



**European Union Agency for the
Cooperation of Energy Regulators**

Draft Single Programming Document

2023 - 2025

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DIRECTOR'S FOREWORD

To be added to final version of the programming document prior to its adoption.

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LIST OF ABBREVIATIONS AND ACRONYMS

Abbreviation	Meaning
The Agency	European Union Agency for the Cooperation of Energy Regulators
AB	Administrative Board
ARIS	Agency's REMIT Information System
AWG	Agency Working Group
BoA	Board of Appeal
BoR	Board of Regulators
CBA	Cost Benefit Analysis
CBCA	Cross-Border Cost Allocation
CEER	Council of European Energy Regulators
CEREMP	Centralised European Register of Energy Market Participants
CEP	Clean Energy Package
CMP	Congestion Management Procedures
Col	Conflict of Interest
CS	Corporate Services (former Administration Department)
DoI	Declaration of Interest
EC	European Commission
EnC	Energy Community
ECRB	Energy Community Regulatory Board
EMIR	Regulation of the European Parliament and Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (EMIR)

ENTSO-E	European Network of Transmission System Operators for Electricity
ENTSOG	European Network of Transmission System Operators for Gas
ESMA	European Securities and Markets Authority
FERC	U.S. Federal Energy Regulatory Commission
FG	Framework Guideline
FTE	Full Time Equivalent
IEM	Internal Energy Market
ICT	Information and Communication Technology
ITC	Inter-TSO Compensation
ITIL	Information Technology Infrastructure Library
MiFID	Markets in Financial Instruments Directive
MMR	Market Monitoring Report
MSC	Market Surveillance and Conduct
MoU	Memorandum of Understanding
MP	Market Participant
NC	Network Code
NDP	Network Development Plan
NRA	National Regulatory Authority
OTC	Over the counter
PCI	Project of Common Interest
REMIT	Regulation on wholesale Energy Market Integrity and Transparency
RRM	Registered Reporting Mechanisms

SDC	Strategy Delivery and Communication
SMARTS	Market surveillance software
SNE	Seconded National Expert
SSO	Storage System Operators
TCA	Trade and Cooperation Agreement
TEN-E	Trans-European Energy Network
TSO	Transmission System Operator
TYNDP	Ten Year Network Development Plan

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MISSION STATEMENT

MISSION

The European Union Agency for the Cooperation of Energy Regulators fosters a fully integrated and well-functioning Internal Energy Market, where electricity and gas are traded and supplied according to the highest integrity and transparency standards, and EU consumers benefit from a wider choice, fair prices and greater protection. For this purpose, we work with European Institutions, NRAs and stakeholders.

VISION

Our vision is to be a leading agency for independent, high-quality regulation in Europe to implement the Internal Energy Market and the Energy Union.



LEGAL BASIS

The Agency has been assigned tasks and responsibilities by a number of legislative acts:

- The Third Package (some acts were recast within the Clean Energy for all Europeans Package):

Regulation (EC) No 713/2009 (the “Agency Regulation”), repealed and replaced by Regulation (EU) No 2019/942 establishing a European Union Agency for the Cooperation of Energy Regulators (recast),

Directive 2009/72/EC (the “Electricity Directive”), repealed and replaced from 1.1.2021 by Directive (EU) 2019/944 on common rules for the internal market for electricity and amending Directive 2012/27/EU (recast),

Regulation (EC) No 714/2009 (the “Electricity Regulation”), repealed and replaced from 1.1.2020 by Regulation (EU) No 2019/943 on the internal market for electricity,

Directive 2009/73/EC (the “Gas Directive”),

Regulation (EC) No 715/2009 (the “Gas Regulation”);

- Regulation (EU) No 1227/2011 (REMIT) and Commission Implementing Regulation (EU) No 1348/2014 (the REMIT “Implementing Acts”);
- Regulation (EU) 994/2010, recently replaced by Regulation (EU) 2017/1938 concerning measures to safeguard the security of gas supply (the “SoS Regulation”);
- Commission Regulation (EU) 838/2010 on the inter-TSO compensation mechanism (the “ITC Regulation”);
- Regulation (EU) No 347/2013 on Guidelines for trans-European energy infrastructure (“TEN-E Regulation”);
- Commission Regulation establishing a Network Code on Capacity Allocation Mechanisms in Gas Transmission Systems (984/2013/EU), as replaced by Commission Regulation (EU) 2017/459 establishing a network code on capacity allocation mechanisms in gas transmission systems and repealing Regulation (EU) No 984/2013 (“CAM Network Code”);
- Commission Regulation establishing a Network Code on Gas Balancing of Transmission Networks (312/2014/EU);

- Commission Regulation establishing a Network Code on interoperability and data exchange rules (703/2015/EU);
- Commission Decision (EU) 2015/715/EU amending Annex I to Regulation (EC) 715/2009 on conditions for access to the natural gas transmission networks (“Congestion management procedures – CMP Guidelines”);
- Commission Regulation (EU) 2015/1222 establishing a guideline on capacity allocation and congestion management (“CACM Guideline”);
- Commission Regulation (EU) 2016/631 establishing a network code on requirements for grid connection of generators;
- Commission Regulation (EU) 2016/1388 establishing a Network Code on Demand Connection;
- Commission Regulation (EU) 2016/1447 establishing a network code on requirements for grid connection of high voltage direct current systems and direct current-connected power park modules;
- Commission Regulation (EU) 2016/1719 establishing a guideline on forward capacity allocation (“FCA Guideline”);
- Commission Regulation (EU) 2017/460 establishing a network code on harmonised transmission tariff structures for gas;
- Commission Regulation (EU) 2017/1485 establishing a guideline on electricity transmission system operation;
- Commission Regulation (EU) 2017/2195 establishing a guideline on electricity balancing;
- Commission Regulation (EU) 2017/2196 establishing a network code on emergency and restoration;
- Regulation (EU) No 2019/941 on risk-preparedness in the electricity sector and repealing Directive 2005/89/EC.
- Commission Decision (EU) 2020/2152 of 17 December 2020 on fees due to the European Union Agency for the Cooperation of Energy Regulators for collecting, handling, processing and analysing of information reported under Regulation (EU) No 1227/2011 of the European Parliament and of the Council.

SECTION I – GENERAL CONTEXT

STRATEGIC AIMS

An active ACER in a context of significant change

The energy systems of Europe are undergoing massive change, driven in part by technology, by market actor innovation and in part by evolving political priorities, not least as regards decarbonisation of the broader economy, in which energy transition plays a crucial part. The Covid-19 crisis has further accelerated decarbonisation trends and is changing the energy landscape in ways that at this stage may yet not be fully clear.

As such, the regulatory landscape, in which the Agency for the Cooperation of Energy Regulators (ACER) finds itself, is very much evolving, too. This has implications on how the Agency deploys its resources, how it seeks to enhance its agility in delivering priority tasks and how it engages with stakeholders, of which there are many. It also has implications on how the Agency communicates its activities going forward, keeping a close eye on how these fit within the wider European context, and with the future priorities which the Agency may need to contribute to.

The Agency’s work is anchored in its legal mandate, as enhanced by the “Clean Energy for all Europeans Package”. Cooperation with National Regulatory Authorities (NRAs) remains an essential part of the Agency’s mission and work.

Accordingly, the Agency’s strategic aims in the coming years will be the following:

BROADER CHALLENGES GOING FORWARD

- **Contributing, from a regulatory perspective, to the EU’s wider energy and decarbonisation goals and the EU Green Deal;**
- **Implementing the Clean Energy for All Europeans Package;**
- **Engaging on the future gas market design and decarbonisation of Europe;**
- **Engaging stakeholders for greater impact, communicating strategically and via modern tools;**
- **Redeploying resources to meet future challenges;**
- **Putting the Agency’s REMIT activities on sound financial footing.**

CURRENT CHALLENGES

- **Implementing Electricity and Gas Network Codes and Guidelines and monitoring their effects;**

- **Increasing the transparency of wholesale energy markets and promoting their integrity under REMIT;**
- **Contributing to the EU’s energy infrastructure challenge under the TEN-E regulation;**
- **Contributing to safeguard the security of gas supply.**

Broader challenges going forward.

- **Contributing, from a regulatory perspective, to the EU’s wider energy and decarbonisation goals and the EU Green Deal**

While focusing on its legal mandate and tasks allocated to it since its establishment, the Agency aims to contribute, from a regulatory perspective, to the implementation of the European Union’s Green Deal and the broader energy and decarbonisation objectives set at political level. A large share of its activities contribute, directly or indirectly, to cost efficient solutions for Member States and consumers, to building faith in increased mutual reliance among key actors in the energy market and ultimately to the EU’s goal of becoming the world’s first climate-neutral continent.

The energy transitions needed to achieve this trajectory also require new approaches to the infrastructure underpinning efficient markets. Increased cross-border and regional cooperation will help achieve the benefits of energy transitions at more affordable prices for EU energy consumers. At the same time, there are important discussions to take account of as to the balance between wider, pan-European approaches and more localised flexibility solutions. Similarly, for some of the political priorities set at European level there are important discussions ahead on the right balance between setting the right market framework on the one hand and broader government planning and market actor coordination on the other hand, especially in the aftermath of the Covid-19 crisis. Finally, the governance arrangements currently in place may no longer be appropriate in the new policy and technological environment. These will be important guideposts for the Agency’s contributions to ongoing discussions on future energy challenges for Europe.

While energy transitions give rise to different challenges and opportunities across the economy, the EU’s energy supply needs to remain secure and affordable for consumers and businesses. For this to happen, as also emphasised in the Green Deal, it is essential to ensure that European markets are integrated, interconnected and digitalised, while respecting technological neutrality. The Agency plays a key role through its current activities and will seek to play a forward-looking role in these processes in the coming years, cooperating closely with NRAs.

➤ **Implementing the Clean Energy for All Europeans Package**

In addition to the above, since 2020, the Agency is implementing the tasks allocated to it within the “Clean Energy for all Europeans Package” (CEP), which includes a recast of the Agency’s founding regulation. The latter strengthens the role of the Agency with the assignment of additional tasks that are crucial for promoting greater competition and security of energy supply to the benefit of European consumers and citizens as well as according it with greater responsibilities in some processes in which it was already involved. Briefly put, with the CEP the Agency has started delivering, along with the NRAs, ENTSO’s and others, the foundations for a more integrated, efficient and competitive energy system in Europe, taking account of the decarbonisation objectives set at the political level.

The Agency is also called to decide directly on the EU-wide “terms and conditions or methodologies” for the implementation of guidelines (and on the regional ones where they have an impact beyond the region). This is an important expression of faith in the Agency as previously, the Agency’s involvement was limited to those cases in which the NRAs failed to agree or unanimously referred the decision to the Agency.

➤ **Engaging on the future gas market of Europe;**

The Commission has announced its intention to proceed, in the next couple of years, to a review of the gas market legislation, in order to adapt the role of gasses to the decarbonisation of the economy and to “mirror” in the gas sector some of the new governance and regulatory arrangements introduced for the electricity sector by the “Clean Energy for All Europeans” legislation. The Agency stands ready to engage on priority issues of regulatory relevance under this review and of course to implement the tasks subsequently allocated to it in the framework of the future gas market legislation.

➤ **Engaging stakeholders for greater impact, communicating strategically and via modern tools;**

Tackling the rapidly shifting energy landscape and taking into account the Agency’s new tasks requires it to reinforce and adjust its approach to key stakeholders. Indeed, within the remit of the Agency’s work, there is a multitude of stakeholders, many of whom have views of relevance for ACER’s tasks and approaches. Whilst targeting all stakeholders is not a feasible option, greater engagement with key stakeholders is necessary, drawing on more strategic, proactive approaches and underpinned by more modern communication tools. This will be a key shift in the workings of the Agency over the coming years and is currently in progress.

➤ **Redeploying resources to meet future challenges**

The Agency has struggled to obtain the resources it has deemed necessary so far to fully perform its mandate and legal obligations, most notably as concerns the surveillance of the wholesale energy market under the Regulation on wholesale energy market integrity and transparency (REMIT). As such, it puts ever more onus on the pursuit of internal efficiencies and synergies relevant for the strategic priorities mentioned above, despite the limited options for shifting resources across to meet unexpected strains. A shift of internal human resources took place both in 2020 (with the revision of the Agency's organisational structure) and in 2021. The Agency will seek at fairly regular intervals to evaluate its internal organisation in order to have as agile and dynamic a structure as possible.

➤ **Putting the Agency's REMIT activities on sound financial footing**

The recast of the Agency's founding regulation introduces fees as a new source for the funding of REMIT related services. These fees shall be due to the Agency for collecting, handling, processing and analysing the information reported by market participants or by entities reporting on their behalf. Implementing the new REMIT fee model as of 2021 constitutes both a new operational challenge for the Agency and very much also an opportunity in terms of putting the Agency's REMIT activities on sound financial footing for the years to come.

Current challenges

The Agency was established as part of the institutional framework defined by the Third Energy Package to support the completion of the Internal Energy Market and to fill the regulatory gap emerging in this process due to the mainly national competences of NRAs. ACER is currently undertaking a number of efforts linked this effort and these remain a core mission of the Agency.

➤ **Implementing Electricity and Gas Network Codes and Guidelines and monitoring their effects**

In its initial period, the Agency focused its effort on tasks related to the development of common market and network operation rules - through the preparation of Framework Guidelines, the evaluation of the Network Codes drafted by the ENTSOs and the support of their implementation - and to the planning of the development of European energy networks - with its opinions on the TYNDPs. Since the Network Codes and Guidelines entered into force, the Agency has been working on their implementation as well as monitoring their implementation and effects. This complements the more general monitoring of developments in the IEM, which the Agency has been performing since 2012, with the publication of annual Market Monitoring Reports. Moreover, with the entry into force of the Network Codes and

Guidelines, the Agency was assigned additional important tasks and responsibilities in supporting the coordination of NRAs and the harmonisation of IEM rules, including by stepping in when NRAs are unable to reach an agreement on binding subsidiarity instruments.

➤ **Implementing REMIT**

REMIT aims at increasing transparency of wholesale energy markets and at promoting their integrity by introducing explicit prohibitions of market abusive behaviour and envisaging the establishment of a new, sector-specific, monitoring framework to detect and deter market manipulation and insider trading. The goal of increased integrity and transparency of wholesale energy markets is to foster open and fair competition in wholesale energy markets for the benefit of final energy consumers and to protect energy consumers and other market participants by striving to ensure that prices reflect a fair and competitive interplay between supply and demand and that no profits can be drawn from market abuse.

In this respect, the Agency was tasked with collecting records of wholesale energy market transactions, irrespective of where they are concluded (on organised markets or over the counter) and of the type of product traded (for physical delivery or financial settlement), including orders to trade placed at organised markets, and fundamental data. In the implementation of the principle of subsidiarity and in the strive to gain efficiencies, the Agency was also tasked with conducting an initial assessment and analysis of these transactions and orders to trade to identify suspicious events, having potentially a cross-border impact; suspicious events which otherwise would not be detected at national level. Following the initial assessment performed at the Agency, suspicious events are further notified to NRAs, which are responsible for investigations and enforcement. This enables NRAs and other relevant authorities at national level to perform investigations and enforcement by providing access to the relevant information held by the Agency which it has collected ('data sharing') and by aiming to ensure a coordinated approach at Union level.

The market surveillance framework introduced by REMIT is unprecedented worldwide in terms of its geographical and product scope, and its implementation has posed a formidable challenge for the Agency, NRAs, market participants - which have to report trade data - and other stakeholders - responsible for reporting fundamental data. The central role given to the Agency in the implementation of REMIT contributes to cost-savings at the Member States level as concerns data collection, efficient and effective market surveillance of suspicious transactions in evolving, further integrating wholesale energy markets and ensuring the consistent application of market abuse provision by NRAs. The Agency's vigour to do so depends on the availability of expert staff and financial resources.

➤ **Contributing to the EU’s energy infrastructure challenge under the TEN-E regulation;**

In line with the TEN-E Regulation, the Agency plays a role in the process of identifying critical energy infrastructure (PCIs) and in assisting NRAs in dealing with investment requests – including for cross-border cost allocation – submitted by PCI promoters. As part of the European Green Deal and the decarbonisation policy objectives, the TEN-E legislation is under revision, with a proposal from the European Commission published in December 2020. The revision, which aims at modernising and upgrading the TEN-E framework, foresees additional tasks for ACER in this domain.

➤ **Contributing to safeguard the security of gas supply**

Regulation (EU) No 2017/1938 concerning measures to safeguard the security of gas supply, which applies from 1 November 2017, strengthened the role of the Agency in ensuring gas supply security by foreseeing tasks linked to the enabling of permanent physical capacity to transport gas in both directions, the related cross-border cost allocation and exemption requests.

The above brief description of the developments in the legislative mandate of the Agency since its establishment – together with the new responsibilities assigned in 2019 in the CEP – illustrates, on the one hand, the most important components of the current mission of the Agency and, on the other, how this mission has been significantly expanded over the last years, in some cases in new and “unexpected” areas, thus making the Agency still a “New Task” agency.

OPERATIONAL ACTIVITIES

In its Annual Work Programme, the Agency’s tasks and deliverables are divided into the following five operational Activities:

- **Internal Electricity Market;**
- **Internal Gas Market;**
- **Infrastructure and Security of Supply;**
- **Market Information and Transparency;**
- **Market Surveillance and Conduct.**

SECTION II

1. MULTIANNUAL PROGRAMMING 2023 – 2025

WIDER CONTEXT

European Green Deal, Energy Union Strategy, UN Sustainable Development Goals

While the Agency is an independent body, it is fully committed to the **European Green Deal** and the **Fit for 55 Package**, with a fully-integrated internal energy market in which energy should flow freely across the EU - without technical or regulatory barriers and actions geared towards the climate target plan's 55 % net reduction target. The Agency therefore also contributes to the implementation of the **Energy Union Strategy**, in particular to the following two dimensions:

- Security, solidarity and trust - diversifying Europe's sources of energy and ensuring energy security through solidarity and cooperation between EU countries;
- A fully integrated internal energy market - enabling the free flow of energy through the EU through adequate infrastructure and without technical or regulatory barriers.

Many of the activities that the Agency is planning to perform over the next three years are instrumental to achieve the above objectives. In particular, while only some the Agency's tasks are directly related to security of energy supply, most of activities of the Agency significantly contribute to it. In fact, all of the four objectives listed below are instrumental to improving security of supply in the EU: a fully functioning internal energy market, better infrastructure with improved connections, greater transparency and integrity of the markets and addressing the longer-term regulatory challenges the EU is facing are all conducive to greater security of supply of Member States.

In addition, the Agency is increasingly involved in cybersecurity issues related to the energy market.

The Agency also contributes to the **United Nations sustainable development goal** of ensuring access to affordable, reliable, sustainable and modern energy for all.

