulse
	LinkedIn	1 article a month	› Achieved 44 articles in 2019 ~ 4 per month	› Internet: see link to Agorapulse

Objective 5.5 - Ensuring efficient and effective communication (internal and corporate)

<i>Main outputs/actions</i>	<i>Indicator</i>	<i>Target 2019</i>	<i>Achievements in 2019</i>	<i>Source of information</i>
Development and implementation of a crisis communication capability (including a briefing system)	Process deployment and implementation	IMS documentation produced	› Achieved Framework and Work Instruction adopted by MT and decisions on structure taken. IMS documentation will be published in 2020	N.a.
	Training staff	delivered	› Achieved 1 media training delivered 06/06/2019 for a selected number of staff.	N.a.

Women in transport	Project plan and actions	Approved	› Not achieved	N.a.
Publication management	% of planned publications delivered	100%	› Partly achieved – 80% Planned newsletters, print publications and guides were delivered Some planned video's for 2019 will be delivered in 2020	› ERA Website: see link › ERA YouTube channel: see link
Event management	Event organized, delivered with positive feedback from the stakeholders	At least 2 (CCRCC, multimodal)	› Partly achieved CCRCC took place 15- 17/ 10/2019 with positive feedback Multimodal event has been cancelled and budget has been reallocated to the Agency because of higher priorities	› CCRCC survey: see link
Provisions, strategy and plans for an effective and efficient communication	Communication plan	Drafted and approved	› Achieved Communication plan for 2020 has been approved (MB decision n° 223)	› ERA Website: see link

Part 2 – Management

2.1 Management Board

As a continuation from previous years, the Management Board (MB) continued to follow closely strategic initiatives developed in the Executive Board, and the impact of the Fourth Railway Package tasks on the Agency's work and organisation.

Highlights in 2019 include:

- Establishing the Board of Appeal
- Agreement on reimbursement of external experts supporting the Agency in its tasks
- Second Peer review on the Fourth Railway Package readiness assurance
- Strategic perspective towards the implementation of the Fourth Railway Package

The Management Board has as of yet not agreed to a linguistic regime for the Agency.

The Management Board met 4 times in 2019.

The Management Board was assisted by the Executive Board (EB), in particular by preparing the decisions to be adopted by it and by ensuring an adequate follow up to the findings and recommendations after investigations and internal/external audits. The Executive Board also supported and advised the Executive Director on the implementation of the Management Board decisions, with a view to reinforcing supervision of administrative and budgetary management.

In 2019, the Executive Board supervised the efforts of the management to deal with the budgetary issues and especially to improve the budget implementation by respecting the principle of annuality, to ensure an appropriate execution of the budget and to follow up the Internal Audit Service recommendations and the Court of Auditor's observations. The Executive Board also followed closely the key performance indicators which have been included in the Programming Document 2018, activity-based budgeting, and impact assessment of the activities and tasks of the Agency as well as the integrated management systems, the communication strategy and quality plan. Together with the Management Board, the Executive Board ensured adequate follow-up to the findings and recommendations stemming from the various internal or external audit reports and evaluations, including by means of appropriate actions taken by the Executive Director.

The Executive Board met 5 times in 2019.

The Agency's Management has, beside the Management Board meetings and Executive Board meetings, regular meetings with the Chair, the Vice-Chair of the Management Board, and the Vice-Chair of the Executive Board. As in previous years, an MB workshop was organised in November 2019 in order to start the preparation of the Single Programming Document 2021.

A summary of the Management Board decisions in 2019 is provided below:

- › 48th meeting – 24 January 2019
 - DECISION n°192 of the Management Board of the European Union Agency for Railways adopting the statement of estimates 2020 and endorsing SPD
 - *DECISION n°193 of the Management Board of the European Union Agency for Railways adopting the ERA Communication Plan for 2019*
 - *DECISION n°194 of the Management Board of the European Union Agency for Railways establishing procedures for decision-making by the Executive Director in relation to authorisations for placing vehicles on the market, single safety certificates, and ERTMS track-side approvals*

- › 49th meeting – 4 June 2019
 - DECISION n°200 of the Management Board of the European Union Agency for Railways on intention to extend the Executive Director's term of office and informing the European Parliament of this extension
 - DECISION n°201 of the Management Board of the European Union Agency for Railways on the continuation of the mandate for the 4th Railway Package Readiness Assurance

- › 50th meeting – 25 September 2019
 - DECISION n°207 of the Management Board of the European Union Agency for Railways amending the Single Programming Document 2019 (amendment n°2)
 - DECISION n°208 of the Management Board of the European Union Agency for Railways on delegating the power for requesting agreement from the authorities in DG HR to derogate / opt-out from Commission Decisions to the Executive Director
 - DECISION n° 209 of the Management Board of the European Union Agency for Railways amending MB Decision n°194 establishing procedures for decision-making by the Executive Director in relation to authorisations for placing vehicles on the market, single safety certificates, and ERTMS track-side approvals

- › 51st meeting – 27 November 2019
 - DECISION n° 211 of the Management Board of the European Union Agency for Railways extending the term of office of the Executive Director
 - DECISION n° 212 of the Management Board of the European Union Agency for Railways adopting an amendment n°2 of AB Decision n° 22/2008 adopting Rules on the reimbursement of expenses incurred by people from outside the ERA invited to attend meetings in an expert capacity and repealing AB Decision 4 dated 9 March 2006
 - DECISION n° 213 of the Management Board of the European Union Agency for Railways amending MB Decision n° 189 on the practical modalities relating to recovery of costs incurred by the Agency for its assistance to Member States, candidate countries and stakeholders on training and other appropriate activities
 - DECISION n° 214 of the Management Board of the European Union Agency for Railways amending DECISION n° 161 of the Management Board of the European Union Agency for Railways adopting the policy on monitoring the performance and decision-making of National Safety Authorities (NSAs) adopted on 29 November 2017
 - DECISION n° 215 of the Management Board of the European Union Agency for Railways adopting the Single Programming Document 2020
 - DECISION n° 216 of the Management Board of the European Union Agency for Railways adopting transfers of appropriations in the budget 2019
 - DECISION n° 217 of the Management Board of the European Union Agency for Railways amending the budget 2019
 - DECISION n° 218 of the Management Board of the European Union Agency for Railways adopting the budget and establishment plan 2020

- DECISION n° 219 of the Management Board of the European Union Agency for Railways amending MB Decision n°194 establishing procedures for decision-making by the Executive Director in relation to authorisations for placing vehicles on the market, single safety certificates, and ERTMS track-side approvals

In addition, the Management Board adopted by written procedure:

- › DECISION n°191 of the Management Board of the European Union Agency for Railways adopting the revised ERA Management Standards
- › DECISION n°195 of the Management Board of the European Union Agency for Railways adopting the Amended Agency's Impact Assessment Methodology
- › DECISION n°196 of the Management Board of the European Union Agency for Railways establishing one Board of Appeal and appointing its members and Chairperson
- › DECISION n° 197 of the Management Board of the European Union Agency for Railways amending Decision 109 of 26 November 2014 of the Administrative Board appointing two reporting officers for the appraisal of the Executive Director, as amended by Decision 151 of 31 January 2017 of the Management Board
- › DECISION n° 198 of the Management Board of the European Union Agency for Railways amending the Single Programming Document 2019
- › DECISION n°199 of the Management Board of the European Union Agency for Railways adopting the revised Framework of Good Administrative Behaviour
- › DECISION n°202 of the Management Board of the European Union Agency for Railways adopting an Opinion on the Annual Accounts 2018
- › DECISION n° 203 of the Management Board of the European Union Agency on types of post and post titles in ERA
- › DECISION n° 204 of the Management Board of the European Union Agency for railways on middle management staff
- › DECISION n°205 of the Management Board of the European Union Agency for Railways adopting the Consolidated Annual Activity Report 2018
- › DECISION n°206 of the Management Board of the European Union Agency for Railways adopting the new ERA financial regulation
- › DECISION n° 210 of the Management Board of the European Union Agency on the general provisions for implementing Article 79(2) of the Conditions of Employment of Other Servants of the European Union, governing the conditions of employment of contract staff employed under the terms of Article 3a thereof
- › DECISION n° 220 of the Management Board of the European Union Agency for Railways on the opt-out of Commission Decision C(2019) 4231 dd. 12.6.2019 laying down general implementing provisions on the conduct of administrative inquiries and disciplinary proceedings
- › DECISION n° 221 of the Management Board of the European Union Agency on the non-application of the Commission Decision on the maximum duration for the recourse to non-permanent staff in the Commission services

The MB requested in 2019 the extension of the SLA with DG HR to deal with the Article 90 request.

2.2 Major Developments

In 2019 the Agency has successfully started to perform its role of authority in the framework of the 4th Railway Package technical pillar. With eight Member States having transposed in 2019, the Agency has started on 16 June 2019 its role of EU authority responsible for issuing authorisations for placing railway vehicles on the

market (VA), single safety certificates (SSC) for railway undertakings and ERTMS trackside approvals. The One-Stop Shop release one was put in production and used for the VA, SSC and ERTMS Trackside approval applications. In the course of 2019, the Board of Appeal was also established.

