

**DECISION AB n° 08/2011**

**ON THE ADOPTION OF INTERNAL CONTROL STANDARDS**

THE ADMINISTRATIVE BOARD OF THE AGENCY FOR THE COOPERATION  
OF ENERGY REGULATORS,

HAVING REGARD to Regulation (EC) No 713/2009 of the European Parliament and  
of the Council of 13 July 2009 establishing a European Agency for the Cooperation of  
Energy Regulators (hereafter referred to as the "ACER Regulation" and "Agency").

HAVING REGARD to Commission Regulation (EC, Euratom) No 2343/2002 of 23  
December 2002 on the framework Financial Regulation for bodies referred to in  
Article 185 of Council Regulation (EC, Euratom) No 1605/2002 on the Financial  
Regulation applicable to the general budget of the European Communities (hereafter  
referred to as "Regulation (EC, Euratom) No 2343/2002") and, in particular, Article  
38(4) thereof.

HAVING REGARD to the Rules of Procedure (hereafter referred to as "RoP")  
adopted by the Administrative Board on 6 May 2010, and in particular Article 9  
thereof;

Whereas:

It is necessary, following Article 38(4) of the Commission Regulation (EC,  
Euratom) No 2343/2002, for agencies to adopt the appropriate internal control  
standards on the basis of equivalent standards laid down by the Commission  
for its own departments.

The internal control standards as listed in the Annex to this decision are  
identical to those adopted by the European Commission and shall apply by  
analogy to ACER's administrative processes.

HAS DECIDED, BY WRITTEN PROCEDURE, pursuant to Article 9 (2) of the RoP,  
to adopt the Internal Control Standards listed in the Annex to this decision.

The detailed implementing rules and procedures related to the Internal Control

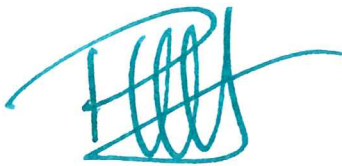


Standards shall be adopted by the Director.

This decision shall take effect on the day following that of its adoption.

Done at Ljubljana, on 10 April 2011

For the Administrative Board:

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke extending to the right.

Piotr Woźniak

*Chairman of the ACER Administrative Board*

## Annex

### **Standard 1: Mission:**

ACER's mission and vision are clearly defined in up-to-date and concise mission statements developed from the perspective of ACER's stakeholders and customers.

### **Standard 2: Ethical and Organisational Values:**

Management and staff are aware of and share appropriate ethical and organisational values and uphold these through their own behaviour and decision-making.

### **Standard 3: Staff Allocation and Mobility:**

The allocation and recruitment of staff is based on ACER's objectives and priorities. Management promote and plan staff mobility so as to strike the right balance between continuity and renewal.

### **Standard 4: Staff Evaluation and Development**

Staff performance is evaluated against individual annual objectives, which fit with ACER's overall objectives. Adequate measures are taken to develop the skills necessary to achieve the objectives.

### **Standard 5: Objectives and Performance Indicators:**

ACER's objectives are clearly defined and updated when necessary. These are formulated in a way that makes it possible to monitor their achievement. Key performance indicators (KPIs) are established to help management evaluate and report on progress made in relation to their objectives.

### **Standard 6: Risk Management Process:**

A risk management process that is in line with applicable provisions and guidelines is integrated into the annual activity planning.

### **Standard 7: Operational Structure:**

ACER's operational structure supports effective decision-making by suitable delegation of powers. Risks associated with ACER's sensitive functions are managed through mitigating controls and ultimately staff mobility. Adequate IT governance structures are in place.

### **Standard 8: Processes and Procedures:**

ACER's processes and procedures used for the implementation and control of its activities are effective and efficient, adequately documented and compliant with applicable provisions. They include arrangements to ensure segregation of duties and to track and give prior approval to control overrides or deviations from policies and procedures.

**Standard 9: Management Supervision:**

Management supervision is performed to ensure that the implementation of activities is running efficiently and effectively while complying with applicable provisions.

**Standard 10: Business Continuity:**

Adequate measures are in place to ensure continuity of service in case of "business-as-usual" interruption. Business Continuity Plans (BCP) are in place to ensure that ACER is able to continue operating to the extent possible whatever the nature of a major disruption.

**Standard 11: Document Management:**

Appropriate processes and procedures are in place to ensure that ACER's document management is secure, efficient (in particular as regards retrieving appropriate information) and complies with applicable legislation.

**Standard 12: Information and Communication:**

Internal communication enables management and staff to fulfil their responsibilities effectively and efficiently, including in the domain of internal control. ACER shall have an external communication strategy to ensure that its external communication is effective, coherent and in line with ACER's key political messages. IT systems used and/or managed by the ACER (where the ACER is the system owner) are adequately protected against threats to their confidentiality and integrity.

**Standard 13: Accounting and Financial Reporting:**

Adequate procedures and controls are in place to ensure that accounting data and related information used for preparing the organisation's annual accounts and financial reports are accurate, complete and timely.

**Standard 14: Evaluation of Activities:**

Evaluations of expenditure programmes, legislation and other non-spending activities are performed to assess the results, impacts and needs that these activities aim to achieve and satisfy.

**Standard 15: Assessment of Internal Control Systems:**

Management assess the effectiveness of ACER's key internal control systems, including the processes carried out by implementing bodies, at least once a year.

**Standard 16: Internal Audit Capability:**

ACER has an Internal Audit Capability (IAC), which provides independent, objective assurance and consulting services designed to add value and improve the operations of ACER.