1.1 Multiannual objectives

<p>Objective 1</p>	<p>Contribute to the completion of the Internal Energy Market and the monitoring of its functioning</p>
<p>Goals</p>	<p>Supporting the integration of the electricity and gas markets in the European Union as assigned by the Agency’s founding Regulation and other provisions in the Third Package, and further enhanced with the acts of the “Clean Energy for all Europeans” package. The achievements of these goals should be instrumental to the goals of the European Green Deal. This is expected to become more concrete once the details of the Hydrogen and Gas Decarbonisation package published in December 2021 are known.</p>
<p>Actions - 1</p>	<p>Contributing to the implementation of the provisions in the adopted Network Codes and Guidelines. This includes a variety of specific tasks assigned to the Agency that are instrumental to the integration and well-functioning of the internal electricity and gas markets, as well as decisions on binding tertiary instruments or particular cross-border issues when NRAs fail to agree or upon their joint request.</p>
<p>Actions - 2</p>	<p>Monitoring developments in the Internal Energy Market, the implementation of the Network Codes and Guidelines and their effects. These monitoring activities may result in recommendations for amending Network Codes or Guidelines or for other regulatory interventions, which may require the involvement of the Agency.</p> <p>An effective Network Code monitoring process will continue to be used to monitor the impact of these NCs and GLs on the functioning of the IEM. The Agency will pay attention as to whether any enhancement is required to address the new challenges facing the electricity and gas markets in the future. The results will continue to be included in the Annual Market Monitoring Report, which is the Agency’s flagship publication, covering all relevant developments in the European gas and electricity markets. The MMR is a fact-based analysis covering all EU Member States and, for some aspects, the Energy Community Contracting Parties. NRAs are involved in its production.</p>

	<p>Since 2016, the MMR has become more flexible, as the parts covering the four key areas - Wholesale Electricity Market, Wholesale Gas Market, Electricity and Gas Retail Markets and Consumer Protection and Empowerment - have become stand-alone volumes. Depending on when the required data for these volumes are available for the Agency, these can be published earlier in the year.</p>
<p>Actions - 3</p>	<p>Performing the tasks assigned to the Agency under the “Clean Energy for All Europeans” Package (CEP).</p> <p>The CEP legislation foresees that the Agency will directly revise and submit the electricity sector Network Codes to the Commission for adoption. The Agency will also be called to decide directly on the EU-wide “terms and conditions or methodologies” for the implementation of guidelines, or on the regional ones when they have an impact beyond the region.</p> <p>The CEP legislation assigned new monitoring tasks to the Agency, including the monitoring of:</p> <ul style="list-style-type: none"> • the wholesale and retail markets in electricity and natural gas, in particular the retail prices of electricity and natural gas; • the impact of market developments on household customers, access to the networks including access of electricity produced from renewable energy sources; • regulatory barriers for new market entrants and smaller actors, including citizen energy communities; • state interventions preventing prices from reflecting actual scarcity; • the performance of the Member States in the area of security of supply of electricity based on the results of the European resource adequacy assessment; • Regional Coordination Centres (RCCs) and Nominated Electricity Market Operators (NEMOs). <p>The Agency will also continue implementing the new tasks stemming from the CEP, such as approving the methodologies regarding the use of revenues from congestion income from cross-border exchanges in</p>

	<p>electricity and establishing best practices in the area of transmission and distribution tariffs methodologies.</p>
<p>Expected achievements</p>	<p>In both electricity and gas, the focus over the next few years will continue to be on the full implementation of all the Network Codes and Guidelines across the European Union and on the assessment of whether and how they are delivering the intended effects.</p> <p>The legislative proposals in the CEP take stock of the results of the monitoring performed by the Agency over the last five years and envisage an enhanced market design for the electricity sector to deal with the identified obstacle to a well-functioning, efficient, secure and sustainable internal electricity market.</p> <p>In this context, the Agency is ready to support and contribute to the policy debate and promote more coordinated and efficient solutions to address, in particular, problems of adequacy and flexibility. In this latter respect, the Agency will particularly focus on the role of demand response in addressing these challenges.</p> <p>In gas, the Agency remains ready to focus its support, through the GRI, on the implementation of the Network Codes in those Member States that lag behind in the process, in particular in South-South East Europe.</p> <p>The Agency will also take a more proactive role in its stakeholder engagements through, e.g. the chairing of the European Stakeholder Committees for the electricity Network Codes and Guidelines and by managing its on-line gas Functionality Platform, jointly developed with ENTSOG to collect and follow up stakeholders' issues relating to Network Codes.</p>
<p>Performance Indicators</p>	<ul style="list-style-type: none"> ➤ Timely implementation of the Network Codes and Guidelines; ➤ Timely decisions on terms and conditions or methodologies or particular issues when referred for decision to the Agency; ➤ Implementation of an effective process, involving stakeholders, for monitoring the Network Code implementation and its effects on the IEM; ➤ Implementation of an effective amendment process; ➤ Timely implementation of the CEP-related methodologies.

	<p>Bearing in mind that the Agency is only one of the actors involved in the objectives related to the completion of the Internal Energy Market, the Agency monitors progress in this field (including indicators) through dedicated implementation monitoring reports on each NC and Guideline and through its Annual Market Monitoring report.</p> <p>In gas, the Agency developed indicators for the ex-post evaluations of the NCs. After the release of the study for a methodology proposal to evaluate the impact of the gas NCs and Guidelines in 2015, the Agency through cases studies or in-depth analysis described the effect of the network codes in the dedicated sections of the Market Monitoring Reports and stand-alone monitoring reports for the implementation of the Congestion Management Guidelines, Capacity Allocation Mechanisms and Balancing Codes.</p> <p>The indicators should not be used in isolation to draw conclusions regarding market impacts of NCs and GLs, but rather be looked at in combination and interpreted in the light of market fundamentals. These indicators are used by ACER in its annual Market Monitoring Report to measure the economic impact of NCs/GLs and its use will gradually increase over time.</p>
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Objective 2	Contribute to the Infrastructure and Security of Supply Challenges
Goals	<p>The Regulation (EU) No 347/2013 on Guidelines for trans-European energy infrastructure (TEN-E Regulation) introduced a new framework aimed at promoting the development of Projects of Common Interest (PCIs), i.e. infrastructure projects that are particularly beneficial in supporting a more integrated European energy market. According to the Third Package, the Agency was already involved in the energy network development process, but the TEN-E Regulation projected this involvement into a new dimension. The Regulation aims at enhancing the physical integration of the internal energy market, including by ensuring that no Member State is isolated from the European network. As one of the many players involved, the Agency aims to contribute to the infrastructure challenge in line with its legal mandate.</p>

	<p>The Agency has various functions and roles regarding the development of the electricity and gas infrastructure. Cost-efficient network development is essential for overcoming physical congestion, improving energy security and ensuring sustainability. Capacity allocation methods and/or congestion management procedures alone cannot resolve physical congestion in electricity and gas transmission systems, especially at interconnection points and other system bottlenecks. Adequate physical transmission capacity is thus a prerequisite for completing the IEM. Additional tasks have been added by the Clean Energy Package acts. In particular, the Agency will be tasked to approve the methodology regarding the use of revenues from congestion income.</p> <p>The achievements of these goals should be instrumental to the goals of the European Green Deal. At the time of writing, the TEN-E Regulation is under revision to ensure it is fully aligned with the European Green Deal. Depending on the outcome of this revision, the Agency could get new or modified tasks.</p>
<p>Actions - 1</p>	<p>Assessing the cost-benefit analysis methodologies developed by the ENTSOs and the consistent application of the criteria for identifying PCIs.</p>
<p>Actions - 2</p>	<p>Providing opinions on the draft PCI lists, in particular on the consistent application of the cost-benefit analysis and the selection criteria.</p>
<p>Actions - 3</p>	<p>Taking decisions on investment requests and cross-border cost allocation submitted by PCI promoters, when called to do so.</p> <p>If within 6 months of receiving an investment request, the concerned NRAs cannot agree on the cross-border cost allocation (CBCA) decision, they are required to hand over the case to the Agency. The Agency may also be called to take such a decision upon the joint request of all concerned NRAs.</p>
<p>Actions - 4</p>	<p>Performing the tasks assigned to the Agency under the CEP, such as approving and amending, where necessary, the proposals for methodologies and calculations related to the European resource adequacy assessment; approving and amending, where necessary, the proposals for technical specifications for cross-border participation in capacity mechanisms; providing an opinion, at the request of the</p>

	<p>Commission, on the ENTSO-E's evaluation of national adequacy assessments; approving and amending, where necessary, the methodologies for identifying electricity crisis scenarios; monitoring the performance of the Member States in the area of security of electricity supply and monitoring and analysing the performance of Regional Coordination Centres (RCCs).</p>
Expected achievements	<p>PCI lists are adopted every two years. Ten Year National Development Plans (TYNDPs) - which are also developed every two years, - serve as the basis for the PCI lists. Investment requests may be submitted by promoters of PCIs included in the lists. Therefore, the TYNDP/PCI identification/investment request process runs over two years, repeating itself every two years. The Agency is involved in all its stages.</p> <p>The Agency will strive to enable efficient infrastructure investments to take place, with a particular focus on investments of cross-border relevance. Such investments should help further integrate the IEM, as well as to increase security of supply. In particular, they should contribute to the elimination of the so-called energy islands.</p>
Performance Indicators	<ul style="list-style-type: none"> ➤ Consistent application of the criteria for identifying PCIs; ➤ Effective monitoring of PCI and other infrastructure developments; ➤ All decisions on the investment requests taken within the foreseen legal deadlines. <p>Bearing in mind that the Agency is only one of the actors involved in the objectives related to the completion of the Internal Energy Market, the Agency monitors progress in this field through its Opinion on the PCI lists, its Annual Progress Report on the PCI and through its Opinions on the TYNDP-related topics.</p>

Objective 3	Increased integrity and transparency of wholesale energy markets
Goals	<p>A well-functioning pan-European energy market demands that energy is traded according to the highest transparency and integrity standards, so that prices reflect the fundamentals of demand and supply. Correct prices</p>

further unlock decentralised supply resources and provide a robust basis for investment decisions in for example generation, transmission and storage, to enhance flexibility in supply.

The Regulation on wholesale energy market integrity and transparency (REMIT) aims to establish the conditions for this to happen. The effective operation of REMIT is thus a major pre-requisite for efficient market integration and the security of energy supply, both of which are essential components of the Energy Union strategy. REMIT introduced a new, unprecedented, sector-specific market-monitoring framework to detect market abuse in European wholesale energy markets, thus deterring such behaviour. It is a monitoring opportunity provided by digitalisation. The Agency aims to ensure that REMIT continues to be fully implemented so that consumers and market participants can have confidence in the integrity of electricity and gas markets, that prices set on wholesale energy markets reflect a fair and competitive interplay between supply and demand, and that no profits can be drawn from market abuse.

As REMIT covers legislative and technical aspects on which there is little experience worldwide, its implementation has posed a formidable challenge to the Agency. In recent years, REMIT became a role model for the implementation of market integrity and transparency regimes in other jurisdictions impacting the Union energy wholesale energy market like the UK, Switzerland, Norway and the Energy Community. The incorporation of REMIT in the EEA agreement is currently still pending. In addition, ACER's cooperation with the U.S. Federal Energy Regulatory Commission (FERC) is an important cornerstone in promoting market integrity and transparency and customer protection in a more and more global gas market.

Regulatory cooperation is an essential element of REMIT because of its decentralised design with Member States through their NRAs being responsible for investigations and enforcement at national level. Close cooperation and coordination between the Agency and NRAs is therefore necessary to ensure effective, efficient and consistent market oversight.

Moreover, apart from NRAs, the Agency cooperates closely with the European Securities and Market Authority (ESMA), the competent financial market authorities of Member States and, where appropriate, with

	<p>the Directorate General for Competition of the European Commission and national competition authorities. The Agency established strong links with major organised market places and may establish links with tax authorities as through its surveillance activities it could detect fraudulent behaviour in energy markets that go beyond the prohibition REMIT provisions.</p> <p>Furthermore, the European Green Deal's increased climate ambition and the objectives to ensure effective carbon pricing, to avoid carbon leakage and to develop international carbon markets mean that more efforts will be needed to monitor the potential interaction between the European carbon market and the EU wholesale energy market.</p> <p>Such an open, competitive, interconnected and integrated energy market is essential to achieve decarbonisation and security of energy supply at the lowest possible costs and to ensure that the clean energy transition benefits consumers. The effective implementation of REMIT is therefore underpinning the European Green Deal which aims to transform the EU into a fair and prosperous society with a modern, resource-efficient and competitive economy which has successfully tackled climate and environment-related challenges.</p>
<p>Actions - 1</p>	<p>Collection and management of wholesale energy market data by the Agency at pan-European level for assessing and monitoring wholesale energy markets and data sharing with NRAs and other relevant authorities for their potential market monitoring and for their investigations and enforcement at national level.</p> <p>The Agency has delivered a successful REMIT implementation of data collection of wholesale energy markets data from market participants and of data sharing with NRAs. The Agency currently collects more than 8 million records of transactions, including orders to trade per day. The implementation of REMIT required the Agency to build in-house expertise on data collection and to develop, with the assistance of several IT companies and other contractors, a specialised IT system - ARIS, the Agency's REMIT Information System.</p> <p>The continuous successful operation of the REMIT data collection and data sharing against the lack of human and financial resources was a significant challenge in previous years and will remain a challenge in 2022</p>

	<p>and beyond given the continuous growth of the collected data volume in recent years driven by e.g. market developments such as the introduction of Single Intraday Coupling (SIDC).</p>
<p>Actions - 2</p>	<p>Detecting and deterring market manipulation and trading based on inside information. Given the sheer volume of transactions reported by market participants, the Agency performs its monitoring functions, consisting in an initial assessment or analysis of the reported records of transactions, in two stages. The first stage is based on the automatic screening performed by purposely enhanced surveillance software. This screening is expected to identify anomalous events based on predefined “alerts”. The second stage looks into these anomalous events (‘triggered alerts’) to identify those for which market abuse can be suspected and which are then notified to NRAs for investigation. This second stage focuses on market participants’ behaviour and must therefore be conducted by highly qualified experts. Moreover, the Agency aims to ensure that NRAs carry out their activities under REMIT in a coordinated and consistent manner.</p> <p>The Agency receives through its Notification Platform suspicious transaction reports, inter alia from market parties and organised market places, which need to be assessed and distributed in a secure way to the appropriate and relevant authority(ies). The Agency is also responsible for coordinating the investigations and may provide operational assistance on investigations upon request of NRAs. The latter is a new task for the Agency with the entry into force of Regulation (EU) 2019/942.</p> <p>Finally, the Agency is required to assess the operation and the transparency of different categories of market places and ways of trading and to make recommendations regarding market rules, standards and procedures that could improve market integrity and the functioning of the internal market. It may also evaluate whether any minimum requirement for organised markets could contribute to enhanced market transparency.</p>
<p>Expected achievements</p>	<p>Increased integrity and transparency of wholesale energy markets should foster open and fair competition in wholesale energy markets for the benefit of final energy consumers. Well-functioning energy markets are also instrumental in providing signals to promote security of supply through</p>

	a cooperative approach throughout Europe. Efficient market monitoring by the Agency at Union level is therefore vital for detecting and deterring market abuse in wholesale energy markets and a major contributor to the Energy Union Strategy.
Performance Indicators	<ul style="list-style-type: none"> ➤ Efficient operation of an effective REMIT trade and fundamental data reporting regime to facilitate market monitoring of wholesale energy markets; ➤ Effective market monitoring of wholesale energy markets to detect and deter trading based on inside information and market manipulation.

Objective 4	Contribute to address longer-term regulatory challenges
Goals	<p>The Agency will strive to support political priorities set at the EU level which are relevant for energy regulation, such as the European Green Deal and the related decarbonisation goals for the achievement of the EU climate policy objectives, in line with the Fit for 55 Package. The aim is to support more cost-effective pathways for the EU's energy objectives and to help regulators and policymakers remain at the forefront of the regulatory implications of a rapidly changing energy system.</p> <p>In doing so, the Agency intends to focus on topics with clear regulatory relevance, for instance those linked to the <i>Bridge beyond 2025</i> Recommendation. These could include the future use of gas infrastructure, the role of power-to-gas installations, the possibilities for hydrogen in a decarbonised energy system, the development of hybrid infrastructure assets such as offshore grid linking multiple jurisdictions and the development of demand response.</p> <p>Challenges include also the future greater penetration of renewable-based generation into the European electricity system, which will be a source of new challenges for the electricity and gas systems in the years to come, including in terms of adequacy and flexibility. These challenges may require a regulatory and market design response. The Agency is committed to contributing to this effort.</p>

	<p>The Agency intends, over the next years, to reassess the identified challenges, to see to what extent they have been addressed, and to consider whether additional challenges have in the meanwhile emerged, which may require a regulatory response. In particular, in electricity, as the system decarbonises, the traditional model of generation, network and market operation will have to be further developed. Many more generators will connect at distribution voltage levels. This will require distribution networks to become more actively managed and there will be a need to (re)define the relationship between TSOs and DSOs. Cross-border power flows driven by price signals and increased interconnection between countries will become ever more important and the coordination of those flows will be vital to manage the system and use resources efficiently. Perhaps most importantly, the demand side of the market will become more active and consumers will be able to take part in markets. The changes in market conditions are going to continue to raise questions about how to promote the investment that Europe needs – whether in transmission, distribution or generation capacity, smart grids or innovation – while maintaining security of supply and continuing to decarbonise. If investments have to take place in response to forward prices, it is imperative that price signals reflect scarcity and shorter-term markets reward those who provide the flexibility services that the system increasingly needs.</p> <p>A new dimension of risk for the energy sector, linked to its progressing digitalisation, comes from possible cyber-attacks. While not yet directly involved in this area, the Agency has developed experience in cybersecurity, in preparation for any call on it to contribute to addressing the issue at sector level.</p>
<p>Actions and expected achievements - 1</p>	<p>The Agency may follow-up on the Bridge Beyond 2025 Conclusions Paper to address new challenges that have emerged and which require regulatory response.</p>
<p>Actions and expected achievements - 2</p>	<p>When asked and where relevant, the Agency may contribute, from a regulatory perspective, to the EU’s wider energy and decarbonisation goals and the EU Green Deal.</p>

<p>Actions and expected achievements - 3</p>	<p>The Agency may contribute to addressing cybersecurity issues in the energy sector.</p>
<p>Performance Indicators</p>	<p>Bearing in mind that the Agency is only one of the actors involved in the objectives related to future challenges, the Agency monitors progress in the completion of the Internal Energy Market and helps identify the areas where improvement is needed through its Annual Market Monitoring report and through the monitoring reports on the implementation of NCs and Guidelines. In its Recommendation on decarbonisation in the gas sector, the Agency commits to adding sustainability indicators to track progress in this area as well.</p>

General risks and uncertainties related to the Multi-annual objectives

The future action of the Agency, whose mission has already been significantly extended since its establishment, including through the legislation that emerged from the “Clean Energy for all Europeans” Package, faces a number of risks, mainly related to its role as an EU body dedicated to promoting the cooperation among NRAs and to the resources available to it.

Risks specific to the different areas of activities are listed more specifically in the Annual Work Programme section. Here only the more general risks, affecting all the activities of the Agency, are outlined.