At the beginning of the year, the Agency also delivered a package of TSIs revisions and has focused the rest of the work during the year for putting in place a new structure for the TSI revision, in coordination with the European Commission and the RISC Committee.

The year 2019 also marked the beginning of the first cycle of NSA monitoring (in line with the targeted scope) and of NoBo monitoring based on the schemes defined in the previous years and the learning acquired in the pilots performed in 2018.

In the field of ERTMS, the Agency delivered the ERTMS Opinion service pack 2 for handling of Change Requests.

The Agency ensured a high level of transparency by regularly reporting on the budget spending and the achievement of outputs, respectively. In 2019 the Agency made significant efforts to cope with budget constraints. The Agency faced in 2019 the challenges inherent to the start-up of the fee-based activities. With all the necessary investments put in place to make sure that the authority tasks could be delivered timely, including the hiring of the necessary experts, and with the fees and charges being levied with a time lag, the Agency has found itself under financial pressure. The Agency has eventually managed to overcome these challenges, based on the support provided by the European Commission.

2.3 Budgetary and financial management

2.3.1 Revenues

The Budgetary Authority (the European Parliament and the Council) approved the initial 2019 ERA budget of € 27 139 347, including the Commission's subsidy for € 26 419 278, assigned revenue for € 80 722 and the EFTA contribution for € 639 347.

At the beginning of 2019, the Agency discovered a miscalculation of the salary expenditures and informed the MB. In November 2019 the Agency received additional appropriations for € 530 000 approved by the Budgetary Authority bringing the total budget for 2019 to € 27 669 347.

In addition the Agency received in 2019 "C4 fund source assigned revenues" for an amount of € 160 797 coming from different sources:

BL 1100: € 45 459 received from for the provision of accounting services to ESMA in the frame of the Service Level Agreement between ESMA and ERA;

BL 1100: € 2 796 recuperation of private phone expenses from ERA staff

BL 2100: € 18 765 received as liquidated damages by IT -supplier

BL 2100: € 2 822 received as compensation from IT-supplier and insurance company for broken/stolen laptops

BL 2101: € 1 900 received as liquidated damages by IT -supplier

BL 2230: € 15 180 received as liquidated damages by IT -supplier

BL 3002: € 2 325 received for the provision of training services to applicant

BL 3012: € 1 000 received for participation as speaker to conference

BL 3042: € 70 550 received as participation fees for the 2019 CCRCCC conference

The Agency had “2019 C5 fund source assigned revenues” coming from the carry-over of the 2018 C4 fund source assigned revenues in 2018:

BL 1300 C5: € 2 140 reimbursement of missions

Following its new activities, the Agency invoiced a total amount of € 480 680, out of which € 345 280 was cashed in 2019. This discrepancy can mainly be explained by the fact that the Agency only can issue its invoice to the applicant once the Authorisation/Certificate/Approval is delivered. In addition the applicant benefits from a 60 days payment delay. Taking into account the legal deadlines the time between the submission of the application and the cash receipt can go up to 240 days.

In the course of 2019, the available DG NEAR’s grants for the IPA and EUMedRail projects summed € 1 219 287.

The Agency received also the sum of € 42 953 for the provision of shared accounting services. Details are reported in Annex VI.

2.3.2 Expenditure

In 2019, the budget execution target for commitments was achieved (target 95%, reached 99,98%). An amount of €6 060 out of the total subsidy of € 27 669 347 was not committed.

For payments the execution rate was achieved (target 90%, reached 92,22%). The 9 % of payment appropriations that are carried over to 2020 mainly concern operational expenditure (Title 3). As for the appropriations carried over from 2018 (C8 credits), 98,29% have been executed.

With regard to the original procurement plan, approved by the Management Board as part of the Single Programming Document 2019 and which serves as the Agency’s financing decision, it had to be modified throughout the year in order to meet the operational requirements and budgetary constraints. In fact, it turned out that three procedures had to be cancelled:

- › Monitoring training (€ 430k),
- › Multimedia content production (€ 22.5k),
- › Communication services - 3 Lots (€ 1.4M).

Here is the summary of the procedures actually carried out in 2019:

- › 4 Open call for tenders,
- › 4 Negotiated procedures (low value procedures and negotiated procedures without publication of a contract notice).

One of these negotiated procedures, whose value was about € 950k, was awarded in order to support the off-site development of the railways operational system. The awarded contractor was the one awarded as result of the call for tenders ERA 2015 01 and whose framework contract ended 15/07/2019.

2.3.3 Financial KPIs

- › *Commitments using the appropriations for 2019 budget year (C1 Commitments):*

The minimum level of commitments set by the EC in its yearly budget circular is 95 % of the total appropriations. For 2019, the Agency recorded the following values for this indicator: for Title 1, the rate is 100 %; for Title 2 is 99.78 % and for Title 3 is 99.97 % (see Annex II – Table 2.1). With almost 100%, the C1 Commitments target per title has been achieved.

› *Payments using the appropriations for 2019 budget year (C1 Payments):*

In line with the recommendation of the Court of Auditors, the minimum level of payment execution is 90% for Title 1, 80% for Title 2 and 70 % for Title 3 compared to the total appropriations.

In 2019, the Agency recorded the following values for this indicator: for Title 1, the rate is 99.72 %; for Title 2 is 87.33 % and for Title 3 is 65.36 % (see Annex II – Table 2.1). The average is 92.22 % for payments, only the target for Title 3 was not achieved.

› *Payments using the appropriations for 2018 budget year carried-over to 2019 (C8 payments) :*

The minimum level of payments set by the EC in its yearly budget circular is 95 % of the total appropriations carried over. The global payment rate for the Agency in 2019 was 98.29 % (see Annex II – Table 2.2).

2.3.4 Budget transfers

During the budget year 2019, 41 credit operations have been initiated. These credit operations were validated by the Executive Director within each Title and in compliance with Article 26.1 of the Agency Financial Regulation (appropriations transferred from one chapter to another and from one article to another).

2.3.5 Internal control of budget implementation

Regarding budget implementation, the Agency has put in place two different workflows in order to attain effectiveness, efficiency and economy of operations. In 2019 ERA validated 1.632 payment orders, with an average of 0.9 day (target 3 days) for payments' validation by the Authorising Office / Authorising Officer by Delegation, an average of 0.3 day (target 2 days) for the payments' validation by the Accounting Officer, and an average of 1 day (target 2 days) for bank execution. The 95,40% of all 2019 payments other than mass payments for missions, experts and interviews have been paid within the time limit.

The reliability of the reports on the financial transactions is ensured by means of automatic extraction of data from the ABAC financial system and regular daily publication of the reports in a specific budget reporting intranet site.

The assets and related information are tracked on yearly basis and all the assets' records are available in ABAC Asset.

In order to prevent, detect, correct and follow-up of fraud and irregularities the Agency implements best international practices and Internal Control Standards based on Commission's guidelines. The segregation of tasks in the expenditures' life cycle is enforced and regularly audited.

2.4 Delegation and sub-delegation of the powers of budget implementation to agency's Staff

As Authorising Officer of the Agency, the Executive Director (ED) grants yearly financial delegations to the Heads of Units/Department for their own areas of responsibility. Corresponding ED decisions are signed every year. These decisions are materialized by the "Local Profile Manager" in the financial tool used at the Agency (ABAC).

During the year, temporary sub-delegation are agreed between Heads of Units/Department under the supervision of the Executive Director in order to ensure business continuity. The process has been digitalized in 2019 and the active delegations are displayed as a calendar view in intranet. The Financial Verifying Agents check that the delegations are valid when controlling the financial transactions. Any identified improvement is proposed in compliance with the Agency's Integrated Management System provisions.

The ICC audits on a yearly basis the financial rights granted in the financial tools, consulting the relevant reports that are automatically generated by the ABAC system. This is also checked by the European Court of Auditors.

2.5 Human resources management

The dedicated decisions linked to the last re-organisation mid-July were published (creation of the Financial and Procurement unit). This in se did not bring about changes to the establishment plan, nor in existing HR policies.

However, several major activities in HR were started/achieved:

- › *Adoption of a "Learning and Development" strategy which focus on the skills improvement around the 4RP activities;*
- › *Adoption of a "Competency Framework Reference Guidebook"; this document was based on the work achieved by the dedicated workgroup mandated by the Network of Agencies; the internal work to create a simplified version of this document, including the specific competencies linked to the activities of the 4RP, has started in 2019 and shall be finished in 2020; the corresponding job description shall be reviewed;*
- › *An HR Steering Committee was created in order to follow-up and address all IAS recommendations stemming from the Audit on HR management; thanks to the efforts made by the HR team and the close follow-up of the HR Steering Committee, all IAS recommendations were closed at year-end;*
- › *The revision of IMS documents linked to the Selection procedures following the adoption by the MB of the "middle management staff" decision;*
- › *A first HR forward planning analysis to understand what are the future challenges of the Agency in terms of staffing;*
- › *Revision of the functional review with the creation of level 1 and level 2 fiches identifying the roles, responsibilities and accountability of the different Department/units/teams.*

The outcome of the mini-Staff Engagement Survey report did not show a major positive evolution compared to the Staff Engagement Survey carried out in 2018. However, the origin of discontentment has shifted more towards the way the Agency had been restructured.