First, one of the essential characteristics of the Agency is the fact that it brings together the expertise and experience of NRAs and complements them with a European dimension. The cooperation between the Agency and NRAs and between NRAs within the Agency is therefore an essential part of the structure and working arrangements of the Agency. Such cooperation takes place, at technical level, in the Agency’s Working Groups (AWGs), which are composed of NRAs’ experts and Agency’s staff. At present, AWGs heavily rely on the voluntary engagement of NRAs’ resources. However, despite the strong commitment of NRAs over the past years, their resource limitations may have an impact on their engagement in the AWGs. Apart from undermining one of the main tenets of the Agency’s action, a possible reduced engagement of NRAs in AWGs would impair the Agency’s ability to deliver on its mandate.

Secondly, in many areas, the tasks performed by the Agency are part of processes where other institutions and stakeholders are involved. Therefore, the time at which the Agency is required to contribute to these processes depends on the timing of the other activities included in the same processes and performed by other actors.

Thirdly, in a number of previous occasions, the Agency has been called to start implementing new provisions well before it was given any resource required to deliver on its new/enhanced mission effectively. This happened in the case of both REMIT, the TEN-E Regulation and with the adoption of Network Codes and Guidelines, especially in the electricity sector. The new Gas Package unveiled in late 2021 also envisages new tasks for the Agency that will require commensurate resources to be implemented.

The Agency has suffered for many years from significant understaffing and underfunding, especially for implementing REMIT and the TEN-E Regulation and for supporting the implementation of the adopted Network Codes and Guidelines. As of 2021, the Agency's REMIT activities are funded by fees charged to registered reporting parties. This has been opportunity for the Agency to overcome in part its funding gap for its REMIT activities. The Commission's proposal to increase the Agency's staffing over the Multiannual Financial Framework presented in late 2021 brings greater clarity to the Agency's resources outlook over the coming years.

The Agency's market monitoring, coordination and data collection tasks require a close interaction with NRAs and therefore create interdependencies with NRAs. Any underfunding of the Agency for its data collection and/or market monitoring will negatively impact its capability of enabling NRAs to perform their REMIT tasks and hamper an effective and efficient implementation of REMIT at both Union and national level.

The Agency is also monitoring closely developments related to the withdrawal of the United Kingdom from the EU. According to Article 9 of the Protocol on Northern Ireland, the provisions of Union law governing wholesale electricity markets listed in Annex 4 to the Protocol shall apply, under the conditions set out in that Annex, to and in the United Kingdom in respect of Northern Ireland and ACER will have to cooperate with the Northern-Irish Utility Regulator in that respect. In addition, the Trade and Cooperation Agreement between the EU and the EAEC, of the one part, and the UK, of the other part, foresees in its Article ENER.20 that ACER and the designated regulatory authority in the United Kingdom develop contacts and enter into administrative arrangements as soon as possible in order to facilitate meeting the objectives of this Agreement. This requires ACER to dedicate resources to the cooperation with both the Northern-Irish Utility Regulator and with the designated regulatory authority in the United Kingdom on an ongoing basis.

The Agency is only one of the key players involved in addressing the infrastructure challenge and in ensuring that efficient infrastructure investments take place and that energy islands are eliminated. Even in relation to its narrower objectives, for example reporting on the progress of PCIs and (if appropriate) providing recommendations to facilitate their implementation and

to overcome delays/difficulties in PCI implementation, the Agency depends on the timely submission by project promoters of their annual reports and on the quality of the submitted reports.

The investment requests referred to the Agency are those on which NRAs fail to agree and therefore are likely to be the most complex ones. However, it is difficult to predict how many of such requests will be referred to the Agency and when this will happen. If several requests were to be referred to the Agency at the same time, the Agency might be unable to meet the legal deadline set for such decisions due to resource constraints. Appeals to the Agency's decision are already putting considerable strain on the Agency's resources, in particular on its Legal Service.

The Agency faces also a number of reputational risks related both to its own decisions and to those of its Boards. As of 2015, the Agency implements a Policy for the Prevention and Management of Conflicts of Interest. By 31 January of each year, the Agency's senior management, members and alternates of the Administrative Board, Board of Regulators, Board of Appeal, as well as Agency Working Group Chairs and Vice-Chairs and the Task Force Convenors must submit their declarations of Interest (DoIs). The DoIs are subsequently processed by review panels and, in case of conflicts of interest, appropriate measures are taken. The DoIs of Board members, those of the Agency's management (Director and Heads of Department), and those of Agency Working Group Chairs and Task Force Convenors are published on the Agency's website.

Lastly, the persistence of the Covid outbreak at the time of writing makes it hard to predict its impact in 2023 in terms of working methods that could affect the operation of the Agency and its boards. So far the Agency has successfully continued to deliver on its objectives, however risks of the Agency's work being negatively affected would increase should the pandemic continue into 2023.

2. HUMAN AND FINANCIAL RESOURCES OUTLOOK 2023 - 2025

2.1. Overview of the past and current situation

For the year 2023 the Agency expects to recruit additional nine FTEs as a result of the re-evaluation of its human resources needs and the additional tasks targeting the decarbonisation of the gas sector. This will see an increase of 10.91% in its related staff expenditure.

The Agency is expecting a 10% growth in fees to be collected in the upcoming years due to the foreseen increase in the number of reported transactions by market participants and the costs related to the collection, handling and analysing of the reported data.

The foreseen outsourcing of the consultancy for IT and data analysis will result in an increased expenditure of approximately 1.2m starting from 2023 and continuing in the coming years.

The development and implementation of a number of dedicated tools, such as a tool for the activity based budgeting and management, business intelligence and analytical tools will result in increased funding needs to be supported from the requested 2023 budget.

The Agency's resources needs for 2023-2025 are presented in detail in the sections below and in the relevant Annexes.

2.2 Outlook for the years 2023 – 2025

2.2.1 Financial resources

Revenue

REVENUES	2022	2023	Variance	2024	2025
Revenue from fees and charges	9,650,169	11,273,866	16.83%	11,617,407	12,405,723
EU contribution	14,877,050	15,864,000	6.63%	16,858,000	17,244,000
Assigned revenues deriving from previous years' surpluses	293,103	1,529,163	421.71%		
EFTA contribution	364,124	359,804	-1.19%		
TOTAL revenue	24,891,343	27,497,670	10.47%	28,475,407	29,649,723

ACER's activities are funded by fee income and the EU balancing subsidy. Commission Decision (EU) 2020/2152 from 17 December 2020 sets fees for collecting, handling, processing and analysing of information reported by market participants or by entities reporting on their behalf pursuant to Article 8 of REMIT (so-called REMIT fees). The inherent uncertainty from the initial year of REMIT fee implementation in 2021 continues with respect to the budgeted revenue from REMIT fees in 2023, which is based on estimated records of transactions collected from reporting parties and is therefore dependent on market behaviour and the trading strategies of individual companies. The Agency will carry out regular reviews of fee forecasts and maintain contact with reporting parties to monitor early indications of possible changes in the REMIT reporting landscape. The Agency strongly believes that any deficit should be avoided. The revenue collected should be sufficient for the proper operation and evolution of REMIT activities covered by the fees. The Agency stresses that at the same time any surplus of fees needs to be avoided since it could not be used to subsidise ACER's non-REMIT related activities, as this approach would not be in line with Regulation (EU) 2019/942.

Any positive budget result will be repaid to the Commission in accordance with Article 17 of the Agency's Financial Regulation¹ up to the amount of the contribution received from the general EU budget for the respective year. If the budget result were negative, the Agency would need to discuss with the Commission about how to resolve this problem, e.g. by initiating a budgetary transfer or by internal redistribution of funding.

The Agency will be charging the fees before the services are provided in accordance with Article 71 of its Financial Regulation. Debit notes will be issued in the first month for the current financial year and will have a fixed settlement period of thirty (30) days.

The timely collection of the revenue is very important in order to ensure the necessary cash inflows needed to cover the planned projects' expenditure throughout the year. Therefore, the Budget team of the Agency will ensure strict monitoring of the revenue collection. By the end of the first quarter of any financial year, the Agency will analyse its revenue collection rate and decide whether it needs to amend its budget.

¹ Decision No 8/2019 of the Administrative Board of the Agency for the Cooperation of Energy Regulators of 21 June 2019 on the Financial Regulation of the Agency for the Cooperation of Energy Regulators.

In case the amounts of the issued debit notes are not fully recovered by the deadline specified in the documents, the Agency will immediately launch the procedure for 'effecting recovery by any means offered by the law' in accordance with Article 68 of its Financial Regulation.

Expenditure

Title 1

Compared to 2022, there is an 8.37% increase in financial resources allocated to Title 1. This mainly relates to increased staff expenditure (remuneration) for the 8 additional Temporary Staff posts and 1 additional Contract Staff members the Agency requests.

For the following years, 2024 and 2025 the slight increase within this Title relates to the additional human resources from the Gas package (five temporary agents in 2024 and three in 2025) and expected adjustments on the costs for salaries and allowances and staff promotions.

Title 2

There is a minor 4.49% increase in the financial resources under Title 2 as compared to 2022. The increase mainly relates to expected additional overheads due to an increase in the number of staff. It is expected that the level of expenditure within this Title will remain unchanged for the subsequent years.

Title 3

There is a 16.71% increase in the expenditure of Title 3 as compared to 2022.

As of 2021, ACER's REMIT IT expenditure is funded by fees charged to RRM's according to Article 32(1)(b) of the Regulation (EU) 2019/942 and Commission Decision (EU) 2020/2152. All REMIT IT expenditure for the Agency's REMIT Information Systems (ARIS) is for collecting, handling, processing and analysing of information reported by market participants or by entities reporting on their behalf pursuant to Article 8 of REMIT.

The expected REMIT-related IT budget needs from 2023 to 2025 can be broken down as follows:

Multiannual budget for REMIT IT in 2023-2025:

Expenditure Item	Total cost (million €) 2023	Total cost (million €) 2024	Total cost (million €) 2025
1. Infrastructure, hardware licenses, deployment, service desk and operations	1.81	1.80	1.80
2. Software maintenance, development, testing and software licenses	1.38	1.38	1.38
3. Surveillance and BI tools customisation, licenses and consultancy	0.93	0.93	1.00
4. Studies, technical writing, coordination, QA and information security	1.00	1.00	1.00
5. Business enhancements and development of surveillance and conduct tools	0.50	0.51	0.51
*6. Specific data and information services	1.65	1.7	1.75
Grand TOTAL	7.27	7.32	7.44

** Part of this appropriation to be financed from subsidy as it does not fit under the scope of the fee scheme. Covered by subsidy as follows: 0.46m in 2023, 0.46m in 2024 and 0.50m in 2025.*

The estimates for the period 2023-2025 are based on the possibility to raise REMIT fees to improve the Agency’s funding by covering its costs with regard to services provided to Market Participants or entities acting on their behalf enabling them to report data pursuant to Article 8 of REMIT in an efficient, effective and safe manner.

The REMIT IT budget needs are based on the following:

- The ongoing market design changes require technical changes to keep up to date with market developments in the REMIT reporting landscape. REMIT data collection, data sharing and analysis is always at the tail end of market design changes in electricity and gas, but also in the field of EU financial market legislation, and has to follow any developments in this respect.
- The growing data volume collected by the Agency on a daily basis requires an increasing need for adequate REMIT IT expenditure in 2023 and beyond.

- The budget for the year 2022 did not foresee an increase in human resources for the Agency’s REMIT activities in the area of IT. This is why IT consultancy will be necessary to enable the Agency to perform its tasks in the years 2023 and beyond.
- The Agency intends to reinforce its data analysis capabilities by better use of outsourcing. In 2023 and beyond up to 8 FTEs are expected to be delivered for data analysis tasks with the use of consultancy services.

Furthermore, the Agency may have to commit to respect a specific level of services provided to reporting parties, which will change the current basis (i.e. “best effort”) on which the estimates for the previous years have been calculated.

The financial resources requested under Title 3 also relate to business IT costs for the Electricity and Infrastructure Gas and Retail departments’ data collection and analysis, including the related development, operational and infrastructure costs.

Fees eligible costs

As from the year 2021 the Agency is collecting fees from RRM’s based on Commission Decision (EU) 2020/2152 by applying the approved fees model to the transactions reported by each RRM. The estimation of the fees to be collected in any year is estimated based on the eligible costs that are to be incurred with handling, processing and analysing of the collected fees. There are mainly two categories of costs, namely the cost of staff involved in these activities within the MIT and MSC departments and the costs related to the REMIT IT system that supports the data collection and processing. Their respective allocation is presented in the table below.

	2022	2023	2024	2025
REMIT IT				
Infrastructure, hardware licenses, deployment, service desk and operations	2,005,000	1,810,000	1,800,000	1,800,000
Software maintenance, development, testing and software licenses	1,475,000	1,380,000	1,380,000	1,380,000
Surveillance and BI tools customisation, licenses and consultancy	900,000	930,000	930,000	1,000,000
Studies, technical writing, coordination, QA and information security	500,000	500,000	500,000	500,000
Business enhancements and development of surveillance and conduct tools – MSC Department	460,000	500,000	510,000	510,000
Expert consultation MIT and MSC	550,000	505,000	500,000	500,000
Specific data and information services		1,232,000	1,190,000	1,250,000
Other related operational costs	82,000	88,000	64,575	64,575
Staff costs				

Temporary Agents	2,597,244	3,166,583	3,545,097	4,182,106
Contract Agents	663,181	574,000	588,350	603,059
Seconded National Experts	150,724	257,485	263,922	270,520
Overheads	267,020	330,198	345,463	345,463
TOTAL FEES	9,650,169	11,273,266	11,617,407	12,405,723

2.2.2. Human resources

As indicated, since its establishment, the Agency has been assigned additional tasks with regards to:

- The monitoring of wholesale energy markets in the Union under REMIT;
- The optimal development of trans-European energy infrastructures;
- The implementation of the Network Codes and Guidelines;
- The tasks concerning measures to safeguard the security of gas supply, and
- The “Clean Energy for All Europeans” legislative acts.

In 2021, the European Commission initiated a procedure to increment the level of human resources for the agency, based on the report of external experts. The identified additional resources relate to ACER’s tasks mandated by existing legislation and the increment of 25 new positions for the period 2022-2027 is considered necessary to solve the problem of structural understaffing due to the underestimation of resources needed by ACER to implement provisions adopted in 2009 (Electricity Regulation 714/2009 which is the legal basis for electricity network codes and guidelines, in combination with ACER Regulation 713/2009 , which had introduced ACER’s arbitration role) and 2011 (REMIT).

The following resources have been allocated to the agency by the budgetary authority:

	Planned staffing level 2021 (FTE)	FTE shortage in 2023 identified by expert	FTE after adjustment by minus 20%	Additional FTE (TAs, CAs, SNEs) required in the opinion of the Commission (if not otherwise specified: AD TAs)							Difference to adjusted shortage identified by expert
				2022	2023	2024	2025	2026	2027	Total 2022-2027	
Legal services	5.1	5.7	4.6	2	1					3.0	1.6

Internal electricity market	13.0	4.4	3.5	2		1				3.0	0.5
Internal gas market	6.6	4.0	3.2							0.0	3.2
Market monitoring report	9.0	0.0	0.0							0.0	0.0
Infrastructure and security of supply	16.9	1.9	1.5							0.0	1.5
REMIT: Market information and transparency	19.3	15.0	12.0	3	1					4.0	8.0
REMIT: Market surveillance and conduct	13.1	30.8	24.6	3	1	1	2	2	1	10.0	14.6
Energy Community	n/a	8.0	6.4		1	1	1	1		4.0	2.4
Corporate and other horizontal services	40.0	11.1	8.9	1						1.0	7.9
Totals	123.0	80.9	64.7	11	4	3	3	3	1	25	39.7

With regard to the management of its human resources for the period 2023-2025, the Agency aims to avail itself of external consultants, to foster better the current strategic projects related to an increase development of the Agency’s staff to the benefit of ACER’s activities and projects. In particular, the Agency will be working on maintaining and fostering the following HR Developments:

1) Continuous increase of staff development, comprising:

- improvement and development of the Agency’s learning and development (L&D) policy and strategy, including performance of a learning needs assessment for all statutory staff;

- development of training programs at the Agency's level in line with ACER's Competency Framework and the so-called ACER Academy, fostering best learning practices and pathways for the development of the internal development structure;
- development of the programs for newcomers and management, in line with the leadership pipeline concepts.

The work in this area will also tackle action points which concern professional development, such as continuously training managers on how to lead teams in a predominantly virtual or hybrid model; resorting to training to promote independence, autonomy at work and the support of a healthy work-life balance; setting up relevant and targeted induction training (e.g. on EU topics, the Agency's structure and mission, its processes, technical work, and relations with external stakeholders, IT tools used at ACER, HR issues, where to find info on the intranet, etc.) also via pre-recorded sessions and videos.

2) Implementation and integration of the Agency's competencies framework, with the identification and mapping of competencies required by the Agency to deliver on its mission through so-called "aspirational competency profiles", continuous contribution to the development of selection notices and job descriptions, improved assessment process of staff performance in the appraisal and reclassification exercises. The aim of the interventions in this area is to build a solid logic framework on performance management.

3) follow-up on the Implementation of the 360 degree feedback exercise conducted in 2021 and 2022: the performance of the 360 feedback exercise allowed all statutory staff members to get valuable feedback from their supervisors, direct reports, peers and internal stakeholders with regards to the achievement of ACER core and functional competencies which apply to their job.

4) Follow-up on the result of the organisational analysis which the agency will conduct in 2022, and which includes:

- definition of an organisational structure in order to address the management of the Agency's tasks vis-à-vis the limited resources, and to ensure that work can be performed with maximum quality, efficiency and effectiveness;
- provision of analysis and strategy for efficiency gains including a comparative analysis of workload distribution in all entities of the organisation's current state baseline (number of FTEs per unit, spread of contracts and grades), efficiency metrics on organisation level (span of control, organisational layers and structure), Agency's performance (HR related processes)

and operating model, analysis of gap between the current and desired future state (possible options for organisational design and restructure).

Through the work package dedicated to (workload) analysis and strategy ACER will be able to complete the development of a sound talent management strategy by outlining the current state of ACER, identifying critical gaps/issues, and recommending solutions for organisational (re-)structuring and task allocation that ensure quality, efficiency and effectiveness of the Agency's work.

5) Follow-up on the implementation of the leadership pipeline as initiated in 2022:

Over the years, the Agency has been assigned an increasing number of tasks and responsibilities serving the realization of an integrated and well-functioning European internal energy market. In this context, the pursuance of an agile organizational approach and high performing culture represents a crucial factor for the fulfilment of ACER's mission and objectives. Hence, the interest to develop an organizational structure that encourages and enables highly talented individuals in the realization of their full leadership and expertise potential.

The Leadership & Specialist Pipeline identifies a model for the development of leaders and experts, as well as for succession planning within the Agency. The model, based on the "Leadership Pipeline" as originally developed by Walt Mahler and further explored by Drotter et al. (2000)'s work, aims at:

- Creating an organizational framework enabling the selection, development and retention of professionals at different leadership and expertise levels;
- Clearly identifying value propositions, time applications and skills proper to each stage;
- Defining staff's training needs and providing ad hoc training opportunities.