Because of its success in 2018, HR continued issuing multi-field calls for applications which led to the establishment of a valuable reserve list from which a number of successful candidates were engaged.

HR digitalisation is continuing with the preparation of the implementation of SYSPER II.

Article 29(3) of the Agency Financial Regulation sets out the obligation for the Agency to carry out an annual benchmarking exercise, and more specifically a job screening focusing on the efficiency of internal resources. The Agency conducted its sixth job screening exercise in 2019 in line with the methodology for agencies job

screening. The purpose of the job screening is:

- › To identify any scope for reducing staffing levels in administrative support and coordination functions; and
- › To facilitate the reallocation of resources from overhead to operational frontline activities

All jobs inside the Agency received one screening value:

- › “Operational” – serving frontline activities and directly implementing the mandate of the Agency
- › “Administrative support and coordination” – ensure support to the operational functions, such as HR, IT, Facilities
- › “Neutral” - same as above in the areas of Finance and Control

The ERA Job Screening Exercise (JSE) 2019 was executed in consultation with the Heads of Units and resulted in the following conclusions:

- › *The total FTEs in 2019 decreased by 2 FTEs compared to 2018 due to the reduction of 2 CA in the SPD;*
- › *For the job type “administrative support and coordination” there is a decrease of 0,2 FTEs in the area of administrative support and there’s a decrease of 3 FTEs in the area of coordination of tasks (additional posts allocated to the Communication team).*
- › *For the job type “operational” the difference is neglectable;*
- › *For the job type “neutral” the figures in the area of finance/control, the increase (due to the creation of the P&F unit) of 0,3 is neglectable.*

On 31 December 2019, the Agency employed 139 temporary agents (TA), 35 contract agents (CA) and 0 seconded national experts (SNE). A breakdown of resources is provided in the annexes.

HR executed the necessary ED Decisions and managed all administrative spin-off projects (such as aligning the relevant databases & e-tools) for the third phase of the Agency’s re-organisation in July 2019 following the instructions received from the re-organisation program manager in consultation with the management team.

The following implementing provisions were adopted by the Agency’s Management Board in line with the Art. 110 procedure:

- [Decision n°226 of the MB on the application by analogy of Commission Decision C\(2019\) 7822 of 30.10.2019 amending Commission Decision C\(2004\) 1318 of 7 April 2004 on the duties of Commission drivers](#)
- [Decision n°221 of the MB on the non-application of the Commission Decision on the maximum duration for the recourse to non-permanent staff in the Commission services](#)
- [Decision n°220 of the MB on the opt-out of Commission Decision C\(2019\) 4231 dd 12.6.2019 laying down general implementing provisions on the conduct of administrative inquiries and disciplinary proceedings.](#)
- [Decision n°210 of the MB on the general provisions for implementing Article 79\(2\) of the CEOS of the EU, governing the conditions of employment of contract staff employed under the term of Article 3a thereof](#)
- [Decision n° 208 of the Management Board of the European Union Agency for Railways on derogation and opting out](#)
- [Decision n°204 of the MB of the EU Agency for Railways on middle management staff](#)
- [Decision n°203 of the MB of the EU Agency for Railways on types of post and post titles in ERA](#)

2.6 Strategy for efficiency gains

The Agency has initiated the terms of reference for an Efficiency program to be developed and run in the future years.

2.7 Assessment of audit and ex-post evaluation results during the reporting year

2.7.1. Internal Audit Service (IAS)

In line with the 2019 IAS Audit Plan, the audit on *Information management and Information security* has started in December 2019 with the preliminary survey. The audit itself (i.e. fieldwork) is scheduled to be carried out in March 2020.

In parallel, the Agency continued the implementation of audit recommendations stemming from the Audit on PPSM and HR and Competency management.

All recommendations related to the HR audit were closed by IAS. Two out of three recommendations regarding PPS were closed by IAS. The only open important recommendation refers to the effective use of MS Project. The recommendation is scheduled to be completed by June 2020.

2.7.2. Internal Audit Capability (IAC) (where applicable)

N.a.

2.7.3. European Court of Auditors (ECA)

In its report on the annual accounts of the European Union Agency for Railways for the financial year 2019, the European Court of Auditors expressed the following opinions:

Opinion on the reliability of the accounts

In the Court's opinion, the accounts of the Agency for the year ended 31 December 2019 present fairly, in all material respects, the financial position of the Agency at 31 December 2019, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its Financial Regulation and with accounting rules adopted by the Commission's accounting officer. These are based on internationally accepted accounting standards for the public sector.

Opinion on the legality and the regularity of the transactions underlying the accounts

In the Court's opinion, the transactions underlying the annual accounts of the Agency for the financial year which ended 31 December 2019, are legal and regular in all material respects.

2.8a Follow up of recommendations and action plans for audits and evaluations

European Court of Auditors:

- › The European Court of Auditors visited the Agency in November 2018 and made a desk review in February 2019 in relation to the budget year 2018; the report of the European Court of Auditors has not yet been received.
- › In the meantime, a financial audit on budget year 2018 was performed by an external auditor (Bakertilly) leading to no findings nor recommendations; Bakertilly's opinion is that the provisional annual accounts of the Agency present fairly, in all material aspects, its financial position as at December 31, 2018,

2.8b Follow up of recommendations issued following investigations by the European Anti-Fraud Office (OLAF)

N.a.

2.9 Follow up of observations from the Discharge authority

The European Parliament granted discharge to the Agency in respect of the implementation of the Agency's budget for the financial year 2017. The main areas in which the European Parliament made comments are listed below:

1. Follow-up with the 2017 discharge recommendations and in particular a remark regarding the absence of a competitive procedure for purchasing IT services (or at least prior market research)
2. Revision of the Financial Regulation to adapt to the new revenue system of fees and charges;
3. Enhancing the effectiveness of measures regarding prevention and management of conflict of interest;
4. Recommendations of the IAS for 2018.

The Agency has taken the following measures to reply to European Parliament observations as follows:

1. Agency was part of a European Commission Framework contract awarded to a single supplier and thus need it to abide by the terms of the contract;
2. The Agency has revised its Financial Regulations (i.e. MB DEC 2016) and the European Commission approved the amendments to the implementing rules.
3. The Agency has revised in May 2019 the Framework for Good Administrative Behaviour in line with the comments received (i.e. Management Board Decision 199). The Framework is implemented accordingly
4. See section 5.1 of the report regarding the status of implementation of IAS recommendations

The discharge 2018 was also granted in the meantime.

2.10 Environment management

The Agency is committed to promoting sustainability. The Agency drafted a document which guides ERA staff regarding sustainable development at ERA. Concern for the environment and promoting a broader sustainability agenda are integral to ERA's professional activities and the management of the organisation. The Agency's aim is to follow and to promote good sustainability practice, to reduce the environmental impacts of its activities and to help its stakeholders to do the same.

The Agency's principles are implemented in different goals:

- › Green building
- › Transportation
- › Climate protection
- › Waste reduction and recycling
- › Environmental preferable purchasing
- › Sustainable resource management

2.11 Assessment by management

2.11.1. Implementation of the budget

The 2019 budget was subject to close and regular monitoring to ensure optimal and sound management of the Agency's financial resources.

The level of commitment execution reached almost 100 % of the available appropriations (99,98%). As regards the payment appropriations, the Agency paid 92 % of the committed appropriations. The indicative

ceilings used by the Court of Auditors to assess the budget execution at the level of the carry-overs are 10 % for Title 1, 20 % for Title 2 and 30 % for Title 3. These targets were reached for Title 1 and Title 2.

As regards Article 77 of the Agency Financial Regulation on the time limits, 95.40 % of all 2019 payments other than mass payments for missions, experts and interviews have been paid within time limit. The target of 95 % was therefore achieved.

2.11.2. Legality and regularity

Depending on the risk level of the transaction, the Agency has two workflows: one complete workflow model for high-risk transactions and one light workflow model for low-risk transactions (amount < € 1 000). These differentiated workflows apply only to payments. An ex-ante financial verification is processed for high-risk transactions while in the simplified, low-risk workflow, and the financial verifying agent has been removed (in case there is no ex-ante verification carried out by a separate person, the authorising officer plays also the role of verifying agent) and an ex-post control for this particular expenditure is carried out.

Accordingly, in 2019 ex-post controls continued to be carried out using the same methodology as in the past: sampling, detailed findings and reports with recommendations. The results of the controls were positive and no issue about legality or regularity of the transactions was reported.

A simplified Annual Activity Report has been signed by all Delegated Authorising Officers (AODs) who have to formally endorse the responsibility of the financial transactions validated in the course of 2019 and to declare any conflict and/or fraud of which they might be aware. The simplified AAR is integrated in the CAAR of the Executive Director. In addition to that, the Court of Auditors who yearly checks the legality and regularity of transactions has so far not found any transactions not respecting these principles.