To avoid the "too many leaders" syndrome, the leadership pipeline model entails a parallel specialist pipeline, allowing members of staff with outstanding technical skills and specialised knowledge to contribute effectively to the organization. The two pipelines are to be integrated in the evolving competency framework.

In the future, new resources needs stemming from possible new EU legislation would need to be defined in the respective accompanying Legislative Financial Statements; additional tasks may be granted to the agency in 2023, with the Ten-E Regulation being implemented.

Monitoring of the wholesale markets in the Union under REMIT

The Agency has greater responsibilities in monitoring the EU wholesale energy market since trade reporting obligations took effect on 7 October 2015. Moreover, with the entry into force of the Network Codes and Guidelines provided for in Regulations (EC) No 714/2009 and (EC) No 715/2009, the Union electricity and gas markets are becoming even more integrated, with increasing shares of cross-border trading. Against this background, a pan-European approach to market monitoring is the only effective way of detecting and preventing wholesale energy market abuse.

Market Information and Transparency Department activities

The workload related to market information and transparency under REMIT continues to grow every year due to the growing number of records of transactions. In addition, REMIT data collection, data sharing and analysis is always at the tail end of market design changes in electricity and gas, but also in the field of EU financial market legislation, and has to follow any developments in this respect. ACER will also have to cooperate with the Northern Irish Utility Regulator under the Protocol on Northern Ireland and with Ofgem on the Agreement between the EU and UK following Brexit, with the Norwegian NRA NVE for the implementation of the registration of market participants and for data reporting once REMIT is incorporated into the EEA agreement and with the Energy Community on their implementation of REMIT. The additional human resources requested for 2023 and beyond can be financed through REMIT fees. The human resource needs for future years will *inter alia* depend on market developments and the potential growth of data collected as well as on the required REMIT information services expected by the Agency's stakeholders.

Market Surveillance and Conduct activities

The workload related to market surveillance and conduct activities include:

- i) On a daily basis, assessing gas and electricity market data on anomalous instances and for this purpose implementing surveillance tools to detect potential instances of market abuse;
- ii) Notifying and referring suspected market abuse instances to NRAs and other relevant authorities;
- iii) Requesting and coordinating investigations performed by NRAs;
- iv) Providing guidance to NRAs on market abuse definitions; and
- v) Providing operational assistance to a requesting NRA on their REMIT investigation.

In particular, the most resource-intensive activity is the analysis of the data reported by market participants and other reporting parties and collected by the Agency. This includes enhancing the quality of the data to a level that enables its efficient and effective use for market monitoring. This includes validating the reported data, as well as auditing and correcting inconsistencies in the assessed data, a task to which the MSC Department contributes.

In this respect, to monitor wholesale energy markets in the most efficient and effective manner, the Agency analyses the trading and fundamental data in three steps:

- first, an automatic screening of the REMIT data performed by a dedicated screening IT tool (SMARTS) on the basis of predefined “alerts”, to detect anomalous instances; if the data fulfils the alert logic the alert “triggers”;
- second, the manual assessment of the automatically triggered alerts by a surveillance expert to validate the alert, including the checking of the correctness of the data and possible false positives²; and
- subsequently, on the basis of a market surveillance strategy agreed between the Agency and NRAs, a preliminary initial assessment of anomalous instances to identify suspicious practices that may amount to market abuse.

This analysis inevitably has to be performed by highly qualified surveillance experts, who have to cover trading in all Member States, in energy commodity markets and in energy derivatives, on organised markets and over-the-counter. Therefore, a wide range of expertise is required.

The market surveillance coverage by the Agency is only a fraction of all EU wholesale energy products reported to the Agency. The key reasons for this level of coverage are the following: First, the Agency’s main surveillance tool is underdeveloped. Therefore, certain data reported to the Agency cannot be efficiently and effectively screened. In order to further develop the tool it is specifically required to design, programme and test additional predefined alerts. Second, with the current level of available resources for market surveillance, it cannot be guaranteed that on a monthly basis all triggered alerts will be assessed and subsequently shared with NRAs for their investigation and enforcement follow-up. The Agency envisaged to gradually improve the market surveillance coverage in the course of the next 2-3 years reliant on the envisaged additional resources becoming available for market surveillance.

² In the course of 2019 the Agency began to enhance its surveillance methodology to address the increasing number of triggered alerts, which need to be assessed by surveillance experts. The increase in alerts is due to the increase in data points while the number of surveillance experts remain unchanged. With the enhanced methodology, the Agency aims to explore how to further automate the processing of triggered alerts to e.g. reduce the need for specifically manual assessment.

The Agency aims to ensure that all NRAs and other relevant authorities carry out their tasks under REMIT in a coordinated and consistent manner, which is done mainly through case coordination and publishing Guidance to NRAs on the application of market abuse prohibitions. Concerning the case coordination, the total number of ongoing cases (instances of potential market abuse) requiring follow-up from the Agency is expected to increase to 450 in 2022 (compared to 312 at the beginning of 2021). The increase is due to (i) the further increase in suspicious transactions reports notified by e.g. trading platforms; and (ii) an increase in the number of cases originating from alerts through the Agency's surveillance activity.

The recast of the Agency's founding regulation assigns the Agency, as mentioned above, with a new task, which is to provide operational assistance to NRAs upon their request to support their investigations into suspicious behaviour from market participants in wholesale energy markets. The Agency assessed³ that the additional resources it would require, should it not reject any of the requests for assistance from NRAs, amounts to a significant increase in additional amount of staff.

In order to appropriately fulfil the market surveillance and conduct mandate under REMIT, the Agency will in the course of the next years gradually increase the available resources for market surveillance and conduct activities. Meanwhile, with the current level of available resources for these tasks, the Agency prioritise cases and alerts and will further apply backlogs.

Implementation of the adopted Network Codes and Guidelines

Some of the Network Codes and Guidelines adopted under the Third Package assign new tasks to the Agency. In electricity, these new tasks include, for example: (i) new specific reporting and monitoring obligations, including the monitoring of the implementation projects established pursuant to the Guidelines on Capacity Allocation and Congestion Management, on Forward Capacity Allocation, on Electricity Balancing and on Electricity Transmission System Operation; and (ii) the organisation and coordination of the stakeholders' involvement in monitoring the implementation of the adopted Network Codes and Guidelines through, in particular, the European stakeholder committees.

On the gas side, the text of the Network Code of Harmonised Gas Transmission Tariff Structures mandates the Agency to report on all national tariff methodologies within strict

³ See: Note on the resources required to provide operational assistance to the NRAs on REMIT investigations pursuant to Article 6(8) of Regulation (EU) 2019/942.

deadlines. This implies a significant additional workload for the Agency; the bulk of the first cycle took place during the second half of 2018 and the year 2019. Since national Reference Price Methodologies are updated regularly (usually every 3-5 years), the Agency's work will continue regularly in the future as well.

The completion of the Framework Guidelines and Network Development process is making staff available for the activities related to the approval of binding tertiary legislation, for individual decisions in case NRAs cannot agree on a cross-border issue (such as in the case of the choice of a gas Booking Platform or an incremental capacity investment proposal) and for the monitoring of the implementation of the Network Codes, Guidelines and such additional tertiary instruments.

2.3 Resource programming for 2023 - 2025

Human Resources requested for 2023

The Agency's requests for 2023 are respecting the framework of the Commission's proposal to increase the Agency's human resources over the coming years, as presented in the table in the section above on p.37. For 2023, the Commission's proposal of the breakdown between posts financed from the EU subsidy and those financed by fees is the following:

Fee funded:

- 1 post for the Market Surveillance and Conduct Department
- 1 post for the Market Integrity and Transparency Department

EU-subsidy funded:

- 1 post for Energy Community issues
- 1 post for Legal Services.

With regard to the resources allocated by the EC proposal for the year 2023-2027, and in particular for the posts allocated in 2023 as listed above, the Agency's approach is based on the following considerations:

- Have a multi-year perspective, starting with first two waves of recruitment (in 2022 and 2023) and developing a flexible approach for the future years, within the yearly priorities linked to strategy cycle;
- Respect the foreseen balance between REMIT-fee and non REMIT-fee financed positions;
- Support for the legal services - already in 2022 an additional AD position and an internal AST position have been redirected to increase the number of FTEs in the team;

for 2023, this compelling need may be revised, also in light of additional efficiency gains in term of mobility and streamline of internal processes;

- Flexible approach to the staffing of the Seconded National Experts' positions, as granted by the budgetary authorities in 2022: the allocation of SNEs position as envisaged in 2022 may be revised in the course of the year (Q4) and beyond, should the interest from seconding organisation be focused on different areas;
- A future approach based on experience gained over the previous years.

In particular for 2023, the agency will consider allocating staff to the Market and Surveillance department and to the Market Information and Transparency Department, as per the EC Proposal, to the Electricity Department (for the RCC work and also in light of the needs in the field in Cybersecurity, depending on the implementation of the SNE post allocated to the area in 2022), and possibly to the IGR Department, in light of a possible need that depends on the implementation of the Ten-E Regulation and the upcoming Gas Directive.

In addition to the above, the Agency's budgetary forecasts contained in this programming document include 5 posts to be allocated to the Agency in the framework of the so-called Gas Package which aims to decarbonise the EU gas sector and align EU gas legislation with the bloc's new energy transition targets.

Since the Agency's tasks within the gas package are yet to be determined, and the recruitment plan for 2022 implemented, the Agency will present a full breakdown of all these positions for 2023, following a regular assessment of the staffing plan. In light of this, the five positions envisaged with the new gas directive are therefore not included in the human resource tables contained in this the document. These posts will be added to the programming document prior to its adoption at the end of 2022.

2.4 Strategy for achieving efficiency gains

The Agency recognises the need to streamline its structure and internal organisation to become a more modern and agile organisation, and it has already implemented different activities and concentrate efforts to this extent. The Agency's aim is to maintain and enhance the efficiency of its operations, while seeking to support activities in peak demand for extra resources for short or extended periods.

As from 2020, the Agency has increased its efforts in identifying priority tasks and reprioritising its actions. It is pursuing a culture of continuous improvement and elasticity in the

organisational chart of the agency, with the implementation of structural changes aimed to increase the cooperation within the teams and departments.

A process for internal mobility is in place since 2021, aiming to assess the needs and the resources on a regular and ad-hoc basis. As mentioned in the introduction to the multiannual Human Resources outlook, a shift of internal human resources took place both in 2020 (with the revision of the Agency's organisational structure) and in 2021, with the transfer of four positions.

As a decentralised agency, ACER is regularly re-assessing, optimising and streamlining its support functions and administrative processes. This is done by various means: knowledge sharing and introduction of best practices from other agencies, review, documentation and automation of certain processes, centralisation of certain support functions. One indicative example is the management of the Covid-19 situation in 2020, whereby the agency benefited from its active participation in the EUAN Advisory Group on Return to Office strategy, taking advantage from the experience of other institutions in sharing knowledge and common practices, aimed to implement a sound management of the situation.

Moreover, in 2022, the agency availed itself of the support of external consultants to foster better internal processes and seek for additional efficiency gains. Through the work package dedicated to (workload) analysis and strategy ACER will be able to complete the development of a sound talent management strategy by outlining the current state of ACER, identifying critical gaps/issues, and recommending solutions for organisational (re-)structuring and task allocation that ensure quality, efficiency and effectiveness of the Agency's work.

The organisational analysis which is being conducted in 2022 entails the following:

- a) Definition of an organisational structure in order to address the management of the Agency's tasks vis-à-vis the limited resources, and to ensure that work can be performed with maximum quality, efficiency and effectiveness,
- b) provision of analysis and strategy for efficiency gains including a comparative analysis of workload distribution in all entities of the organisation's current state baseline (number of FTE per unit, spread of contracts and grades), efficiency metrics on organisation level (span of control, organisational layers and structure), Agency's performance (HR related processes) and operating model, analysis of gap between the current and desired future state (possible options for organisational design and restructure).

Moreover, a number of tools have been developed to improve efficiency and the use of resources; the tools complement each other and are managed in view of ensuring efficient

use of resources (the tools have shortened the processing time, minimised human error and improved transparency). In addition to automating the processes, the tools provide up-to-date, real-time information on the state of play of transactions, budget consumption, etc. and ensure business continuity of the operations and institutional memory (in cases of long-term absence or departure).

In addition, in 2020, the Agency completed its deployment of Sysper and fully implemented ARES. In particular, the upgrading to Sysper as the system used as integrated HRM management, contributed to the management of staff data to a higher standard and facilitate the interface with rights and entitlements, personal files and career management for the Agency's staff. The implementation of the transcoding from the payroll system of the European Commission highly increased the agency's time spent on staff administration. Sysper is accessible remotely as from 2020, to the benefit of more efficient workflows of staff's requests.

ARES is the document management system in use in the Commission services: its deployment, in 2019, brings additional benefits to streamline data and document management for the Agency. The Agency is also pursuing the introduction of MIPS, the Commission's missions management system.

The Covid-19 crisis and the related increase in teleworking for business continuity needs has also brought about an ongoing reassessment and readjustment of the Agency's IT needs.

2.5 Negative priorities/decrease of existing tasks

Due to the limited resources available to the Agency, considerably fewer than would be needed to fulfil its statutory mission and fully perform the tasks mandated to it by legislation, the Agency has had to deprioritise a number of the activities.

In particular, some activities planned, especially with respect to tasks related to the implementation of REMIT, and, to a lesser extent, the TSO cooperation area and the Network Code implementation monitoring process, have been postponed or reduced in scope.

The Agency identifies its key priorities for 2023 and strives to increase its flexibility, in particular by aiming to shift the required internal capacity in term of financial and human resources as functional to fulfil the identified priorities.

At the same time, the Agency is committed to continuous improvements and has been constantly working towards ensuring the most effective and efficient use of its resources, to the extent possible. The Agency established cross-department projects with staff members from different departments working on technical topics.

SECTION III – WORK PROGRAMME 2023

1. EXECUTIVE SUMMARY

In 2023 the Agency will continue to contribute to the completion of the internal energy market and to monitor its functioning, as well as to monitor wholesale energy trading under REMIT.

Compared to the past, planning for 2023 was facilitated by the fact that the budgetary and human resources proposed for the Agency were known well in advance in line with the Annex to the Commission Opinion on the Agency's draft programming document 2022 – 2024 and on the sufficiency of the financial and human resources available to the Agency legislative financial statement on the budgetary impact of implementing the results of the assessment pursuant to Article 33(10) of Regulation (EU) 2019/942 of 5 June 2019 establishing a European Union Agency for the Cooperation of Energy Regulators.

Nevertheless, the level of resources will have to be adjusted in the final draft that will be submitted for favourable opinion to the Board of Regulators and for adoption to the Administrative Board later in the year, once the European Commission will have provided its Opinion on the Draft Programming Document and the Budgetary Authority will have adopted the EU budget.

Planning was on the other hand rendered more difficult by the uncertainties concerning the new tasks that the Agency may be mandated within the framework of the Gas Package (for which additional five posts were foreseen for the Agency). Also, at the time of writing, the TEN-E Regulation was under revision, with a view to adapting it to the decarbonisation objectives. This may require an adjustment of the Programming Document at a later stage.

For planning purposes the 5 posts expected from the Gas Package have been added to the budgetary planning for 2023 already at this stage, however they have not been included in the FTEs within the activities of the work programme, as the breakdown of the posts and the exact tasks to which they will be mandated was not yet known at the time of drafting the PD. This will be added in a subsequent version of the Programming Document before the end of the year.

REMIT-related tasks will in any case constitute a large share of both human and financial resources. While resources remain tight, the fee model is helping to alleviate the Agency's understaffing, even if the Agency may finance only specific posts from the fees. The pressure on the Agency's REMIT staff will remain significant, especially since as of 2021 the Agency is also obliged to provide support on REMIT breach investigations if NRAs request it to do so.

There is little doubt therefore that the Agency's resources will be stretched at least until the current multiannual plan to reinforce it has been fully implemented. The 2023 Work Programme in any case focuses primarily on the Agency's legally mandated tasks, as last modified with the entry into force of the Clean Energy Package (CEP). This includes tasks related to the completion of the Internal Energy Market, such as support and monitoring of the implementation of the adopted Network Codes and Guidelines, infrastructure-related issues (TYNDP and PCI tasks, including cross-border cost allocation decisions) and the identification of any remaining barriers to competition, both at wholesale and retail level. The implementation of the wholesale energy market-monitoring framework established by REMIT will remain a major priority and a key challenge.

In order to ensure an appropriate prioritisation of its activities, and to allocate resources accordingly, the Agency divides its tasks and deliverables according to the following three priority levels.

Priority level 1A: Tasks which are critical for a competitive internal energy market or security of supply and which should be delivered in a comprehensive way and approached proactively.

Priority level 1B: "Reactive" tasks where ACER has to prepare and adopt individual decisions due to a referral from national regulatory authorities (NRAs), if NRAs fail to reach an agreement or as otherwise stipulated by EU legislation. Those decisions need to have satisfactory quality, both technical and legal, to be accepted widely by stakeholders and to withstand legal challenges. Most of the time, these 'reactive' tasks are critical for a competitive internal energy market or security of supply and have to be delivered in a comprehensive way and approached proactively.

Priority level 2: Tasks which are of lower importance, but need to be undertaken to comply with EU legislation.

All tasks and deliverables listed in the Work Programme are classified according to the above prioritisation system.

The prioritisation is essentially the same as the one used in previous years, however the numbering has been adjusted. Reactive tasks are no longer classified as priority 2 but as priority 1B so as to avoid the impression that they are of lesser importance than priority tasks that are legally mandated and known in advance. As a consequence priority 3 tasks are now labelled as priority 2.

Allocation of Human Resources to Activities

The breakdown of additional human resources requested by the Agency for its 2023 work programme can be found under the Multiannual Programme (2.3 Resource programming for 2023 – 2025). They amount to 4 additional Temporary Staff. 5 additional posts are expected within the Gas Package, however as their breakdown was not known at the time of drafting this work programme, they have not been included in the FTE breakdown of tasks at this stage.

With regard to the allocation of resources (FTE of Temporary Staff, Contract Agents and SNEs) against the different activities, the Agency follows the methodology for Agencies job screening, in accordance with Article 29(3) of the Framework Financial Regulation. Each job is identified according to a screening ‘type’: the three screening types describe the general role of a job: administrative support and coordination, neutral or operational. Most jobs either fulfil an operational role, i.e. serving frontline activities (more or less directly serving the European citizen) or an administrative support and coordination role, as enablers of the operational jobs by being responsible e.g. for HR, ICT, logistics, etc. for their Agency. Financial management and control at Agency level and on-the-spot audit are treated as neutral.

The FTE allocation includes staff working on the specific deliverables described in the Work Programme 2023, as well as a proportional allocation of staff in horizontal activities classified as ‘operational’ according to the above methodology.

The Work Programme is divided into five **Operational Activities**:

- **Internal Electricity Market;**
- **Internal Gas Market;**
- **Infrastructure and Security of Supply.**
- **Market Information and Transparency;**
- **Market Surveillance and Conduct.**

Compared to previous years, Electricity and Gas Market Monitoring is no longer a self-standing activity: its components have been distributed among the Internal Electricity Market and Internal Gas Market activities, as this enables a better planning and overview of the resources available for these activities.