2.11.3. Validation of the accounting system

An update of the validation of the accounting system was performed in 2019 given the introduction of the paperless workflow for commitments, reimbursements of experts and the carry-forward exercise. In addition the financial process and related source information systems used for collecting information for billing purposes was also included in the scope of this exercise.

2.11.4. Procurement procedures

Apart from some cancelled or postponed procedures (see point 2.3.2), all procurement procedures foreseen in the Single Programming Document 2019 were launched and finalised.

2.11.5. Registration of non-conformities

In accordance with the Agency's management standard 9, each deviation from an established process or procedure is documented, justified and approved at the appropriate management level. They are then registered in the Nonconformity Register. In line with Agency procedures, corrective and/or preventive actions are established when repetitive exceptions events or a critical hazard to any process performance arise. Actions are recorded and reviewed in order to identify trends. In view of increasing the effectiveness of its processes and following the certification of the Agency against ISO 9001 standard for quality management system, the Agency is encouraging staff to report any type of non-conformities, including non-financial.

In 2019, 41 nonconformities (NC) have been registered. They can be segregated by type: 5 ex-ante nonconformities (exceptions) and 36 ex-post nonconformities (non-compliances).

The areas of exceptions concern public procurement and reimbursement of experts from outside EU, while the areas of non-compliances relate mainly to mission rules, ex-post commitments, contract management and payments, internal procedures.

Corrective measures have been put in place and awareness has been raised to the financial actors in order to avoid these events in the future. The most relevant measures are the following: monthly discussion of the progress of the procurement plan in the management meetings, training on procurement rules as well as improvement of communication between procurement teams and operational units, adoption of internal rules for reimbursement of experts from outside EU, alignment of internal rules on missions with the Commission's rules.

2.11.6. Fraud prevention and detection

The Management Board has revised the Framework for Good Administrative behaviour a key element of the Antifraud Strategy because it encompasses strict measures on management of conflict of interests regarding individuals involved in the new tasks under 4RP, clarifies the rules on gifts and hospitality and the use of Social media (see MB DEC 199). The exposure to conflict of interest has increased once the Agency has become an authority with significant decision making powers (as of 16th June).

The Agency is using positive declarations instead of asking staff to declare themselves out of conflict of interest through self-assessment. This approach enables a better informed assessment and it is more transparent for the Agency's stakeholders¹.

The declaration of interests of staff with decision making powers pursuant to the provisions of MB DEC 209 and MB DEC 194 are published on the Agency's website.

The Agency continued the training on Ethics and Antifraud which are mandatory for all staff. The overall rate of participation reached 85% for Antifraud (19% participation of staff in 2019) and 84% for Ethics (7% participation of staff in 2019)². The training on Ethics is focused on staff obligations pursuant to the provisions of the Staff Regulations. Both trainings are tailor made in line with the Agency risk environment. The training on Ethics has been extended to the PoE.

In order to further enhance the transparency of its actions, the Agency is publishing on the website the list of all meetings held by the Executive Director with organisations or self-employed individuals³.

No cases of suspicion of fraud has been transmitted by the Agency to OLAF. The OLAF case reported in 2017 has been closed by OLAF with no observations.

¹ Same approach for the individual experts

² The percentage is cumulated in a four year cycle (to be renewed starting with 2020)

³ Any organisation or individual, irrespective of their legal status, engaged in activities carried out with the objective of directly or indirectly influencing the formulation or implementation of policy and the decision-making processes of the Agency.

Part 3 – Assessment of the effectiveness of the internal control systems

3.1 Effectiveness of internal control systems

Following the Commission revision of the Internal Control Framework, the Agency has integrated the new principles into its ERA management standards to ensure consistency (via MB DEC 191). It should be noted that these new principles were in vast majority already implemented in the Agency before the formal integration. ERA is also using ISO 9001 standards applicable to all its processes as a mean to contribute to the further development and effective functioning of a Single European Railway area without frontiers.

In 2019, the Agency has carried out two risks assessment exercises aligned with the annual strategic planning of the Agency. Both exercises covered all areas/activities of the Agency (bottom-up approach). The Agency risk register is fully updated and includes the most significant risks of the Agency stemming not only from the projects/services but also risks associated with the strategic objectives linked with the delivery of the new tasks, business objectives of continuity, reputational risks.

The most significant risks are directly (or indirectly) linked with the underlying objectives of the 4RP:

- › *Inconsistent/incorrect transposition of the 4th RP legislation;*
- › *risk of absence of a working language regime in the Agency and as an indirect effect potential gap in Agency competencies (specific language skills),*
- › *security risk (insufficient protection of information both Agency and third party) in the context of the need to carefully manage and protect the confidentiality and integrity of significant sensitive information/data*

The update of the risk register resulted in changes that do not lead to the identification of a reservation in the CAAR.

The Agency continued to implement the internal control measures necessary to reach compliance with the requirements of the management standards as planned in the 2018 CAAR.

Examples of measures taken include: clarifying the roles and responsibilities of the Units as well as their mission purpose, starting the process for setting-up roadmaps for multi-annual activities such as Safety and Operations, Railway Data and Digitalisation, Harmonised railway technical specifications, implementing a business impact assessment for operational areas/functions.

All these measures help to ensure that the Agency's activities are effective and efficient.

Other measures designed to ensure effectiveness of the internal control system are planned for 2020 (and in the following years) such as enhancing the document management system with regards to efficiency, security, registration, retention etc., improving the collection and analysis of stakeholder feedback, integration of business impact assessment results into the operational activities.

3.2 Conclusions of assessment of internal control systems

The MB adopted the revised ERA MS incorporating the new internal control framework of the Commission based on principles. The principles specify the actions required for internal control to be effective. It is less focused on compliance and more attention on performance. The Agency is in the process of defining internal controls indicators for each ERA management standard and its corresponding principles. The result of the measurement of the internal control indicators against their performance/compliance targets shall feed the final overall internal control assessment to be reported in the next CAAR.

The Agency conducted the annual assessment of the ERA MS. The assessment was based on the revised version of the standards incorporating ISO and the new ICF. The conclusion of this assessment is that the Agency is compliant with the management standards.

With regards to potential improvements identified out of this exercise, a consolidated list of actions was established corresponding to each ERA management standard which will be monitored throughout the year 2020. The list of actions is based on multiple sources including: nonconformity reports, Agency risk register, stakeholders' feedback analysis, measurement of process performance, monthly management reports on the implementation of projects and services in the Agency.

It should be noted that the Agency was subject to a second ISO 9001 surveillance audit to certify that the management system is complying with the ISO requirements. No non-conformities were identified by the certification body.

Part 4 – Management assurance**4.1. Review of the elements supporting assurance**

The information reported in Parts 2 and 3 stems from:

- › the assurance given by the Agency management (via the annual management review of the internal control system, the monthly internal reports provided by the HoD/HoUs to the Executive Director regarding the internal controls put in place to mitigate the mains risks and issues) ;
- › the results of the IMS review,
- › the results of the Commission's services and Court of Auditors' audits and implementation of the measures to address weaknesses identified;
- › the reporting on nonconformities and preventive/corrective actions implemented;
- › the mitigated actions implemented following the annual risk assessment exercise;
- › the ex-ante and ex-post controls.

From the information available from ex-ante controls conducted in the area of financial transactions assessed with high level of risks (all commitments and payments higher than 1.000 €), there were no significant issues that would need to be raised in this report. This approach results in an adequate coverage of the Agency budget and provides sufficient guarantees of the completeness and reliability of the information reported.

Ex-post controls conducted for financial transactions assessed with low level of risks (i.e. payments lower than 1.000 € i.e. staff missions and experts attending working parties) detected an overall error rate lower than the control objective of 3,5 %. The financial impact represents less than 1% of the Agency payments made during 2018.

This approach provides sufficient guarantees as to the completeness and reliability of the information reported and results in a complete coverage of the budget delegated to the Executive Director of the Agency. Concerning the overall state of the IMS, management has reasonable assurance that, generally, the Agency has suitable controls in place that are working as intended, risks are being mitigated and/or monitored and improvements and reinforcements are being made. No systematic weakness came to the attention of management that would have an impact on the declaration of assurance; neither were elements identified that could seriously damage the reputation of the Agency.

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated; and necessary improvements and reinforcements are being implemented.

The Agency has systematically examined the available control results and indicators as well as the observations and recommendations issued by internal auditors and the European Court of Auditors. These elements have been assessed to determine their impact on the management's assurance as regards the achievement of control objectives.

4.2 Reservations

On the basis of the information and the materiality criteria provided above, no reservation is expressed.

Part 5 – Declaration of assurance**Declaration of Assurance**

I, the undersigned, Director of the EU Agency for Railways,

In my capacity as authorising officer,

Declare that the information contained in this report gives a true and fair view.

State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of the self-assessment, ex-post controls, and the lessons learnt from the reports of the Court of Auditors for years prior to the year of this declaration.

Confirm that I am not aware of anything not reported here which could harm the interests of the agency.

Place Valenciennes, 3 June 2020

(signed)

Josef Doppelbauer

Annexes***Annex I – Core business statistics***

	<i>Key Performance Indicators set up in SPD 2019</i>	<i>Level of achievement</i>
1	100% decisions taken according to the legal framework deadlines for issuing SSC (for completeness and assessment phases)	Achieved
2	100% decisions taken according to the legal framework deadlines for issuing VA (for completeness and assessment phases)	Achieved
3	100% decisions taken according to the legal framework deadlines for issuing Trackside approvals (for completeness and assessment phases)	Achieved
4	95% of the recommendations and opinions issued within the legal deadlines	Achieved
5	100% Member States having their vehicle-related NTRs cleaned up	67%
6	Positive surveillance audit on ISO 9001 certification for the Agency	Achieved
7	98% implementation of the establishment plan	94 % (9 TA vacant posts out of 148)
8	Less than 5% of staff turnover	3,3 % (5 TA leaving the Agency)
9	98 % of the annual appropriations committed	99,98%
10	Carry-over of <10% of payment appropriations for Title 1, <20% for Title 2, and <30% for Title 3	Title 1: 0,28% Title 2: 12,45% Title 3: 34,61%
11	95% execution of carry over payment appropriations	98,29%
12	95% payments made by contractual deadline	95,40%
13	98% availability of the core ICT systems	99,96 % (intranet and extranet)

Annex II – Statistics on financial management**II.1. Implementation of the budget 2019****II.1.1. Budget implementation 2019**

<i>Fund Source : C1</i>							
	<i>Chapter</i>	<i>Final appropriations (1)</i>	<i>Committed (2)</i>	<i>% Committed = (2) / (1)</i>	<i>Balance not committed = (1) - (2)</i>	<i>Total Paid (3)</i>	<i>% Paid = (3) / (1)</i>
11	Staff in active employment	19,999,176	19,999,176	100%	0	19,969,543	100%
13	Missions and travel	67,000	67,000	100%	0	60,051	90%
14	Socio-medical infrastructure	193,139	193,139	100%	0	173,077	90%
15	Staff exchange between the ERA and the public sector	33,343	33,343	100%	0	33,343	100%
17	Entertainment and representation exp.	1,670	1,670	100%	0	1,670	100%
	Title I	20,294,328	20,294,328	100%	0	20,237,683	100%
20	Investments in immovable property, rental of buildings and associated cost	1,217,351	1,216,857	100%	494	1,037,951	85%
21	Data processing	603,234	603,234	100%	0	585,385	97%
22	Movable property and associated costs	61,604	61,604	100%	0	46,348	75%
23	Current administrative expenditure	61,763	57,732	93%	4,031	45,606	74%
24	Post and telecommunications	146,249	146,249	100%	0	110,085	75%
	Title II	2,090,201	2,085,676	100%	4,525	1,825,376	87%
30	Operational Activities directly linked to the Reg. n°881/2004	3,619,202	3,617,667	100%	1,535	2,235,597	62%
31	Operational expenditures	1,665,616	1,665,616	100%	0	1,218,411	73%
	Title III	5,284,818	5,283,283	100%	1,535	3,454,008	65%
	Total Budget	27,669,347	27,663,287	100%	6,060	25,517,067	92%

II.1.2. Appropriations carried over 2018/2019

<i>Fund Source : C8</i>					
	<i>Chapter</i>	<i>Amount carried over 2018/2019</i>	<i>Payments made</i>	<i>Balance not paid at the end of the year 2019</i>	<i>% of Balance</i>
11	Staff in active employment	43,650	43,642	8	0%
13	Missions and travel	5,288	5,288	0	0%
14	Socio-medical infrastructure	95,208	89,519	5,688	6%
17	Entertainment and representation exp.	406	406	0	0%
	Title I	144,552	138,855	5,697	4%
20	Investments in immovable property, rental of buildings and associated cost	154,082	152,523	1,559	1%
21	Data processing	262,664	262,300	364	0%
22	Movable property and associated costs	30,682	30,682	0	0%
23	Current administrative expenditure	14,534	13,882	652	4%
24	Post and telecommunications	16,399	15,681	718	4%
	Title II	478,361	475,069	3,292	1%
30	Operational Activities directly linked to the Regulation n°881/2004	1,764,928	1,720,653	44,275	3%
31	Operational expenditures	786,389	785,374	1,016	0%
	Title III	2,551,317	2,506,026	45,291	2%
	Grandtotal	3,174,230	3,119,950	54,280	2%

II.1.3. Use of appropriations 2019

<i>Fund Source : C1</i>							
	<i>Chapter</i>	<i>Budget adopted</i>	<i>Transfers</i>	<i>Amendments</i>	<i>Budget after transfers and amendments (1)</i>	<i>Committed (2)</i>	<i>% Committed = (2) / (1)</i>
11	Staff in active employment	18,444,000	1,025,176	530,000	19,999,176	19,999,176	100%
13	Missions and travel	140,000	-73,000	0	67,000	67,000	100%
14	Socio-medical infrastructure	225,047	-31,908	0	193,139	193,139	100%
15	Staff exchange between the ERA and the public sector	200,000	-166,657	0	33,343	33,343	100%
17	Entertainment and representation expenses	5,000	-3,330	0	1,670	1,670	100%
	Title I	19,014,047	750,281	530,000	20,294,328	20,294,328	100%
20	Investments in immovable property, rental of buildings and associated cost	1,320,000	-102,649	0	1,217,351	1,216,857	100%
21	Data processing	700,000	-96,766	0	603,234	603,234	100%
22	Movable property and associated costs	190,000	-128,396	0	61,604	61,604	100%
23	Current administrative expenditure	115,000	-53,237	0	61,763	57,732	93%
24	Post and telecommunications	185,000	-38,751	0	146,249	146,249	100%
	Title II	2,510,000	-419,799	0	2,090,201	2,085,676	100%
30	Operational Activities directly linked to the Regulation n°881/2004	4,290,000	-670,798	0	3,619,202	3,617,667	100%
31	Operational expenditures	1,325,300	340,316	0	1,665,616	1,665,616	100%
	Title III	5,615,300	-330,482	0	5,284,818	5,283,283	100%
	Total Budget	27,139,347	0	530,000	27,669,347	27,663,287	100%

II.1.4. Appropriations carried over 2019/2020

	<i>Chapter</i>	<i>Amount carried over 2019/2020</i>	<i>% Amount carried over 2019/2020</i>
11	Staff in active employment	29,634	0%
13	Missions and travel	6,949	10%
14	Socio-medical infrastructure	20,062	10%
	Title I	56,645	0%
20	Investments in immovable property, rental of buildings and associated cost	178,906	15%
21	Data processing	17,849	3%
22	Movable property and associated costs	15,256	25%
23	Current administrative expenditure	12,126	20%
24	Post and telecommunications	36,164	25%
	Title II	260,300	12%
30	Operational Activities directly linked to the Regulation n°881/2004	1,382,070	38%
31	Operational expenditures	447,205	27%
	Title III	1,829,275	35%
	Total Budget	2,146,220	8%

II.1.5. Reconciliation budget and economic outturn

	2019	2018
Economic result (+ for surplus and - for deficit) of the consolidation reporting package	-1 138 459	359 537
Adjustment for accrual items (items not in the budgetary result but included in the economic result)		
Adjustments for Accrual Cut-off (reversal 31.12.N-1)	-1 319 150	-1 320 835
Adjustments for Accrual Cut-off (cut- off 31.12.N)	1 689 888	1 319 150
Amount from liaison account with Commission booked in the economic revenue	0	0
Unpaid invoices at year end but booked in charges (class 6)	2 536	16 515
Depreciation of intangible and tangible assets (1)	1 323 911	1 081 754
Provisions (1)	0	0
Value reductions (1)	6 240	0
Recovery Orders issued in 2019 in class 7 and not yet cashed	-161 269	-15 220
Prefinancing given in previous year and cleared in the year	0	0
Prefinancing received in previous year and cleared in the year	-284 060	-693 699
Payments made from carry over of payment appropriations	3 119 950	3 780 473
Other *)	-9 596	-171 282

Adjustment for budgetary items (item included in the budgetary result but not in the economic result)		
Asset acquisitions (less unpaid amounts)	-985 158	-2 032 937
New pre-financing paid in the year 2019 and remaining open as at 31.12.2019	0	0
New pre-financing received in the year 2019 and remaining open as at 31.12.2019	334 718	119 879
Budgetary recovery orders issued before 2019 and cashed in the year	22 257	18 183
Budgetary recovery orders issued in 2018 on balance sheet accounts (not 7 or 6 accounts) and cashed	0	0
Capital payments on financial leasing (they are budgetary payments but not in the economic result)	0	0
Payment appropriations carried over to 2020	-2 931 959	-3 509 588
Cancellation of unused carried over payment appropriations from previous year	54 280	122 715
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	335 358	1 045 234
Payments for pensions (they are budgetary payments but booked against provisions)	0	0
Payments for stocks of leave and supplementary hours (they are budgetary payments but booked against provisions)	0	0
Other **)	0	0
Budget outturn for the year	59 486	119 879

II.1.6. Budget outturn and cancellation of appropriations

Budget outturn	N-3* (2017)	N-2* (2018)	N-1* (2019)
Reserve from the previous years' surplus (+)	378 215	80 722	119 879
Revenue actually received (+)	31 930 147	28 850 412	28 644 227
Payments made (-)	- 27 143 337	- 26 386 114	- 26 041 311
Carryover of appropriations (-)	- 4 948 421	- 3 509 588	- 2 931 958
Cancellation of appropriations carried over (+)	64 813	122 715	54 280
Adjustment for carryover of assigned revenue appropriations from previous year (+)	179 832	1 045 234	335 358
Exchange rate differences (+/-)	- 2 312	- 2 780	- 1 110
Adjustment for negative balance from previous year (-)	- 378 215	- 80 722	- 119 879

TOTAL	80 722	119 879	59 486
--------------	--------	---------	--------

*N – the year covered by the programming document drafted in N-1 (as per definition art. 32 of Commission Delegated Regulation (EU) 2019/715).