Horizontal tasks are divided into the following three activities:

- **Corporate Services**
- **Strategy Delivery and Communication;**
- **Legal Services.**

2. ACTIVITIES

2.1. Internal Electricity Market (Operational)

The European energy sector is engaged into a profound energy transition, whose overall success highly depends on the efficiency and integration of the European electricity markets.

Since the Directive on common rules for the internal market in electricity (1996), which marked the beginning of the market integration process at the European level, significant progress has been made towards establishing an efficient Internal Electricity Market. The successive legislative packages (and more recently the 'Clean Energy Package') contributed to further strengthening the foundations of the Internal Electricity Market.

Despite this progress, there are still numerous obstacles to overcome before achieving a truly integrated efficient market. In that respect, there are two broad categories of tasks that ACER will have to perform and which contribute to improving the well-functioning of the internal electricity market:

- 1) the adoption of legal acts: decisions, recommendations, opinions and,
- 2) the implementation and monitoring activity.

Objective 1:

Ensuring the timely adoption of legal acts (decisions, recommendations, opinions)

Adoption of new Network Codes or Guidelines

Issuing opinions and recommendations to the European Commission on new network codes and guidelines.

This includes a thorough consultation process with all stakeholders and supporting the European Commission during the adoption of these new or amended network codes. (Priority level 1A). According to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted in case of recommendations.

Amendment of existing Network Codes and Guidelines

Issuing opinions and recommendations to the European Commission on amendments of existing network codes and guidelines.

This includes a thorough consultation process with all stakeholders and supporting the European Commission during the adoption of these new or amended network codes. (Priority level 1A). According

to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted in case of recommendations.

Decisions

1. **Assisting NRAs for the approval of amended regional-wide terms and conditions or methodologies developed by TSOs, NEMOs or other entities, pursuant to the adopted Network Codes and Guidelines. Issuing decisions on these regional terms and conditions or methodologies in case NRAs fail to agree or upon their joint request.** (Priority level 1B). According to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be regularly informed and formally consulted in case of decisions.
2. **Issuing decisions on the amended European-wide terms and conditions or methodologies.** (Priority level 1A). According to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted in case of decisions.

Opinions

Opinions on ENTSO-E’s annual work programme and ENTSOE’s annual report (Priority level 2) According to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted.

Opinion on ENTSO-E’s recommendations relating to the coordination of technical cooperation between the Union and third-country transmission system operators (Priority level 2) According to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted.

Opinions on ENTSO-E’s annual Summer and Winter supply outlooks (Priority level 2) According to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted.

Opinion on ENTSO-E’s research and development plan (Priority level 2) According to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted.

Other tasks subject to specific conditions:

- **Opinions and recommendations in the areas of its competence, to the European Parliament, the Council and the Commission** (Priority level 2)
- **Opinions and recommendations in the areas of its competence, upon request by the European**

Parliament, the Council or the European Commission (Priority level 1B)

Upon request, provide support and advice to the European Parliament, the Council and the European Commission, by delivering the requested opinions and recommendations.

- According to Article 24(2) of Regulation 2019/942, the Gas Working Group or Electricity Working Group, as relevant, shall be formally consulted on the draft opinions requiring a favourable opinion of the Board of Regulators.
- **Opinions on potential updates to ENTSO-E's common network operation tools and common incidents classification scale** (Priority level 2)
According to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted.
- **Opinions and recommendations on its own initiative with regard to its areas of competence.**
According to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted on the opinions/recommendations.
- **“Peer review” opinions as requested pursuant to Article 6(5) of Regulation (EU) No 2019/942** (Priority level 1B)
At the request of a regulatory authority or of the Commission, the Agency must provide a fact-based opinion on whether a decision taken by a regulatory authority complies with the Guidelines referred to in Directive 2009/72/EC, Directive 2009/73/EC, Regulation (EC) No 714/2009 or Regulation (EC) No 715/2009, or with other relevant provisions of those Directives or Regulations. Where a national regulatory authority does not comply with the opinion of the Agency within four months from the day of receipt, the Agency shall inform the Commission and the Member State concerned accordingly. By the end of 2014, the Agency received two peer review requests. According to Article 24(2) of Regulation 2019/942, the Electricity or Gas Working Group, as relevant, shall be formally consulted on the draft opinions requiring a favourable opinion of the Board of Regulators.
- **Opinions on the application of Union energy legislation upon request by an NRA pursuant to Article 6(5) of Regulation (EU) 2019/942** (Priority level 1B)
When a national regulatory authority encounters, in a specific case, difficulties with the application of Guidelines referred to Regulation (EU) 2019/943, Regulation (EC) No 715/2009, Directive (EU) 2019/944 or Directive 2009/73/EC, it may request the Agency for an opinion. According to Article 24(2) of Regulation 2019/942, the Electricity or Gas Working Group, as relevant, shall be formally consulted on the draft

opinions requiring a favourable opinion of the Board of Regulators.

- **Decisions on terms and conditions and operational security of cross-border interconnectors and on exemptions** (Priority level 1B)
For cross-border infrastructure, the Agency shall decide upon those regulatory issues which fall within the competence of NRAs, including terms and conditions for access and operational security, only: (a) in cases in which the competent national regulatory authorities have not been able to reach an agreement within a period of six months from when the case was referred to the last of those regulatory authorities; or (b) upon a joint request from the competent national regulatory authorities.
According to Article 24(2) of Regulation 2019/942, the Gas Working Group or Electricity Working Group, as relevant, shall be formally consulted on the draft opinions requiring a favourable opinion of the Board of Regulators.

Expected results

A more efficient and secure Internal Electricity Market with harmonised European-wide rules

Timely adoption of the legal ACER acts

Indicators	Latest result	Target Year N	Means and frequency of verification
Timely adoption of decisions	n/a	100%	Continuous
Timely adoption of the opinions and recommendations	n/a	100%	Continuous

Main outputs

- A more efficient and secure Internal Electricity Market with harmonised European-wide rules

Outputs relating to the multi-annual work programme objectives:

- Contribute to the completion of the IEM.

Objective 2: Implementation and Monitoring	Data Collection Collecting the required data and information to perform all the monitoring activities. If necessary, issuing
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recommendations and/or decisions to get these data and information (Priority level 1A)

According to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted in case of recommendations and/or decisions.

Implementation

Facilitating the implementation of projects established pursuant to the Network Codes and Guidelines or, where relevant, pursuant to the Electricity Regulation (Priority level 1A). According to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted in case of recommendations and/or decisions.

Implementation Monitoring

Monitoring the implementation of the obligations resulting from the adoption of the Network Codes, Guidelines, the different terms and conditions and methodologies and the Electricity Regulation. Investigating the reasons for delays and/or non-compliance and issuing recommendations and/or decisions to address these issues. According to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted in case of recommendations and/or decisions (Priority level 1A)

Monitoring the Internal Electricity Market

Monitoring the barriers to efficient price formation and barriers for new and small market entrants. The Electricity Working Group will be regularly informed and consulted (Priority 1A)

Monitoring the implementation of the 70% target for cross-zonal capacity (Priority level 1A). The Electricity Working Group will be regularly informed and consulted.

Monitoring the effects of the market-related NC and more broadly monitoring the functioning of the Internal Electricity Market (Priority level 1A). The Electricity Working Group will be regularly informed and consulted.

Stakeholders Involvement

Promoting the involvement of stakeholders in monitoring the implementation of network codes and guidelines, in particular through the European Stakeholder Committees; the Electricity Working Group will be regularly informed and consulted (Priority level 1A)

Adequacy

1. **Monitoring the implementation of the methodologies approved in the course of 2020 (ERAA, VOLL, CONE, RS and cross-border participation in CMs) with NRAs and upgrading them when necessary through a decision** (Priority level 1A). According to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted on decisions and regularly informed and consulted on the monitoring activity.
2. **Monitoring the performance of MSs in the area of SoS.** (Priority level 1A). The Electricity Working Group will be regularly informed and consulted. According to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted in case of Opinions on the national adequacy assessments.

Tariffs

1. **Monitoring and promoting the implementation of best practices in Member States** (Priority level 1A). According to Article 24(2) of Regulation (EU) 2019/942, the Electricity Working Group will be formally consulted in case of recommendation and will be regularly informed and consulted on the monitoring activity.
2. **Monitoring transmission charges paid by generators** (Priority level 2). The Electricity Working Group will be regularly informed and consulted on the monitoring activity

Use of Congestion Income

1. **Monitoring the effective and consistent implementation of the Agency's decision on the methodology regarding the use of the congestion income** (Priority level 1A). The Electricity Working Group will be regularly informed and consulted on the monitoring activity.

Regional Coordination Centres

2. **Monitoring the performance of RCCs with NRAs and ENTSO-E, through submitted data resulting from their continuous monitoring. Where relevant, issuing a decision to RCCs to provide the relevant information necessary for carrying out monitoring and issuing opinions and recommendations to the RCCs to improve their performance** (Priority level 1A) According to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted in case of decisions, opinions and recommendations and

regularly informed and consulted on the monitoring activity.

ENTSO-E

Monitoring ENTSO-E’s tasks: this activity includes:

- i) the annual monitoring report on the implementation and management of the inter-TSO compensation fund** (Priority level 2) The Electricity Working Group will be informed and consulted
- ii) all Opinions on ENTSO-E’s mandatory deliverables** (e.g. annual work programme, annual report, etc.)

EU DSO Entity

Monitoring the execution of tasks of EU DSO entity. ACER may provide an opinion on the EU DSO entity on the annual work programme and other relevant documents and can issue decisions for DSOs to provide relevant information necessary for carrying out monitoring. (Priority level 2). According to Article 24(2) of Regulation (EU) 2019/942, the Electricity Working Group will be formally consulted on opinions and decisions and will be regularly informed and consulted on the monitoring activity.

Expected results

Monitor progress and obstacles of the IEM

Based on a sound and transparent data collection process and with the support of stakeholders, ACER will monitor the progress and obstacles in the completion of the IEM. As part of this monitoring activity, ACER will monitor the performance and compliance of those entities with the European legislative framework.

Indicators	Latest result	Target Year N	Means and frequency of verification
Timely completion of the Monitoring activity.	Various monitoring reports published in the course of the year	Depending on reports	Annual

Main outputs

- Delivery of the Monitoring Reports in various areas

Outputs relating to the multi-annual work programme objectives:

- Contribute to the completion of the IEM and the monitoring of its functioning by creating market and data transparency through economic analysis and issuing of recommendations.

Other outputs:

- Leverage of the reports by European policy makers in the legislative process.

Total resources allocated to the Activity INTERNAL ELECTRICITY MARKET	
Human Resources (Full Time Equivalents)⁴	Financial Resources (EUR)
28.3 (subsidy-financed)	5,401,573

2.2. Internal Gas Market (Operational)

The focus of the deliverables will be on the implementation of issues that have not been implemented so far. This may require more targeted interaction with the EU Member States. The legislative changes in relation to the decarbonisation create some uncertainty and may increase the Agency’s workload in 2023.

Objective 1:
Decisions,
Recommendations,
Opinions, Assistance to
NRAs and advocacy

The deliverables will focus on the implementation of provisions that have not been implemented yet. This may require more targeted interaction with a number of EU Member States, in particular cross-border disagreements between two or more countries can lead to lengthy processes. This can cover different topics related to the current network codes and may change each year in terms of reviewed substance.

Joint requests from the Functionality Platform: the Agency will interpret and provide solutions in a joint process with ENTSOG. (Priority level 1A or 2, depending on the case) The Gas Working Group will be regularly informed and consulted.

Decision regarding network codes if NRAs cannot agree (based on Article 6(10) of Regulation (EU) 2019/942): the Agency will issue decisions in case NRAs disagree on cross-border matters. (Priority level 1A) The Gas Working Group’s will be formally consulted.

Advocacy on network codes per market request or per the request of the NRAs (based on Article 6 of Regulation

⁴ The FTE allocation includes staff working on the deliverables under this activity, as well as a proportional allocation of staff in horizontal activities classified as ‘operational’ according to the methodology for Agencies job screening (‘benchmarking’), in accordance with article 29(3) of the Framework Financial Regulation.

(EU) 2019/942 or informal requests): the Agency will guide NRAs that require deeper explanations of the network codes in the course of the national implementation, or changes to the national implementation, per the NRA's request. (Priority level 1A or 1B, depending on the case) The Gas Working Group will be informed, unless more structural guidance is provided, in which case it may go to the Gas Working Group for discussion.

Expected results

To create a seamless internal gas market ready for an energy transition at least cost and energy sector integration . In particular delivering the necessary decisions and guidances that are critical for a good cross-border cooperation.

Indicators	Latest result	Target Year N	Means and frequency of verification
Number and complexity of the Joint solutions on the Functionality platform	The number of cases per year usually varies between 5 and 6.	5-6	Continuously
Number and complexity of the Decisions and NRA-ACER advocacy	The number of cases is usually about 1 or 2 cases per year.	1-2	Continuously

Main outputs

See under expected results.

Outputs relating to the multi-annual work programme objectives:

- Timely adoption to achieve good compliance with the IGM.

**Objective 2:
Implementation and monitoring**

Targeted monitoring and reporting with a view to achieve full implementation in Member States, to provide the reporting obligations imposed on the Agency by Union law and to review the functioning of the implemented market design triggered by new national rules or the market development. New tasks are expected in the light of the legislative review connecting to the gas decarbonisation package

Tariff Reports evaluating the national tariff consultations (based on Article 27 of Regulation (EU) 2017/460): the Agency will provide input to the final tariff decision of the NRA with a view to increasing compliance

with the Tariffs Network Code requirements. (Priority level 1A) The Gas Working Group will be informed.

Annual Report on Congestion at Interconnection points in the European Union with the planned automation of the report in 2022, entailing more data testing (based on Point 2.2.1.2 of the Commission Decision of 24 August 2012): the Agency will provide a list of the congested interconnection points with recommendations with a view to increase smooth congestion management on cross-border points. (Priority level 2) No formal Gas Working Group involvement (the group will be informed and consulted).

Implementation Monitoring Report on the Tariff Network Code with a view to the implementation issues that have not been addressed and in relation to the allowed revenues of the transmission system operators. (based on Article 9(1) of Regulation (EC) 715/2009): the Agency will support the appropriate implementation of the network code to increase transparency of national tariff, avoid cross-subsidisation and improve allowed revenue settings. (Priority level 1A) To the Gas Working Group for discussion.

Implementation Monitoring Report for Balancing with the application of the balancing analytical framework: the Agency will increase comparability of the national balancing market designs and improve learning about best practices. (Priority level 1A) To the Gas Working Group for discussion.

Wholesale Gas Market Volume; the Gas Working Group will be regularly informed and consulted. (Priority level 1A)

Retail Market and Customer Protection Volume; the Retail Working Group will be regularly informed and consulted (Priority level 1A)

Expected results

A seamless internal gas market that is ready to support an energy transition at least cost and energy sector integration . In particular delivering the necessary reporting that will increase understanding and create improvements to achieve a good cross-border cooperation.

Indicators	Latest result	Target Year N	Means and frequency of verification
Number and complexity of the Reports mentioned	On average 11 reports per year	The number of Tariff reports	Continuously

above (tariffs being in majority).	over the period 2020 - 2021	for 2023 is estimated between 10 and 14	
Some improvements for the automation projects will take place for Congestion Report and Balancing reporting. Reaping benefits from the automation as of 2023.	n/a	n/a	2023

Main outputs

Outputs relating to the multi-annual work programme objectives:

- Timely adoption to achieve good compliance with the IGM.

Objective 3:
Tasks initiated by the European Commission or at the Agency’s initiative and developing regulatory policies

The legislative changes in relation to decarbonisation and strengthening the internal market create uncertainty about the number of tasks that the Agency should execute.

The Agency may engage in drafting an increased number of opinions and recommendations under its own initiative to support the decarbonisation process, provided sufficient resources are available.

Amendment of Network Codes and adoption of new ones based on the priority plan of the European Commission (based on Article 6 and 7 of Regulation (EC) 715/2009) (Priority level 1A) For the Gas Working Group’s review.

Opinions and recommendations under own initiative (based on Article 24(2) of Regulation 2019/942): the Agency will gradually explore the need to issue them. (Priority level 1A) The Gas Working Group shall be consulted on the draft opinions requiring a favourable opinion of the Board of Regulators.

Expected results

Support new legislation to upgrade the market design and prepare the ground for decarbonisation and energy sector integration :

Posibility to support the revision of new network codes or implement network code modifications: at this point the nature and the volume of this workstream is uncertain: the Agency will play an in important role in implementing these legislative changes.

Verify the functionality of the gas wholesale markets, leveraging on the Gas Target Model Metrics. In the context of

the energy transition the development of low-carbon and renewable gas markets will be equally followed up.

The Retail and Customer Protection Volume monitors the evolution of retail prices for electricity and gas, the impact of market developments on household customers and the compliance with consumer rights based on the enforced legislative provisions of the Clean energy package and the gas decarbonisation package

Indicators	Latest result	Target Year N	Means and frequency of verification
Number of legislative changes and timeline for implementation	n/a	n/a	2023
Number and complexity of own initiative opinions and recommendations	1 own initiative Recommendation in 2019	n/a	Continuously
Development of policy papers	3 papers in 2021	n/a	2023
Timely completion of the Annual Market Monitoring Report.	MMR completed in November 2021 (gas wholesale part delivered earlier)	July and November 2021	Annual

Main outputs

See above under expected results.

Outputs relating to the multi-annual work programme objectives:

- Timely adoption to achieve good compliance with the changing IGM and support the decarbonisation efforts across the European Union.
- Delivery of the Annual Market Monitoring Report
- Contribute to the completion of a functional internal energy market by creating market and data transparency through economic analysis and issuing of recommendations.

Other outputs:

- Leverage of the MMR by European policy makers in the legislative process.

Objective 4:

Contribute to the implementation of Union energy legislation by NRAs

“Peer review” opinions as requested pursuant to Article 6(5) of Regulation (EU) No 2019/942 (Priority level 1A). At the request of a regulatory authority or of the Commission, the Agency must provide a fact-based opinion on whether a decision taken by a regulatory authority complies with the

**and to the activities of
EU level institutions**

Guidelines referred to in Directive 2009/72/EC, Directive 2009/73/EC, Regulation (EC) No 714/2009 or Regulation (EC) No 715/2009, or with other relevant provisions of those Directives or Regulations. Where a national regulatory authority does not comply with the opinion of the Agency within four months from the day of receipt, the Agency shall inform the Commission and the Member State concerned accordingly. According to Article 24(2) of Regulation 2019/942, the Electricity or Gas Working Group, as relevant, shall be formally consulted on the draft opinions requiring a favourable opinion of the Board of Regulators.

Opinions on the application of Union energy legislation upon request by an NRA pursuant to Article 6(5) of Regulation (EU) 2019/942 (Priority level 1A). When a national regulatory authority encounters, in a specific case, difficulties with the application of Guidelines referred to Regulation (EU) 2019/943, Regulation (EC) No 715/2009, Directive (EU) 2019/944 or Directive 2009/73/EC, it may request the Agency for an opinion. According to Article 24(2) of Regulation 2019/942, the Electricity or Gas Working Group, as relevant, shall be formally consulted on the draft opinions requiring a favourable opinion of the Board of Regulators.

Opinions and recommendations in the areas of its competence, upon request by the European Parliament, the Council or the European Commission (Priority level 1A). Upon request, provide support and advice to the European Parliament, the Council and the European Commission, by delivering the requested opinions and recommendations. According to Article 24(2) of Regulation 2019/942, the Gas Working Group or Electricity Working Group, as relevant, shall be formally consulted on the draft opinions requiring a favourable opinion of the Board of Regulators.

Expected result

Delivery of the above opinions and recommendations.

Indicators	Latest result	Target Year N	Means and frequency of verification
Timely adoption and publication of the deliverables	Timely adoption	Timely adoption	Ad hoc as relevant, within specified time window for delivery
Main outputs			

See outputs above.

Outputs relating to the multi-annual work programme objectives:

- Contribute to the implementation of Union legislation by NRAs and to the activities of EU level institutions.

Total resources allocated to the Activity INTERNAL GAS MARKET	
Human Resources (Full Time Equivalent)⁵	Financial Resources (EUR)
12.6 (subsidy-financed)	2,404,940

2.3 Infrastructure and Security of Supply (Operational)

The Agency and NRAs cooperate in implementing the TEN-E Regulation, which entered into force on 15 May 2013. The Regulation aims at enhancing the physical integration of the internal energy market, including by ensuring that no Member State is isolated from the European network. At the time of writing, the TEN-E Regulation is under revision, with a view to adapting it to the decarbonisation objectives.

The Agency has various functions and roles regarding the development of electricity and gas infrastructure. Cost-efficient network development is essential for overcoming physical congestion, improving energy security and ensuring sustainability. Capacity allocation methods and/or congestion management procedures alone cannot resolve physical congestion in electricity and gas transmission systems, especially at interconnection points and other system bottlenecks. Adequate physical transmission capacity is thus a prerequisite for completing the IEM. Additional tasks have been added by the Clean Energy Package acts. In particular, the Agency is tasked to approve the methodology regarding the use of revenues from congestion income.

⁵ The FTE allocation includes staff working on the deliverables under this activity, as well as a proportional allocation of staff in horizontal activities classified as ‘operational’ according to the methodology for Agencies job screening (‘benchmarking’), in accordance with article 29(3) of the Framework Financial Regulation.

**Objective 1:
Ensuring the proper
implementation of the
TEN-E Regulation**

Annual consolidated report on progress of projects of common interest and (if appropriate) recommendations to facilitate the implementation and overcome delays/difficulties in PCI implementation. (Priority level 1A)

The consolidated reports are based on annual reports submitted to ACER by gas and electricity project promoters for each project of common interest. According to Article 30(4) of Regulation 2019/942, the Electricity Working Group and the Gas Working Group shall be consulted and provide input.

Requests of updates and Opinion(s) on ENTSO-E's and/or ENTSOG's methodologies for cost-benefit analysis, if updated (Priority level 1A)

The Agency, on its own initiative or upon a duly reasoned request by national regulatory authorities or stakeholders, and after formally consulting the organisations representing all relevant stakeholders and the Commission, may request updates and improvements of the CBA methodology(ies) with due justification and timescales. If an update is launched, ACER shall provide an Opinion to Member States and the Commission on the draft CBA methodologies and publish it.

According to Article 30(4) of Regulation 2019/942, the Electricity Working Group and the Gas Working Group shall be consulted and provide input.

According to Article 24(2) of Regulation 2019/942, the Electricity Working Group and the Gas Working Group will be formally consulted on the draft opinions. The Opinions require the favourable opinion of the Board of Regulators.

Opinions on the draft regional lists of proposed projects of common interest, in particular on the consistent application of the criteria and the cost-benefit analysis across regions (Priority level 1A)

The Agency shall provide an opinion on the draft regional lists, in particular on the consistent application of the criteria and the cost-benefit analysis across regions. The opinion of the Agency is a biennial activity, in line with the schedule of the adoption of the PCI lists.

According to Article 24(2) of Regulation 2019/942, the Electricity Working Group and the Gas Working Group will be formally consulted on the draft opinions. The Opinions require the favorable opinion of the Board of Regulators.

Decisions on investment requests including on cross-border cost allocation under Article 12(6) of Regulation (EU) 347/2013 (Priority level 1B)

Promoters of projects of common interest may submit an investment request including a request for cross-border cost allocation (CBCA). Where the national regulatory

authorities concerned have not reached an agreement on the investment request within six months, or upon their joint request, the Agency shall take the decision on the investment request including cross-border cost as well as the way the cost of the investments are reflected in the tariffs within three months (with a possible two months extension in case additional information is needed. The Electricity or Gas Working Group, as relevant, will be informed about these activities.

Expected results

Delivery of the above opinions and decisions.

Indicators	Latest result	Target Year N	Means and frequency of verification
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Timely publication of the Decisions/Opinions/Recommendations/Reports

All delivered on time

100 %

Annual

Main outputs

Outputs relating to the multi-annual work programme objectives:

- Contribute to the infrastructure challenge.

**Objective 2:
Monitoring the TSOs' cooperation in the Electricity Sector**

Opinion on the draft Union-wide electricity infrastructure 10-Year Network Development Plan 2022 (Priority level 1A) According to Article 24(2) of Regulation (EU) 2019/942, the Electricity Working Group will be formally consulted.

Opinion on the implementation of the Union-wide electricity infrastructure 10-Year Network Development Plan and investments to create new interconnector capacity (Priority level 1A) According to Article 24(2) of Regulation (EU) 2019/942, the Electricity Working Group will be formally consulted.

Opinion on the national 10-Year Network Development Plans to assess their consistency with the Union-wide 10-Year Network Development Plans (if appropriate) recommendations to amend the national 10-year network development plans or the Union-wide network development plan (Priority level 1A) The Electricity Working Group will be informed and consulted on the monitoring activity.

Opinions on ENTSO-E's annual work programme and ENTSOE's annual report (Priority level 2) According to

Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted.

Opinions on potential updates to ENTSO-E’s common network operation tools and common incidents classification scale (Priority level 2) According to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted.

Opinion on ENTSO-E’s recommendations relating to the coordination of technical cooperation between the Union and third-country transmission system operators (Priority level 2) According to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted.

Opinions on ENTSO-E’s annual Summer and Winter supply outlooks (Priority level 2) According to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted.

Opinion on ENTSO-E’s research and development plan (Priority level 2) According to Article 24(2) of Regulation 2019/942, the Electricity Working Group will be formally consulted.

Expected results Delivery of the above opinions and reports.

Indicators	Latest result	Target Year N	Means and frequency of verification
Timely adoption and publication of the deliverables	Timely publication	Timely publication	Continuous

Main outputs

See deliverables above.

Outputs relating to the multi-annual work programme objectives:

- Contribute to the infrastructure challenge.

**Objective 3:
Monitoring the TSOs’
cooperation in the Gas
Sector**

Opinion on the draft Union-wide gas infrastructure 10-Year Network Development Plan 2022 (Priority level 1A) According to Article 24(2) of Regulation (EU) 2019/942, the Gas Working Group will be formally consulted.

Opinion on the implementation of the Union-wide gas infrastructure 10-Year Network Development Plan and

investments to create new interconnector capacity (Priority level 1A). According to Article 24(2) of Regulation (EU) 2019/942, the Gas Working Group will be formally consulted.

Opinion on the national 10-Year Network Development Plans to assess their consistency with the Union-wide 10-Year Network Development Plans (if appropriate) recommendations to amend the national 10-year network development plans or the Union-wide network development plan (Priority level 1A). The Gas Working Group will be informed and consulted on the monitoring activity.

Opinions on ENTSOG’s annual work programme and ENTSOG’s annual report (Priority level 2) According to Article 24(2) of Regulation 2019/942, the Gas Working Group will be formally consulted.

Opinions on potential updates to ENTSOG’s common network operation tools and common incidents classification scale (Priority level 2). According to Article 24(2) of Regulation 2019/942, the Gas Working Group will be formally consulted.

Opinion on ENTSOG’s recommendations relating to the coordination of technical cooperation between the Union and third-country transmission system operators (Priority level 2) According to Article 24(2) of Regulation 2019/942, the Gas Working Group will be formally consulted.

Opinions on ENTSOG’s annual Summer and Winter supply outlooks (Priority level 2) According to Article 24(2) of Regulation 2019/942, the Gas Working Group will be formally consulted.

Opinion on ENTSOG’s research and development plan (Priority level 2) According to Article 24(2) of Regulation 2019/942, the Gas Working Group will be formally consulted.

Expected results

Delivery of the above opinions.

Indicators	Latest result	Target Year N	Means and frequency of verification
Timely adoption and publication of the deliverables	Timely adoption	Timely adoption	Continuous
Main outputs			

See deliverables above.

Outputs relating to the multi-annual work programme objectives:

- Contribute to the infrastructure challenge.

Objective 4:

Ensuring the proper implementation of measures to safeguard the security of gas supply

Opinions and on the elements of coordinated decisions on proposals to enable permanent physical capacity to transport gas in both directions for permanent bi-directional capacity concerning the reverse direction (“physical reverse flow capacity”) (Priority level 1A) The Gas Working Group and the Board of Regulators will be informed, as relevant.

Decisions on cross-border cost allocation on proposals to enable physical reverse flow capacity if the regulatory authorities concerned could not reach an agreement on the cost allocation within six month from the receipt of the joint proposal of the transmission system operators. (Priority level 1B) The Gas Working Group and the Board of Regulators will be informed as relevant.

Opinions on requests for an exemption from the obligation to enable permanent bi-directional capacity (if the Agency decides to issue an opinion) (Priority level 1A) The Gas Working Group and the Board of Regulators will be informed as relevant.

Decisions on exemptions as provided for in Article 36(4) of Directive 2009/73/EC where the infrastructure concerned is located in the territory of more than one Member State (Priority level 1A) According to Article 24(2) of Regulation 2019/942, the Gas Working Group will be formally consulted.

Expected results

Delivery of the above opinions and decisions.

Indicators

Latest result

Target Year N

Means and frequency of verification

Timely adoption and publication of the deliverables

Timely adoption

Timely adoption

Ad hoc as relevant, within the specified time window for delivery

Main outputs

See outputs above.

Outputs relating to the multi-annual work programme objectives:

- Contribute to the continuous safeguarding of the security of gas supply.

Total resources allocated to the Activity INFRASTRUCTURE AND SECURITY OF SUPPLY	
Human Resources (Full Time Equivalent)⁶	Financial Resources (EUR)
9.3 (subsidy-financed)	1,775,075

2.4. Market Information and Transparency (Operational)

The Agency’s market information and transparency work is an ongoing activity under REMIT which involves the promotion of regulatory cooperation and data excellence as well as REMIT analytics and information management tasks. The latter tasks will be financed through REMIT fees on the basis of Article 32(1)(b) of Regulation (EU) 2019/942 as of 2021.

2.4.1 Promoting regulatory cooperation

ACER takes an active role in assisting NRAs and in building a common regulatory culture among NRAs to promote the sound, efficient, and consistent exercise of their regulatory tasks under REMIT at Union level. Since wholesale energy markets encompass both commodity markets and derivatives markets and as price formation in both sectors is interlinked, ACER also cooperates with the European Securities and Markets Authority (ESMA) and national financial market authorities, but also with competition authorities, to ensure that a coordinated approach is taken on market integrity and transparency at Union level. In addition, ACER cooperates with competent supervisory authorities, international organisations and the administrations of third countries, in particular with those impacting the Union wholesale

⁶ The FTE allocation includes staff working on the deliverables under this activity, as well as a proportional allocation of staff in horizontal activities classified as ‘operational’ according to the methodology for Agencies job screening (‘benchmarking’), in accordance with article 29(3) of the Framework Financial Regulation.

energy markets, in order to promote the harmonisation of the regulatory market integrity and transparency framework.

The presented tasks in the field of Promoting regulatory cooperation are not considered as being covered by Article 32(1)(b) of Regulation (EU) 2019/942 pursuant to which fees shall be due to ACER for its services related to collecting, handling, processing and analysing of information reported by market participants or by entities reporting on their behalf pursuant to Article 8 of REMIT. The Agency’s tasks in the field of Promoting regulatory cooperation will continue to be financed by the Union budget and/or other funding sources made available.

In relation to the promotion of regulatory cooperation in the framework of REMIT, the Agency plans to work in the following areas and towards the following results in 2023:

<p>Objective 1: Promoting Regulatory Cooperation</p>	<p>Assisting NRAs in exercising, at Union level, their regulatory tasks under REMIT performed in the Member States (Priority level: 1A)</p> <p>Policy cooperation with NRAs and, where necessary, their coordination to aim at ensuring the coordinated and consistent application of REMIT (Priority level: 1A)</p> <p>Policy cooperation with ESMA, competent national financial market authorities and other authorities at Union level, supervisory authorities, international organisations and the administrations of third countries to promote the harmonisation of the regulatory framework (Priority level: 1B)</p>
<p>Expected results Assisting NRAs</p>	<p>25 NRAs will be using CEREMP as national registers pursuant to Article 9(2) of REMIT for the registration of market participants at national level. ACER’s business intelligence solutions SMARTS and OBIEE may be used by some NRAs.</p>
<p>Policy cooperation with NRAs</p>	<p>ACER and NRAs will continue to cooperate closely through the ACER REMIT Committee (ARC) and the relevant subgroup(s) to aim at ensuring a coordinated and consistent approach under REMIT. This will result in updated ACER Guidance on the application of REMIT and updated REMIT Q&As as required.</p>
<p>Policy cooperation with ESMA and other authorities</p>	<p>Policy cooperation with ESMA, national financial market authorities, competition authorities, supervisory authorities and administrations from third countries as well as with international organisations will depend on the available human resources. ACER has currently MoUs in place with ESMA, the Energy Community Secretariat, FERC and the Northern Irish Utility Regulator. Additional cooperation may</p>

be required with other supervisory authorities from third countries. Without additional human resources being provided to ACER, cooperation will remain ad hoc.

Indicators	Latest result	Target Year N	Means and frequency of verification
99% Availability of the provided IT solutions to NRAs	Year N-2: 98%	99 %	Monthly performance monitoring
Continued measurement of % planned vs. delivered projects	Year N-2: 100%	YoY improvement	Monthly performance monitoring
Implementation of the MoUs in practice through regular exchange of information and/or meetings with the relevant authorities.	Year N-2: 2 meetings per cooperating authority per year	At least 1 meeting per cooperating authority per year	Monthly performance monitoring

Main outputs

- Providing CEREMP for NRAs’ national registers of market participants;
- Publication of ACER Guidance to NRAs on the application of REMIT;
- Coordination of stakeholder queries with NRAs;
- Publication of REMIT Q&As;
- Potential coordinated policy documents;
- Additional Memoranda of Understanding (MoUs);
- Exchange of information and/or meetings on the basis of existing MoUs.

Outputs relating to the multi-annual work programme objectives:

- Regulatory cooperation for a coordinated approach towards an increased integrity and transparency of wholesale energy markets.

Other outputs:

- Fostering regulatory convergence and to avoid regulatory arbitrage resulting from different regulatory practices under REMIT.

2.4.2 REMIT data and information management

REMIT data and information management have become an enabler which supports ACER’s and NRAs’ market monitoring activities and case-work according to Article 7(1) and (2) of REMIT to promote wholesale energy market integrity and transparency, but also ACER’s wholesale energy monitoring and reporting activities according to Article 15 of the ARR (‘Market Monitoring Report’) and the Agency’s monitoring of the implementation of network codes to promote market integration. It has the potential to support the monitoring activities

and case-work of financial market authorities under EU financial market legislation and competition authorities under EU competition law and may foster sound policy-making.

REMIT data and information management activities aim to establish and manage information as a key asset to support market monitoring and provide reliable information on wholesale energy markets for the promotion of market integrity and transparency as a major pre-requisite for efficient market integration. This involves the delivery and operation of efficient and effective data and information-management services and increasing the Agency's information processing capacity, and requires management of in-house and outsourced information and technology services.

The REMIT data and information management activities performed by the MIT Department are closely coordinated with and supported by the MSC Department's market surveillance and conduct activities, in particular concerning the tasks REMIT reporting guidance, data collection, data analysis and the operation and enhancements of the Agency's REMIT Information Systems where the MSC Department is relying on IT solutions for the performance of its tasks provided by the MIT Department.

The Annual Report on the Agency activities under REMIT is a shared task of the MIT Department and the MSC Department.

ACER's REMIT data and information management activities provide the infrastructure fundamental for collecting, handling, processing and analysing of information reported by market participants or by entities reporting on their behalf pursuant to Article 8 of REMIT, hence, as of 2021, will be funded by fees pursuant to Article 32(1)(b) of Regulation (EU) 2019/942.

In relation to the REMIT data and information management, the Agency plans to work in the following areas and towards the following deliverables in 2023:

I. Regulatory cooperation, reporting guidance and policy activity to support the REMIT reporting mandate

This deliverable comprises tasks related to regulatory cooperation, reporting guidance, the annual report on REMIT activities and the facilitation of stakeholder involvement.

ACER closely cooperates with NRAs on collecting, handling, processing and analysing of information collected pursuant to Article 8 of REMIT on an ongoing basis to foster regulatory convergence and to avoid regulatory arbitrage resulting from different regulatory practices under REMIT.

The Agency is tasked to provide guidance to reporting parties on data collection (Requirements for registered reporting parties, Manual of Procedures on data collection,

Transaction Reporting User Manual, FAQs on data collection) according to Article 8 of REMIT and Articles 3(2), 5(2), 10(3) and 11(1) of Commission Implementing Regulation (EU) No 1348/2014. This requires a regular update of the guidance in the light of market developments (e.g. in case of new products admitted to trading at organised market places) and includes providing regular updates to the list of organised market places and to the list of standard contracts.

The Agency shall submit at least on an annual basis a Report to the Commission on its activities under REMIT according to Article 7(3) of REMIT. In such reports, ACER shall assess the operation and transparency of different categories of market places and ways of trading and, if necessary, make recommendations to the Commission as regards market rules, standards, and procedures which could improve market integrity and the functioning of the internal market. It may also evaluate whether any minimum requirements for organised markets could contribute to enhanced market transparency.

The Agency should inform stakeholders on different aspects of the implementation and operation of REMIT data collection according to Article 14 of Regulation (EU) 2019/942. Material updates of ACER’s REMIT reporting guidance even require consultation of relevant parties according to Article 8 of REMIT and Articles 5(2), 10(3) and 11(1) of Commission Implementing Regulation (EU) No 1348/2014. Involvement of stakeholders will ensure wider acceptance of REMIT data collection and the effectiveness of any potential update of REMIT data collection.