Descriptive information and justification on:

- › **Budget outturn:** the progression over the years shows improvements in the budget execution;
- › **Cancellation of commitment appropriations:** the unused C1 budget was, in 2017 599,00 EUR, in 2018 5.619,00 EUR, in 2019 6.060,00 EUR.
- › **Cancellation of payment appropriations for the year and payment appropriations carried over:** the C8 cancelled in 2017 was 3,4%, in 2018 3,1% and in 2019 1,71%. The unpaid balance of the carry-overs remained under 5% since 2011.

II.2 Negotiated procedures

Contracts ≤ € 15 000 Contracts ≥ € 144 000 (Negotiated procedures under point 11 of Annex 1 FR)

- › Count: 3
- › Total Amount: € 1 243 400

II.3 Summary of procedures

(Excluding real estate contracts and contracts ≤ €15 000)

Type of contract	Count
Supply	0
Services	8
Works	0
TOTAL	8

Procedures	Count	Amount (€)
Open	4	4 300 000
Restricted	0	0
Negotiated	4	1 260 700
Negotiated Competing	0	0
Other - Reopening of competition	0	0
TOTAL	8	5 560 700

II.4 Real estate contracts

	Name, location and type of building	Other Comment
Information to be provided per building:	ERA HQ, Valenciennes, 120 rue Marc Lefrancq	1. ERA is the only tenant of the building
Surface area (in square metres) Of which office space Of which non-office space	5.250 M ² de Surface Hors Oeuvre Nette (S.H.O.N)	

Annual rent (in EUR)	In 2019: EUR 449.536 HT/year	The new INSEE indicator will be published during the 1st Quarter 2020.
Type and duration of rental contract	1 year with tacit renewal	
Host country grant or support	No	
Present value of the building	If the Agency owns the building	

	Name, location and type of building	Other Comment
Information to be provided per building:	Rental of 95 parking places from SPL Valenciennes (previously SAEM)	
Surface area (in square metres) Of which office space Of which non-office space	95 parking places	
Annual rent (in EUR)	In 2019: EUR 25.131 HT/year	
Type and duration of rental contract	1 year with tacit renewal	
Host country grant or support	No	
Present value of the building	If the Agency owns the building	

	Name, location and type of building	Other Comment
Information to be provided per building:	ERA meeting premises, 299, Boulevard de Leeds – Lille	
Surface area (in square metres)	602,62 M ²	
Annual rent (in EUR)	In 2019: EUR 113.012 HT/year	The new INSEE indicator will be published during the 1st Quarter 2020.
Type and duration of rental contract	Contract will end on 31/12/2023.	
Host country grant or support	No	
Present value of the building	If the Agency owns the building	

	Name, location and type of building	Other Comment
Information to be provided per building:	Rental of 1 parking place from Espace International	
Surface area (in square metres) Of which office space Of which non-office space	1 parking place	
Annual rent (in EUR)	In 2019: EUR 2.578 HT/year	The new INSEE indicator will be published during the 1st Quarter 2019
Type and duration of rental contract	Contract will end on 31/12/2023.	
Host country grant or support	No	
Present value of the building	If the Agency owns the building	

Current building

ERA started using the current building in Valenciennes in 2009. This building was designed to accommodate about 160 headcount, where the layout of the offices privileged the use of the rooms by single occupants.

Due to the new tasks in relation to the certification and authorisation's activities requiring the recruitment of additional staff, the building was fitted in order to accommodate 251 desks.

The higher number of staff (desks) in the building will have an impact on the maintenance costs. In addition to the number of staff, a significant number of meetings will be organised in Valenciennes that will fully exploit all the facilities and technical services (e.g. HVAC systems) that are close to the end of operational life (10 years). The Agency estimates that about EUR 500K per year will be necessary to ensure the reliability of the technical installations at ERA headquarters. However, due to budget constraints, the Agency has decided to accept the risks posed by the end-of-life equipment.

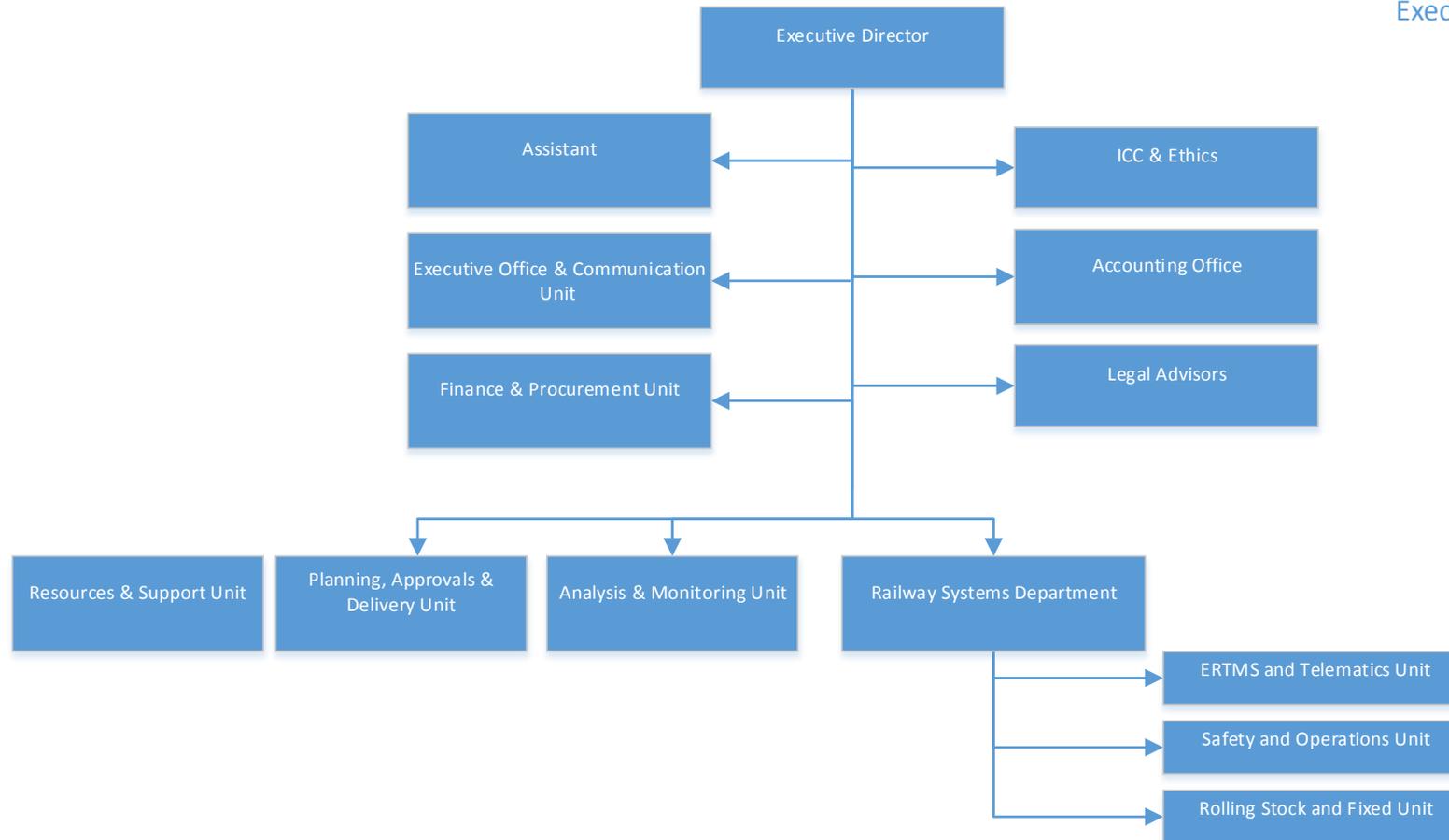
Building project in the planning phase

The Agency and the French Authorities started the discussions to define the requirements related to the construction of a new building.

It is expected to provide the Budget Authority with a budget request during the year 2020.