<p>Objective 1: Contribute to a coordinated, consistent and robust REMIT data reporting framework</p>	<p>Continue to contribute to a coordinated, consistent and robust REMIT data reporting regulatory framework for the purpose of market monitoring and promote supervisory convergence in the area of data reporting (Priority level: 1A);</p> <p>Enable reporting parties to report data pursuant to Article 8 of REMIT in an efficient, effective and safe manner to the Agency (Priority level: 1A);</p> <p>Collecting, handling, processing and analysing of REMIT information collected according to Article 8 of REMIT. (Priority level: 1A)</p>
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<p>Expected results Cooperation with NRAs</p> <p>REMIT reporting guidance</p>	<p>ACER is the central point of data collection at pan-European level under REMIT. ACER will continue to closely cooperate with NRAs when collecting, handling, processing and analysing of REMIT information collected according to Article 8 of REMIT for the purpose of effective and efficient market monitoring of EU wholesale energy markets under REMIT. For this purpose, ACER will continue to review its REMIT reporting guidance on an</p>
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<p>Facilitation of stakeholder involvement</p> <p>Annual Report on the Agency activities under REMIT</p>	<p>ongoing basis and will provide updates as required. When doing so, ACER will take into account the experience gained with the relevant reporting requirements.</p> <p>ACER will engage and co-operate with relevant stakeholders as required.</p> <p>ACER will publicly report about its activities under REMIT at least on an annual basis.</p>
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Indicators	Latest result	Target Year N	Means and frequency of verification
Number of relevant coordination meetings with NRAs	Year N-2: 8	8	Monthly performance monitoring
Update of TRUM as key achievement	Year N-2: 1 update	At least 1 update	Monthly performance monitoring
Update of FAQs on data collection	Year N-2: 1 update	At least 1 update	Monthly performance monitoring
Update of MoP on data collection as required	Year N-2: 1 update	As required	Monthly performance monitoring
Update of the RRM requirements	Year N-2: 1 update	As required	Monthly performance monitoring
Updates of the List of OMPs	Year N-2: 7 updates	4 updates	Monthly performance monitoring
Updates of the List of Standard Contracts	Year N-2: 7 updates	4 updates	Monthly performance monitoring
Percentage of REMIT stakeholder queries on REMIT data collection answered	Year N-2: 98.5%	100%	Monthly performance monitoring
% planned vs. delivered projects	Year N-2: n/a	Yoy improvement of % planned versus delivered	Monthly performance monitoring

Main outputs

- Potential recommendations to the Commission to revise the REMIT reporting regime;
- Potential recommendations to the Commission as regards market rules, standards, and procedures which could improve market integrity and the functioning of the internal market;

- Coordination of potential breaches of Articles 8 and 9 of REMIT with NRAs
- Joint ACER-NRA projects on collecting, handling, processing and analyzing of information, with the SIDC data collection project as key deliverable;
- Review of the Transaction Reporting User Manual;
- Review of the Manual of Procedures on transaction and fundamental data reporting, as required;
- Review of the Requirements for Registered Reporting Parties, as required;
- Provision of additional FAQs on data collection, as required;
- Published and regularly updated list of organised market places;
- Published and regularly updated list of standard contracts.
- Contribution to the Agency’s Annual Activity Report;
- Contribution to the Agency’s Market Monitoring Report;
- Publication of the REMIT Quarterly reports,
- REMIT Portal;
- Public consultations;
- Targeted consultations of relevant parties;
- Stakeholder roundtable meetings and webinars;
- Ad-hoc expert group meetings;
- REMIT Forum.

Outputs relating to the multi-annual work programme objectives:

- Increased integrity and transparency of wholesale energy markets

II. Regulatory registration and supervision of reporting parties

This deliverable comprises the tasks related to the European register of market participants and the registration and compliance monitoring of registered reporting parties.

ACER’s European register of market participants was established for the purpose of data collection under REMIT and is based on the information provided by NRAs on an ongoing basis (Articles 8 and 9 of REMIT; Article 10(2) of Commission Implementing Regulation (EU) No 1348/2014). The Agency has made publicly available parts of the European register of market participants to facilitate reporting according to Article 8 of REMIT, in particular the market participants registered and their ACER registration and other unique identification codes which are a prerequisite to identify the reporting parties when reporting data to ACER pursuant to Article 8 of REMIT. This is also why Article 10(2) of Commission Implementing Regulation (EU) No 1348/2014 requires market participants to identify themselves or to be identified by the third party reporting on their behalf shall use the ACER code which the market participant received or the unique market participant code which the market participant provided while registering in accordance with Article 9 of REMIT.

ACER assesses registration applications under REMIT and its Implementing Regulation and monitors the compliance of registered reporting parties which involves day-to-day supervision through a risk-based approach with a particular focus on data quality and technical and operational requirements to ensure operational reliability pursuant to Article 8 of REMIT and

Article 11(1) of Commission Implementing Regulation (EU) No 1348/2014. There are currently 118 reporting parties registered with the Agency as so-called Registered Reporting Mechanisms (RRMs). As of 2021, this task includes the provision of support services for the collection of REMIT fees from registered reporting parties.

ACER is also registering Inside Information Platforms and Transparency Platforms disclosing inside information on behalf of market participants for the efficient, effective and safe collection of inside information through web feeds (Article 8 of REMIT; Articles 10(1) and 11(1) of Commission Implementing Regulation (EU) No 1348/2014.

<p>Objective 2: Regulatory registration and supervision of reporting parties to ensure efficient, effective and safe exchange and handling of information</p>	<p>Enable reporting parties to report data pursuant to Article 8 of REMIT in an efficient, effective and safe manner to the Agency (Priority level: 1A); Ensuring efficient, effective and safe exchange and handling of information (Priority level: 1A); Collecting, handling, processing and analysing of REMIT information collected according to Article 8 of REMIT. (Priority level: 1A)</p>		
<p>Expected results European register of market participants Registration and enrolment of reporting parties in compliance with technical and organizational requirements</p>	<p>Maintenance of the European Register of Market Participants with more than 14,000 market participants registered and transmitted to ACER by NRAs to identify market participants for reporting purposes when reporting to ACER. Registration and enrolment of more than 100 Registered Reporting Mechanisms for the reporting of records of transactions and fundamental data and around 20 platforms for the collection of inside information as well as compliance monitoring of these entities by ACER on a risk-based approach.</p>		
<p>Indicators</p>	<p>Latest result</p>	<p>Target Year N</p>	<p>Means and frequency of verification</p>
<p>99% Availability of the publicly made available parts of the European register of market participants on the Agency's REMIT portal</p>	<p>Year N-2: 100% planned system availability</p>	<p>99% service availability</p>	<p>Monthly performance monitoring</p>
<p>Implementation of the RRM monitoring strategy according to plan</p>	<p>Year N-2: 89%</p>	<p>Yoy improvement of % planned versus</p>	<p>Monthly performance monitoring</p>

		delivered	
Completeness of information	Year N-2: 88%	Yoy improvement	Monthly performance monitoring
Accuracy of information	Year N-2: 98%	Yoy improvement	Monthly performance monitoring
Timeliness of information	Year N-2: 97 %	Yoy improvement	Monthly performance monitoring
The time a reporting party takes to proceed to remedial actions following ACER's supervisory action	Year N-2: 6 days	Yoy improvement	Monthly performance monitoring

Main outputs

- Publication of the European register of market participants and continuous updates on the basis of the information provided through the national registers of market participants maintained by NRAs
- Processed new registration applications;
- Assessment of whether changes to the current RRM registrations (structural changes of entities, changes in technical and organisational requirements etc.) are compliant with Article 11 (1) of REMIT Implementing Regulation and facilitate the changes by bilateral communication with the RRM and related amendments in the system;
- Engagement with individual registered reporting parties, audits, thematic reports and letters addressed to registered reporting parties identifying risks and requesting remediation in alignment with key supervisory priorities.

Outputs relating to the multi-annual work programme objectives:

- Increased integrity and transparency of wholesale energy markets.

III. Data analysis and dissemination

This deliverable comprises the tasks data analysis and making available REMIT data for scientific and transparency purposes. Against the background of its legal mandate under Articles 7(3) and 8 of REMIT and Article 11 of Commission Implementing Regulation (EU) No 1348/2014, ACER will continue performing data analysis and giving attention to the quality of reported data under REMIT, as a precondition to data-driven monitoring, through action plans and methodologies and will work on the implementation of the data strategy. This task was identified as a continued priority for market monitoring and is decisive for all REMIT data users. This is a task the Market Surveillance and Conduct Department contributes to.

According to Article 12(2) of REMIT, ACER may publish parts of the information it possesses to enhance transparency in wholesale energy markets pursuant to Article 12(2) of REMIT. Transparency has the power to create a level playing field, reduce the scope for anti-

competitive practices and more generally, increase market participants’ confidence in fair pricing mechanisms. REMIT regulates not only integrity, but also transparency of wholesale energy markets in order to guarantee that the relevant information is available to market operators. The disclosure of the information that is deemed relevant in light of the efficient functioning of the market, affects the possibility for market participants to receive efficient market signals before making their choices. Current experiences indicate that there is still a need to further promote transparency in wholesale energy markets.

The Agency is also tasked to make its non-sensitive trade database available for scientific purposes pursuant to Article 12(2) of REMIT. In the past, this activity was limited to the Agency’s cooperation with the European Commission’s Joint Research Centre. In 2022 and beyond, the Agency aims at establishing and making available a dataset which will allow cooperating with universities and research institutes at Union level.

<p>Objective 3: Data analysis and dissemination to assure data quality, integrity, transparency and usability of information</p>	<p>Perform market data analysis in order to assure data quality, integrity and usability in close co-ordination with NRAs (Priority 1A);</p> <p>Making available REMIT data for scientific and transparency purposes (Priority 2);</p> <p>Collecting, handling, processing and analysing of information collected according to Article 8 of REMIT (Priority level: 1A).</p>
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Expected results

Data analysis

On-going / targeted data quality analysis and issues detection to support the data action plans executed in coordination with NRAs aiming at ensuring the data quality, as well as the integrity, confidentiality and availability of REMIT transaction data by conducting timely supervisory activities with lasting impact. Requesting remediation at individual RRM level.

Making available REMIT data for scientific and transparency purposes

ACER will make its commercially non-sensitive trade database available for scientific purposes, subject to confidentiality requirements, on request of scientists and in a way affordable to the Agency from a perspective of limited human resources. ACER will disseminate information in a fair manner according to transparent rules drawn up and made publicly available.

Indicators	Latest result	Target Year N	Means and frequency of verification
Delivery and implementation of REMIT data strategy	Year N-2: 1	Yoy improvement	Monthly performance monitoring

according to plan		of % planned versus delivered	
Continued measurement of % planned vs. delivered data projects	Year N-2: n/a	Yoy improvement of % planned versus delivered	Monthly performance monitoring
Integrity of information	Year N-2: 99%	Yoy improvement	Monthly performance monitoring
Consistency of information	Year N-2: 92%	Yoy improvement	Monthly performance monitoring
Contribution to ACER publications using REMIT market data	Year N-2: 2	At least 1	Monthly performance monitoring
Engagement in scientific data sharing project	Year N-2: 1	At least 1	Monthly performance monitoring
Publication of ACER's assessment of the operation and transparency of different categories of market places and ways of trading and evaluation whether any minimum requirements for organised markets could contribute to enhanced market transparency	Year N-2: 1 publication	At least 1 publication	Monthly performance monitoring

Main outputs

- Data processes to support market monitoring and data analysis,
- Ongoing data analysis projects/reports;
- Assess the operation and transparency of different categories of market places and ways of trading and, if necessary, make recommendations to the Commission as regards market rules, standards, and procedures which could improve market integrity and the functioning of the internal market;
- Evaluate whether any minimum requirements for organised markets could contribute to enhanced market transparency
- Making available of REMIT data sets to researchers from universities and research institutes for scientific purposes;
- Making publicly available parts of the information the Agency possesses, provided that commercially sensitive information on individual market participants or individual transactions or individual market places is not disclosed and cannot be inferred.

Outputs relating to the multi-annual work programme objectives:

- Increased integrity and transparency of wholesale energy markets

IV. Data collection, data management and data sharing

This deliverable comprises the tasks data collection and data sharing and the operation and enhancement of the Agency’s REMIT Information Systems ensuring operational reliability. The Agency is tasked to collect records of wholesale energy market transactions, including orders to trade from EU market participants at pan-European level.

The Agency shall also establish mechanisms to share information it receives in accordance with Articles 7(1) and 8 of REMIT with NRAs competent financial market authorities of the Member States, national competition authorities, ESMA and other relevant authorities. For the purpose of carrying out their market monitoring of wholesale energy markets at national level according to Article 7(2) of REMIT, NRAs shall have access to relevant information held by the Agency which it has collected in accordance with Article 7(1) of REMIT, subject to Article 10(2) of REMIT. The Agency is currently sharing relevant REMIT information with NRAs on an ongoing basis and with other authorities at Union level on an ad hoc request basis. Other authorities from the Member States are asked to refer to the relevant NRA at national level.

For the purpose of collecting, handling, processing and analysing information, ACER operates its REMIT Information Systems ARIS. According to Article 12(1) of REMIT, the Agency shall ensure the confidentiality, integrity and protection of the information received pursuant to Article 4(2) and Articles 8 and 10 of REMIT. The Agency shall take all necessary measures to prevent any misuse of, and unauthorised access to, the information maintained in its systems. In addition, the Agency has to fulfil data protection obligations relating to the processing of personal data under relevant EU data protection legislation.

Objective 4:
Data collection, data management and data sharing to increase integrity and transparency in wholesale energy markets

Collecting of information reported by reporting parties in an efficient, effective and safe manner; Providing high-quality REMIT data for monitoring purposes of ACER, NRAs and other relevant authorities (Priority level: 1A);
Operate the Agency’s REMIT Information Systems operationally reliable (Priority level: 1A);
Collecting, handling, processing and analysing of information collected according to Article 8 of REMIT (Priority level: 1A).

Expected results
Data collection and data sharing

Continuous data collection, data sharing and data management of records of wholesale energy markets. Ad hoc access to EMIR and MiFID II data, including emission allowances and derivatives thereof, through ESMA.

Operation and enhancements of the Agency’s REMIT Information Systems ensuring operational reliability

ACER ensures data protection, confidentiality, integrity and protection of the information received, identifies sources of operational risk and minimises them through the development of appropriate systems, controls and procedures.

Indicators	Latest result	Target Year N	Means and frequency of verification
Service availability of data collection, data management and data sharing services	Year N-2: 99% planned service availability	99% service availability	Monthly performance monitoring
% of open tickets versus closed	Year N-2: 64%	Yoy improvement	Monthly performance monitoring
Continued measurement of % planned vs. delivered projects	Year N-2: 91%	Yoy improvement of % planned versus delivered	Monthly performance monitoring
Time from discovery of an information security incident/issue until resolution	Year N-2: 150 hrs	Yoy improvement	Monthly performance monitoring

Main outputs

- Continuous management of records of wholesale energy market transactions, including orders to trade, derivatives, fundamental data and inside information collected;
- Provision of REMIT information services to internal ACER users, NRAs and reporting parties;
- Projects to enhance data collection, data processing and data sharing;
- Sharing of relevant REMIT data with NRAs through ARIS on an ongoing basis and with other authorities on an ad hoc basis;
- Maintenance and continuous operations of the Agency’s REMIT Information Systems;
- Enhancements of the Agency’s REMIT Information Systems, or components thereof;
- Application and IT service management;
- Identify sources of operational risk and minimise them through the development of appropriate systems, controls and procedures.

Outputs relating to the multi-annual work programme objectives:

- Increased integrity and transparency of wholesale energy markets.

2.4.3 ACER data and information management

Data and information that the Agency collects, manages and provides to the users is a key enabler to success, supporting the drive to be a forward-looking and data-driven EU Agency that operates efficiently. Good quality data and information, handled well and available quickly allows the Agency to gain deeper insight into the subject matter and to be more efficient at identifying and tackling risks.

The Agency shall continue to implement technical and organisational requirements to ensure data excellence. The activities related to data and information management will continue to provide both internal and external customers with services related to data collection, data quality, and data management in the field of electricity and natural gas markets. Data collection and data management for the Electricity and Infrastructure, gas and retail departments is a general task and an enabler for providing ACER with the information necessary for the purpose of carrying out Agency’s tasks under Regulation (EU) 2019/942.

The Agency’s tasks in the field of data and information management will continue to be financed by the Union budget and/or other funding sources made available.⁷

Objective 2: Data excellence	ACER data management (Priority level: 1A)		
Expected results	Data collection and data management, including making information available to support the Agency’s mandate		
Indicators	Latest result	Target Year N	Means and frequency of verification
Implementation of the ACER data strategy	Year N-2: 1	Continued measurement of % planned versus delivered	Monthly performance monitoring
Implementation of Data governance and policies according to plan	Year N-2: n/a	Continued measurement of % planned versus	Monthly performance monitoring

⁷ The presented objective in the field of Data excellence related to data collection, data quality and data management outside the scope of REMIT are not considered as being covered by Article 32(1)(b) of Regulation (EU) 2019/942 pursuant to which fees shall be due to ACER for its services related to collecting, handling, processing and analysing of information reported by market participants or by entities reporting on their behalf pursuant to Article 8 of REMIT.

delivered

Main outputs

- Implementation of the ACER data strategy
- Implementation of ACER data governance and policies
- Development and maintenance of new data marts and make information and tools available
- Implementation of ACER information security policy for business IT systems and data

Outputs relating to the multi-annual work programme objectives:

- Contribute to the completion of the IEM by providing high-quality data for policy development, decision-making and monitoring activities

Total resources allocated to the Activity MARKET INFORMATION AND TRANSPARENCY	
Human Resources (Full Time Equivalents) ⁸	Financial Resources (EUR)
24 2 FTEs SUBSIDY, 22 FTEs REMIT fee financed	381,737 subsidy 9,155,501 fees

2.5. Market Surveillance and Conduct (Operational)

The Agency's Market Surveillance and Conduct Department promotes the integrity of wholesale energy market. A new task includes providing operational assistance to a requesting National Regulatory Authority on its REMIT investigation. Except for this latter task, all tasks will be financed through REMIT fees on the basis of Article 32(1)(b) of Regulation (EU) 2019/942 as of 2021.

In section 2.2.2. (Human resources; Market Surveillance and Conduct activities) of the Multiannual Programming the Agency presents the Agency's approach to performance EU wide market surveillance based on alerts. In particular, the Agency plans to work in 2023 in the

⁸ The FTE allocation includes staff working on the deliverables under this activity, as well as a proportional allocation of staff in horizontal activities classified as 'operational' according to the methodology for Agencies job screening ('benchmarking'), in accordance with article 29(3) of the Framework Financial Regulation.

following areas and towards the following deliverables in relation to the market surveillance of trading activities in EU wholesale energy markets.

Objective 1:

Ensuring the integrity of wholesale energy markets and delivering trustworthy market outcomes for EU energy consumers

Market monitoring of trading activity in wholesale energy markets to detect and prevent trading based on inside information and market manipulation according to Article 7 of REMIT, in cooperation with NRAs, on the basis of data collected in accordance with the REMIT implementing acts, the Agency’s surveillance strategy and further development and operation of the Agency’s market surveillance solution, including the dissemination to NRAs of suspicious trading activities in a secure way. That is, analysing the available collected and validated REMIT data to detect suspected instances of market abuse; contributing to improving the available collected REMIT data; preparing detailed assessments with factual analyses including an economic and legal assessment to be notified in a secure way to national authorities for their investigation; and screening, registering and assessing notifications on suspicious trading instances reported by national authorities, persons professionally arranging transactions, market parties and other entities. **(Priority level 1A)**

Expected results

Reporting to NRAs assessed triggered alerts and initial assessments of potential market abuse cases.