Annex III – Organisational chart

Executive Director



Annex IV – Establishment plan and additional information on Human Resources management**IV.1.a. Establishment plan 2019-2023**

Function group and grade	2019		2019	2020		2021		2022		2023	
	Authorised under the EU Budget		Staff population at 31/12/2019	Authorised under the EU Budget		Request of the Agency		Estimates by the Agency		Estimates by the Agency	
	Permanent posts	Temporary posts		Permanent posts	Temporary posts	Permanent posts	Temporary posts	Permanent posts	Temporary posts	Permanent posts	Temporary posts
AD 16											
AD 15					1		0		0		0
AD 14		1	1				1		1		1
AD 13											
AD 12		4	1		4		4		4		4
AD 11		7	2		7		10		10		10
AD 10		19	15		19		19		19		19
AD 9		32	23		32		29		29		29
AD 8		21	18		21		21		21		21
AD 7		15	21		15		15		15		15
AD 6		14	23		14		14		14		12
AD 5							6		10		7
AD TOTAL		113	104		113		119		123		126
AST 11											
AST 10											
AST 9		2	1		2		2		3		3
AST 8		5	1		5		5		7		7
AST 7		5	4		5		5		7		7
AST 6		2	4		2		6		6		6
AST 5		8	9		8		8		9		9
AST 4		9	3		9		9		1		1
AST 3		4	13		4		0		0		0
AST 2		0	0						0		0
AST 1											
AST TOTAL		35	35		35		35		35		35
AST/SC 6											
AST/SC 5											
AST/SC 4											
AST/SC 3											
AST/SC 2											
AST/SC 1											
AST/SC TOTAL			0								
TOTAL		148	139		148		154		158		161

IV.1.b. Staff composition in 2019

Staff population		Staff population in voted Budget 2019	Staff population at 31/12/2019
Officials	AD		
	AST		
	AST/SC		
TA	AD	113	104
	AST	35	35
	AST/SC	0	0
Total TA		148	139
CA GFIV		17	16
CA GF III		8	9
CA GF II		10	7
CA GFI		3	3
Total CA		38	35
SNE		4	0
Structural service		15	14
Total		207	184

CA*: including 3 CA for the EUMedRail grant agreement

IV.2. Result of the Agency's job screening exercise

Job Type (sub) category	Year N-1 (%)	Year N (%)	Year N	Year N-1	Difference
Administrative support and coordination	20.33	19.39			
			40.3	43.5	-3.2
Administrative support	14.21	14.25	30.2	30.4	-0.2
Coordination	6.12	4.76	10.1	13.1	-3
Operational	68.88	69.95			
			148.3	147.4	0.9
Top level Operational Coordination	10.61	10.90	23.1	22.7	0.4
Programme Management & Implementation	47.10	47.55	100.8	100.8	0
Evaluation & impact assessment	4.67	4.95	10.5	10	0.5
General operational	5.50	6.56	13.9	13.9	0
Neutral	10.79	11.04			
			23.4	23.1	0.3
Finance/control	10.79	11.04	23.4	23.1	0.3
Linguistics	0.00	0.00	0	0	0
total			212	214	-2

Key functions (examples – terminology should be adjusted to each agency's job titles) ⁱ	Type of contract (official, TA or CA)	Function group, grade of recruitment (or bottom of the brackets if published in brackets)	Indication whether the function is dedicated to administrative support or operations [subject to definitions used in screening methodology]
e.g. Head of Department (level 2)	TA	AD12	ADM/OP
e.g. Head of Unit, Head of Task Force (level 2 or 3)	TA	AD9	ADM/OP
e.g. Head of Sector (level 3 or 4)	TA	AD8	ADM/OP
Adviser Specialist etc.	TA	AD13	OP
Chief Engineer	TA	AD10	OP
Team leader, Coordinator	TA	AD8	ADM/OP
Senior Assistant	TA	AST10	ADM/OP
Assistant	TA, CA	AST1, FGII, FGIII	ADM/OP
Senior Administrator	TA	AD7	ADM/OP
Administrator	TA, CA	AD5, FGIV	ADM/OP
Secretary/clerk	TA, CA	SC1, FGI, FGII	ADM/OP

Annex V – Human and financial resources by activity

Planned (SPD 2019)

Activity	Unit Staff	DIRECT COSTS		INDIRECT COSTS			TOTAL BUDGET 2019 PER ACTIVITY
	FTE	Title 3 - CHAPTER 30	TITLE 4	TITLE 1	TITLE 2	TITLE 3 - CHAPTER 31	
1. Contributing to shaping the target and global reference	21.85	305,109		2,186,615	288,650	152,410	2,932,784
2. Developing the Harmonised Regulatory SERA Technical Framework	38.15	323,469		3,817,820	503,982	266,106	4,911,377
3. Implementing the Harmonised Regulatory SERA Technical Framework (under 4RP)	46.40	2,685,307	pm	4,643,430	612,968	323,652	8,265,358
4. Monitoring, Evaluating and Reporting	19.20	517,602		1,921,419	253,642	133,925	2,826,589
5. Delivering efficient and effective services	64.40	458,513		6,444,761	850,758	449,207	8,203,239
Grand total	190.00	4,290,000	pm	19,014,047	2,510,000	1,325,300	27,139,347

Actual (CAAR 2019)

Activity	Staff	DIRECT COSTS		INDIRECT COSTS			TOTAL BUDGET 2019 PER ACTIVITIES
	FTE	TITLE 3 - CHAPTER 30	TITLE 4	TITLE 1	TITLE 2	TITLE 3 - CHAPTER 31	
1. Contributing to shaping the target and global reference	21.85	270,485		2,505,260	257,469	205,614	3,238,829
2. Developing the Harmonised Regulatory SERA Technical Framework	32.15	297,578		3,686,230	378,839	302,540	4,665,186
3. Implementing the Harmonised Regulatory SERA Technical Framework (under 4RP)	46.40	2,100,181	1,615,437	5,320,095	546,754	436,636	10,019,103
4. Monitoring, Evaluating and Reporting	18.20	322,885		2,086,761	214,459	171,267	2,795,373
5. Delivering efficient and effective services	58.40	626,538		6,695,982	688,155	549,559	8,560,234
Grand Total	177.00	3,617,667	1,615,437	20,294,328	2,085,676	1,665,616	29,278,725
		3,617,667	1,615,437	20,294,328	2,085,676	1,665,616	

Annex VI – Contribution, grant and service level agreements. Financial Framework Partnership Agreements

	General information ¹					Financial and HR impacts				
	Date of signature	Total amount	Duration	Counterpart	Short description		N-1		N	
Grant agreements										
1. Grant Contract 2017/391-230	04/12/2017	€ 200,000.00	24 months as of 01/01/2018	DG NEAR	Continuation of pre-accession support to the EU candidates and potential candidates (Western Balkans and Turkey) by the European Union Agency for Railways 2018-2019	Amount	CA	PA	CA	PA
						€ 70,713.00	€ 70,713.00	€ 129,287.00	€ 129,287.00	
						Number of CA	0		0	
2. ENI/2016/359-727	16/12/2016	€ 2,000,000.00	48 months as of 01/01/2017	DG NEAR	EUMedRail - EuroMed Rail Safety and Interoperability Project	Amount	€ 680,000.00	€ 680,000.00	€ 1,090,000.00	€ 1,090,000.00
						Number of CA	3		3	
						Number of SNE	0		0	
Total grant agreements						Amount	€ 750,713.00	€ 750,713.00	€ 1,219,287.00	€ 1,219,287.00
						Number of CA	3		3	
						Number of SNE	0		0	
Contribution agreements										
Not applicable						Amount				
						Number of CA				
						Number of SNE				
Total contribution agreements						Amount				
						Number of CA				
						Number of SNE				
Service-level agreements										
SLA ESMA-ERA	20/11/2013	Not applicable	Indefinite	ESMA	Provision of accounting services by ERA's accounting officer to ESMA (40% FTE of 1 TA).	Amount	€ 50,291.00	€ 50,291.00	€ 42,953.00	€ 42,953.00
						Number of CA				
						Number of SNE				
Total service-level agreements						Amount				
						Number of CA				
						Number of SNE				
TOTAL						Amount	€ 801,004.00	€ 801,004.00	€ 1,262,240.00	€ 1,262,240.00
						Number of CA	3		3	
						Number of SNE	0		0	

Annex VII – Environment management

See information provided in Section 2.10.

Annex VIII – Final annual accounts**VIII.1. Financial statements****VIII.1.1. Balance sheet (assets, liabilities)**

	<i>Note</i>	<i>31/12/2019</i>	<i>31/12/2018</i>
A. NON CURRENT ASSETS			
Intangible assets	3.5.2.1	3 793 125	3 598 262
Property, plant and equipment	3.5.2.2	835 843	1 369 459
Land and buildings		1 352	1 912
Plant and equipment		5 894	9 843
Computer hardware		683 447	1 203 232
Furniture and vehicles		76 211	97 827
Other fixtures and fittings		68 939	56 645
Non-current receivables	3.5.2.3	31 898	31 898
TOTAL NON-CURRENT ASSETS		4 660 866	4 999 619
B. CURRENT ASSETS			
Pre-financing	3.5.2.4	18 824	492 422
Pre-financing with consolidated entities		18 824	492 422
Exchange receivables and recoverables	3.5.2.5	826 478	232 794
Current receivables		148 274	22 000
Sundry receivables		38 370	43 369
Current receivables with consolidated entities		4 675	0
Other receivables		0	0
Accrued income with consolidated entities		12 456	14 963
Accrued fee income		358 059	0
Deferred charges		264 644	152 462
Non - exchange receivables and recoverables	3.5.2.6	110 041	254 900
Current receivables Member States		110 041	254 900
Other receivables		0	0
Cash and cash equivalents	3.5.2.7	3 246 645	3 294 240
TOTAL CURRENT ASSETS		4 201 987	4 274 355
TOTAL ASSETS		8 862 854	9 273 974

	<i>Note</i>	<i>31/12/2019</i>	<i>31/12/2018</i>
A. NET ASSETS	3.5.2.8	6 386 044	7 524 503
Accumulated surplus/deficit		7 524 503	7 164 966
Economic result of the year-profit+/loss-		-1 138 459	359 537
B. NON CURRENT LIABILITIES		0	0
Pension and other employee benefits		0	0

Provisions for risks and liabilities		0	0
TOTAL NON-CURRENT LIABILITIES (A+B)		6 386 044	7 524 503
C. CURRENT LIABILITIES		2 476 810	1 749 471
Provisions for risks and liabilities	3.5.2.9	0	0
Accounts payable	3.5.2.10	801 326	433 029
Current payables		8 929	22 026
Sundry payables		2 071	1 456
Accounts payable with consolidated EC entities		790 326	409 547
..... <i>Prefinancing received from consolidated EC entities</i>		790 326	409 547
..... <i>Other accounts payable against consolidated EC entities</i>		0	0
Accrued charges and deferred income	3.5.2.11	1 675 484	1 316 442
Accrued charges		1 675 484	1 115 065
Deferred income		0	0
Other passive accruals & deferrals		0	0
Deferrals and accruals with consolidated EC entities		0	201 377
TOTAL CURRENT LIABILITIES		2 476 810	1 749 471
TOTAL LIABILITIES		8 862 854	9 273 974

VIII.1.2. Statement of financial performance

STATEMENT OF FINANCIAL PERFORMANCE	Note	31/12/2019	31/12/2018
Subsidy received	3.5.3.1	28 087 492	29 367 063
Title 1&2		22 302 194	21 540 000
Title 3		5 367 153	7 253 243
Part of Phare Funds subsidy used in current year		104 598	89 794
Part of EUMEDRAIL pre-financing used in current year		373 033	603 905
To be reimbursed (Budget outturn)		-59 486	-119 879
Revenue from adjustment/provisions		0	0
NON-EXCHANGE REVENUES	3.5.3.1	28 087 492	29 367 063
Fee income		838 739	0
Fixed Assets related income		0	-321
Exchange rate differences gains		220	837
Bank interest		10	2
Income from other exchange operations (3rd parties)		118 949	3 976
Income from consolidated EU entities		42 953	50 230
EXCHANGE REVENUES	3.5.3.1	1 000 872	54 725
TOTAL REVENUES		29 088 363	29 421 788
Operational expenses	3.5.3.3	4 529 811	5 245 542
Staff and Pension costs	3.5.3.2	20 003 919	18 152 968
Finance costs		983	30

Finance costs		561	0
Other financial expenses		422	30
Other expenses		5 691 939	5 663 709
Property, plant and equipment related expenses	3.5.3.2	2 519 672	2 429 345
Other Expenses	3.5.3.2	3 170 937	3 230 747
Exchange rate differences losses		1 330	3 617
TOTAL EXPENSES		30 226 822	29 062 250
SURPLUS (DEFICIT) FROM ORDINARY ACTIVITIES		-1 138 459	359 537
ECONOMIC RESULT OF THE YEAR		-1 138 459	359 537

VIII.1.3. Statement of changes in net assets

<i>Capital</i>	<i>Reserves</i>		<i>Accumulated Surplus / Deficit</i>	<i>Economic result of the year</i>	<i>Capital (total)</i>
	<i>Fair value reserve</i>	<i>Other reserves</i>			
Balance as of 31 December 2018	0	0	7 164 966	359 537	7 524 503
Changes in accounting policies	0	0	0	0	0
Balance as of 1 January 2019 (if restated)	0	0	7 164 966	359 537	7 524 503
Allocation of the Economic Result of Previous Year	0	0	359 537	-359 537	0
Economic result of the year	0	0	0	-1 138 459	-1 138 459
Balance as of 31 December 2019	0	0	7 524 503	-1 138 459	6 386 044

VIII.1.4. Cash flow statement

	<i>2019</i>	<i>2018</i>
Cash Flows from ordinary activities		
Economic result of the year	-1 138 459	359 537
Operating activities		
Amortization (intangible fixed assets) +	573 030	223 687
Depreciation (tangible fixed assets) +	750 880	857 745
Increase/(decrease) in Provisions for risks and liabilities	0	0
Increase/(decrease) in Value reduction for doubtful debts	0	0
(Increase)/decrease in Stock	0	0
(Increase)/decrease in Long term Pre-financing	0	0
(Increase)/decrease in Short term Pre-financing	473 598	95 489
(Increase)/decrease in Long term Receivables	0	0
(Increase)/decrease in Short term Receivables	-593 684	-167 125
(Increase)/decrease in Receivables related to consolidated EC entities	144 859	116 414
Increase/(decrease) in Other Long term liabilities	0	0

Increase/(decrease) in Accounts payable	346 560	20 844
Increase/(decrease) in Liabilities related to consolidated EC entities	380 779	-726 560
(Gains)/losses on sale of Property, plant and equipment	0	0
Extraordinary items	0	0
Net cash Flow from operating activities	937 563	780 032
Cash Flows from investing activities		
Purchase of tangible and intangible fixed assets (-)	-985 158	-2 048 633
Proceeds from tangible and intangible fixed assets (+)	0	321
Net cash flow from investing activities	-985 158	-2 048 312
Net increase/(decrease) in cash and cash equivalents	-47 595	-1 268 281
Cash and cash equivalents at the beginning of the period	3 294 240	4 562 520
Cash and cash equivalents at the end of the period	3 246 645	3 294 240

Glossary

4th RP	4 th Railway Package
AOD	Delegated Authorising Officers
ATO	Automatic Train Operation
BoA	Board of Appeal
CAAR	Consolidated Annual Activity Report
CCM	Change Control Management
CCS	Control-Command and Signalling subsystem
CEN	European Committee for Standardisation
CENELEC	European Committee for Electro technical Standardisation
COR	Common Occurrence Reporting
CR	Change Request
CSIs	Common Safety Indicators
CSMs	Common Safety Methods
CSTs	Common Safety Targets
DG NEAR	Directorate-General for Neighbourhood and Enlargement Negotiations
EC	European Commission
ECM	Entity in charge of maintenance
ECVVR	European Centralised Virtual Vehicle Register
ENE	Energy subsystem
ERADIS	ERA Database on Interoperability and Safety
ERAIL	European Railway Accident Information Links
ERATV	European Register of Authorised Types of Vehicles
ERTMS	European Rail Traffic Management System
ETCS	European Train Control System
EU	European Union
EUMedRail	EuroMed Rail Safety and Interoperability project, funded by the EC
FAQ	Frequently Asked Questions
F&C	Fees and charges
GSM-R	Global System for Mobile Communications (Railway)
HOF	Human and Organisational Factors
HR	Human Resources
ICS	Internal Control Standards
IM	Infrastructure manager
IMS	Integrated Management System
INEA	Innovation and Networks Executive Agency
INF	Infrastructure subsystem
IPA	EC Instrument for Pre-accession Assistance
IT	Information Technology
JNS	Joint Network Secretariat
LOC	Locomotives and traction units
KPI	Key Performance Indicator
MB	Management Board
MoU	Memorandum of understanding
MS(s)	Member State(s)
NIB	National Investigation Body
NB(-)Rail	Coordination group of Notified Bodies (Rail)
NoBo(s)	Notified body(ies)
NOI	Noise (TSI)
NSA(s)	National Safety Authority(ies)

NTR(s)	National technical rule(s)
NVR	National Vehicle Register
OPE	Traffic operation and management subsystem
OSJD	Organisation for Cooperation of Railways
OSS	One-stop Shop
OTIF	Organisation for International Carriage by Rail
PAS	Passenger vehicles (carriages)
PoE	Pool of experts
PRM	Persons with reduced mobility
RASCOP	Rail Standardisation Coordination Platform for Europe
RDD	Reference Document Database
RISC	Railway Interoperability and Safety Committee
RST	Rolling stock subsystem
RU	Railway undertaking
S2R	Shift2Rail Programme
SAIT	Safety Alert IT Tool
SMS	Safety Management System
SPD	Single Programming Document
SRD	Single Rules Database
SRT	Safety in railway tunnels
SSC	Single Safety Certificate
TAF	Telematics application for freight services
TAP	Telematics application for passenger services
TDG	Transport of Dangerous Goods
TF	Task Force
TSI	Technical Specification for Interoperability
VA	Vehicle Authorisation
VVR	Virtual Vehicle Register
WAG	Freight wagons
WG	Working Group
WP	Working Party