Screening and analysing of the data collected according to Article 8 of Reg. (EU) 1227/2011.

Drafting initial assessments and notifying relevant regulatory authorities of potential abusive behaviour according to Article 16(4) of Reg. (EU) 1227/2011.

Increased integrity and transparency of wholesale energy markets. Detection of market abusive practices.

Multi-annual objective: Increased integrity and transparency of wholesale energy markets.

Indicators	Latest result	Target Year N	Means and frequency of verification
% of high priority alerts manually screened	Year N-2: 78% ⁹	100%	quarterly
# of initial assessments sent to relevant authorities	Year N-2: 11	>16	quarterly

⁹ Delay in screening due to data unavailability.

Main outputs

- Reporting to NRAs assessed triggered alerts and initial assessments of potential market abuse cases.

Outputs relating to the multi-annual work programme objectives:

- Market monitoring of trading activity in wholesale energy markets to detect and prevent trading based on inside information and market manipulation according to Article 7 of REMIT, in cooperation with NRAs, on the basis of data collected in accordance with the REMIT implementing acts, the Agency’s surveillance strategy and further development and operation of the Agency’s market surveillance solution, including the dissemination to NRAs of suspicious trading activities in a secure way.

Objective 2:

Ensuring a consistent application of market abuse provisions by NRAs in order secure effective REMIT framework

This task includes all activities performed by ACER related to ensuring coordination and consistency in the application of REMIT by NRAs to cases of market abuse (Articles 3 and 5) and related to information disclosure, reporting, registration, and monitoring obligations (Articles 4, 8, 9, and 15). It includes the following activities: case coordination; case consistency; development, consultation and issuance of ACER Guidance; statutory meetings involving the discussion of REMIT cases. That is, notifying ESMA and other relevant supervisory authorities on potential cases of market abuse; coordinating and cooperating with NRAs on REMIT cases reviews, investigations and enforcement actions; taking actions to ensure consistency in the application of REMIT by NRAs; establishing and managing investigatory groups; providing guidance on the application of REMIT on the market abuse provisions; developing and enhancing of specific IT tools that can support its surveillance and conduct tasks; and, a new task for the Agency, providing operational assistance to national regulatory authorities, upon their request, regarding REMIT investigations. (Priority level 1A)

Expected results

To foster regulatory convergence and to avoid regulatory arbitrage resulting from different regulatory practices under REMIT.

Notifications on REMIT cases by ACER and triage and review of received Notifications from NRAs (and PPATs) based on the data received under Article 8.

Cooperation between ACER and NRAs and among NRAs on REMIT cases.

Coordination meetings with NRAs on the consistent application of market abuse provisions in REMIT (e.g. MM SC).

Processing of requests from ACER and updates from NRAs.

Establishment and coordination of investigatory groups.

Reviews by ACER of potential REMIT breach assessments by NRAs (closing and consistency notes).

Publication of Guidance to NRAs on the application of REMIT market abuse provisions.

Indicators	Latest result	Target Year N	Means and frequency of verification
% of REMIT breach cases pro-actively followed by the Agency	Year N-2: 29%	> 25%	Annual
Number of REMIT breach cases triaged and reviewed on cooperation needs	Year N-2: 117	>100	Annual
Number of interactions on market abuse cases to ensure a coordinated and consistent approach (documents and requests sent)/year	Year N-2: 1 215	>700	Annual
Number of statutory meetings (>50% of the target group) organised and chaired by the MSC department	Year N-2: 9	>8	Annual
Number of cross border investigatory groups under management	Year N-2: 0	0	Annual
Percentage of REMIT breach Decisions (Articles 3, 4 and 5) by EU NRAs quoting the ACER Guidance	Year N-2: 64%	75%	Annual

Main outputs

- Notifications on REMIT cases by ACER and triage and review of received Notifications from NRAs (and PPATs) based on the data received under Article 8.
- Cooperation between ACER and NRAs and among NRAs on REMIT cases.
- Coordination meetings with NRAs on the consistent application of market abuse provisions in REMIT (e.g. MM SC).
- Processing of requests from ACER and updates from NRAs.
- Establishment and coordination of investigatory groups.

- Reviews by ACER of potential REMIT breach assessments by NRAs (closing and consistency notes).
- Publication of Guidance to NRAs on the application of REMIT market abuse provisions.

Outputs relating to the multi-annual work programme objectives:

- Ensure integrity and transparency of wholesale energy markets across the EU.

Objective 3:
Development and enhancement of applied surveillance and conduct IT tools

Implementable detailed business requirements to enhance existing IT tools (Priority level 1A)

Expected results	Development and implementation of new alerts
Improvements to the Agency’s main surveillance tool for market surveillance, case coordination, notification platform.	Enhancement of existing alerts
	Delivery of surveillance tool enhancements.
	Development of in-house surveillance tools
	User testing of new deploys of the tools

Indicators	Latest result	Target Year N	Means and frequency of verification
Number of alert enhancements implemented	Year N-2: 21	>30	Annual
Number of alerts developed and implemented	Year N-2: 2	>2	Annual
Number of new Case Management Tool (CMT) PowerBI improvements implemented	Year N-2: 58	>15	Annual
Number of Notification Platform and CMT issues/bugs/improvements documented for solving	Year N-2: 54	>15	Annual

Main outputs

- The development and enhancements of the Agency’s main surveillance tool for market surveillance;
- Development of new alerts for detecting potential market abuse;
- Enhancements of existing alerts for improved detection of potential market abuse;
- The development and enhancements of the Agency’s Notification Platform (NP) and Case Management Tool (CMT).

Outputs relating to the multi-annual work programme objectives:

- Enhance and develop detailed business requirements, testing and training for the Agency’s REMIT data screening tool, the Notification Platform and the Case Management Tool.

Other outputs:

- The training of staff, NRAs and other users for the use of the tools.

Objective 4:

Ensure cooperation between public authorities dealing with related matters.

The cooperation with ESMA, competent national financial market authorities and other relevant authorities aims to ensure that REMIT, MAR and other related regulations/legislations are applied in a coordinated way by the concerned relevant authorities. Also, to ensure a consistent approach is the application of REMIT and MAR provisions.

It also aims at disseminating best practices among public authorities. (Priority level 1B)

Expected results

Increased integrity and transparency of wholesale energy markets.

Indicators

Latest result

Target Year N

Means and frequency of verification

Number of large scale non-statutory meetings (ESMA, financial authorities, PPATs/OMPs, other entities)

Year N-2: 4

4/year

Annual

Main outputs

- Notifications to ESMA, competent national financial market authorities, other supervisory authorities, international organisations and the administrations of third countries.

Outputs relating to the multi-annual work programme objectives:

- Ensure cooperation between public authorities dealing with related matters. Increased integrity and transparency of wholesale energy markets.

Other outputs:

- Coordination meetings with ESMA, competent national financial market authorities, other supervisory authorities, international organisations and the administrations of third countries.
- Increased integrity and transparency of wholesale energy markets.

Objective 5:
To foster regulatory convergence and to avoid regulatory arbitrage resulting from different regulatory practices under REMIT.

Specific objectives: the Agency may provide operational assistance to NRAs on their REMIT cases upon their request, a new task for the Agency following the entering into force of Regulation (EU) 2019/942. In accordance with Article 33(10) of Regulation (EU) 2019/942, the European Commission ('EC') is to assess the financial and human resources available to ACER in order to allow it to fulfil its role under Regulation (EU) 2019/942. (Priority level 1B)

This task includes 4 main activities:

- Support on investigation coordination and strategy
- Support on information gathering
- Support on information assessment
- Support on final reports/assessments

This task is Union contribution financed.

Expected results Ensuring that NRAs carry out their tasks under REMIT in a coordinated and consistent way.

Indicators	Latest result	Target Year N	Means and frequency of verification
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For 2023 no indicator is planned as the Agency lacks the funding for appropriate HR. This task is therefore fully deprioritised and each request for support from NRAs on their cases will not be acted on.	n/a	n/a	n/a
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Main outputs

- Support by providing case-specific training;
- Support by organising dedicated workshops to brainstorm about the case merits and/or investigatory strategy with the NRAs;
- Support by producing an opinion on the investigatory strategy;
- Direct support by allocating ACER staff to the NRA investigation;
- Support in the identification of the evidence to be collected;
- Support in the process of gathering evidence;
- Support in provision of ARIS data beyond the scope of current MoU on data sharing;
- Support in designing specific investigatory steps for information gathering;
- Support in analysing items of evidence collected by the NRA or extracted from ARIS during the investigation and producing a note on the findings for the NRA;
- Specific support in helping NRA understand a specific item of the collected evidence;

- Support in producing a gap analysis between the evidence collected at that stage by the NRA and the evidence required to prove the existence of market abuse;
- Support in assessing the argumentation provided by market participants in defence of the behaviour deemed by the NRA as a breach of REMIT;
- Support by providing recommendations to the NRA on the best practices that can benefit the reports/assessments that the NRA needs to produce based on the specific collected evidence;
- Support by providing feedback and suggestions on the NRA's draft reports/assessments produced during the investigation process;
- Support by providing an opinion on the case merits based on the draft reports/assessments provided by the NRA;
- Support in drafting the Investigatory Report in order to produce the best possible report with the available evidence for the case.

Outputs relating to the multi-annual work programme objectives:

- Increased integrity and transparency of wholesale energy markets.

Other outputs:

- Coordination meetings with ESMA, competent national financial market authorities, other supervisory authorities, international organisations and the administrations of third countries.

Total resources allocated to the Activity MARKET SURVEILLANCE AND CONDUCT	
Human Resources (Full Time Equivalents)¹⁰	Financial Resources (EUR)
20.8 (1.8 subsidy-financed, 19 fees-financed)	343,563 subsidy financed 2,015,296 REMIT fee financed

¹⁰ The FTE allocation includes staff working on the deliverables under this activity, as well as a proportional allocation of staff in horizontal activities classified as 'operational' according to the methodology for Agencies job screening ('benchmarking'), in accordance with article 29(3) of the Framework Financial Regulation.

2.6. Corporate Services (Horizontal)

2.6.1. Organisation

The Agency is divided into the following operational departments: the Electricity Department, the Infrastructure, Gas and Retail Department, the Market Surveillance and Conduct Department and the Market Information and Transparency Department, as well as Corporate Services Department and other services under the Director that deal primarily with horizontal tasks (Strategy Delivery and Communications and Legal Services).

This section reports on the horizontal tasks that support the fulfilment of operational objectives: vis-à-vis the job screening methodology, the allocation of FTEs falls under the categories “Administrative support and coordination” and “neutral”.

The Agency’s Corporate Services department coordinates the planning and reporting activities of the Agency (drafting of the Single Programming Document and Consolidated Annual Activity Report), coordinated external audits and related responses, as well as other horizontal policies necessary for the functioning of the Agency (Anti-Fraud strategy, development of Standard Operation Procedures, etc.),

The Agency’s organisational chart can be found in Annex I.

2.6.2. The Agency’s Premises and Facility Management

Since February 2014 the Agency is seated in its permanent premises in Ljubljana (Slovenia), rented for a period of 10 years, with an option for expansion of the office space. The rental agreement expires on 31st January 2024 without the possibility for additional extension.

No expansion is foreseen in the course of 2023, considering the current premises could accommodate an expansion of additional 15 working places in the course of 2022 in order to accommodate for the additional human resources proposed to be approved for the Agency. Certain adaptations and changes will also be performed in respect of the new ways of working, and depending on the use of the premises and the Agency’s specific needs and security requirements.

In 2023, the Agency will keep its liaison office in Brussels (Belgium) with two staff members assigned to it. The office hosted there is made available, free of charge, by the European Energy Regulators (CEER) as contribution in kind to the work of the Agency. The IT and information resources are shared with the liaison office, which represents an indispensable

part of the Agency structure. Temporary secondment of staff to the liaison office might be implemented, as appropriate and needed.

<p>Objective 1: Manage the Agency's premises in line with evolving needs</p>	<p>The Agency's premises are managed according to evolving needs of the Agency, including, whenever necessary, the expansion of office space and its occupancy, and potential necessary fitting out works of the rented office space. Furthermore, it includes the procurement of equipment necessary to ensure smooth and continuous working conditions.</p>		
<p>Expected results Annual facility management plan in place and successfully implemented Provide sufficient office space to all staff according to the E.C.'s manual of standard building specifications¹¹</p>	<p>Annual facility management plan is in place and successfully implemented. The floor layout plan and office occupation is following the EC's manual of standard building specifications and ensures enough space per staff.</p>		
Indicators	Latest result	Target Year N	Means and frequency of verification
Agency's premises	Premises are managed in-line with the Agency's facility management plan and within the allocated budget.	Premises are managed in-line with the Agency's facility management plan and within the allocated budget by the end of 2023.	Check of Agency's facility management plan, building and rental costs are fully covered, regular maintenance and necessary improvements are performed.
Office allocation	According to EC's manual of standard building specifications	According to EC's manual of standard building specifications	Floor layout plan ensures the minimum space requirements as laid out in the EC's manual.
Main outputs			

¹¹ https://ec.europa.eu/oib/pdf/mit-standard-building-specs_en.pdf

Annual facility management plan in place and successfully implemented (in time, within the budget).

Other outputs: Provide staff with appropriate office space and office equipment to perform tasks.

Objective 2:
Ensure the security in the Agency’s premises

Ensure the security and safety of staff members as well as equipment, documents, files, etc. stored and used in the Agency’s premises in line with the Agency’s security policy.

Expected results
Provide secure and sufficient office space, ensure staff safety throughout the premises

Provide sufficient secure office space to the Agency throughout the premises. Align security and safety measures with the building owner.

Ensure staff safety by maintaining rented and acquired safety equipment (e.g. fire extinguisher, security doors)

Indicators	Latest result	Target Year N	Means and frequency of verification
Agency’s premises are managed in-line with the Agency’s security policy	Premises and systems are managed in-line with the Agency’s security policy	Premises and systems are managed in-line with the Agency’s security policy	Regular check of safety and security of systems and equipment Perform annual fire drill exercise

Main outputs

Agency’s premises are managed in line with the Agency’s security policy within the allocated budget by end of 2023.

Ensure staff safety and security by complying to the Agency’s security policy.

2.6.3. Procurement

Objective 1:
Procurement procedures

Procurement procedures carried out in line with the 2023 Procurement Plan, in order to support the continuity of the Agency’s services, as well as to procure additional services, where needed.

Expected results

Further improve effectiveness and efficiency of the procurement processes and implement measures to

streamline and optimise the procurement processes for the implementation of the work programme.

Indicators	Latest result	Target Year N	Means and frequency of verification
Annual procurement plan in place and successfully implemented.	Procurement plan successfully implemented.	At least 90% implementation of the adopted 2023 Procurement Plan.	Quarterly

Main outputs

Implementaton of the Procurement Plan in line with the Agency's budget and needs.

2.6.4 Human Resources

The strategic objective for the Human Resources Team is to continue developing an effective and efficient organisation in full compliance with the EU regulatory framework.

Objective 1:

Selection and recruitment of the agency's staff

Expected results

To recruit resources in line with the Agency's updated Establishment Plan and replace departing staff members in an efficient and timely manner, in line with the legal framework.

Indicators	Latest result	Target Year N	Means and frequency of verification
Implementation of the establishment plan	Year N-2: 100%	95%	Quartely reports
Length of selection prcedure	Year N-2: 4 months	4 months since the post becomes vacant	Quarterly reports

Main outputs

Outputs relating to the multi-annual work programme objectives:

95% of completion of the Establishment Plan.

Objective 2: Staff engagement and satisfaction

Expected results To maintain an engaged and effective workforce, assessing – on a regular basis – staff satisfaction.

Indicators	Latest result	Target Year N	Means and frequency of verification
Annual percentage of staff turnover	Year N-2: 2.9%	<15%	Quarterly reports
Annual average days of uncertified sick leave per staff member	Year N-2: 1.3 days	< 10 days	Quarterly reports
Staff survey	Year N-2: concluded		Every two years

Main outputs

Outputs relating to the multi-annual work programme objectives:
Staff engagement survey (review to be performed every two years): 2/3 of staff satisfied or highly satisfied with the employment conditions at the Agency.

Objective 3: Talent management

Expected results To ensure that staff members are appraised and offered appropriate training opportunities aimed to improve their skills and competencies.

Indicators	Latest result	Target Year N	Means and frequency of verification
Annual appraisal of staff	Year N-2: 100%	100%	Annual Appraisal Exercise conclusion
Learning and Development uncertified sick leave per staff member	Year N-2: n/a	Learning and development (L&D): 90% of the identified activities are provided according to the L&D plan	Quarterly reports

Main outputs

Outputs relating to the multi-annual work programme objectives:

100% of the eligible Agency's staff subject to performance appraisal undergo evaluation in the yearly exercise, in line with the established competency framework.

2.6.5. Financial management

Objective 1: **Audit opinion on the financial statements of the Agency**
Clean audit opinion

Expected results
Unqualified audit opinion

Apply current accounting standards and rules in order to draw accurate financial statements that present a fair view of the Agency's financial performance and position and receive an unqualified audit opinion.

Indicators	Latest result	Target Year N	Means and frequency of verification
Audit opinion	n/a	100%	Final audit report and opinion

Main outputs

Outputs relating to the multi-annual work programme objectives:

- Annual accounts prepared according to current accounting standards, accounting rules and general accepted accounting principles.

Other outputs:

- Audit recommendations implemented in time.

Objective 2: **Higher budget implementation rates**
Budget implementation

Expected results
Above target implementation rates

Coordinate the budget planning, consumption forecast, budget reviews and transfer of appropriations aiming at achieving higher budget implementation rates.

Indicators	Latest result	Target Year N	Means and frequency of verification
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Implementation rates	n/a	At least 95 % for commitments and 75% for payments	Monthly monitoring
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Main outputs

Outputs relating to the multi-annual work programme objectives:

- Annual budget implementation rates above the set targets.

Other outputs: Regular quarterly budget reviews.

Objective 3: Assets register maintenance and inventory checks

Assets register maintenance

Expected results

All assets registered

Ensure proper assets management in order to safeguard the property of the Agency and minimise fraud.

Indicators

Latest result

Target Year N

Means and frequency of verification

Recorded assets

n.a

100%

Ongoing asset registration from the invoices received

Main outputs

Outputs relating to the multi-annual work programme objectives:

- Safeguard of Agency’s equipment.

Other outputs:

- Regular assets impairment checks.

2.6.6. ICT Infrastructure

The CS-IT team’s main mission is to support the Agency’s mandate by providing appropriate and reliable ICT services. Special focus will be given to strengthen the relationship between ICT service providers and ICT service consumers (“Customer Intimacy”) and improve “Operational Excellence” by building reliable and secure services that adhere to evolving needs of the Agency.

Objective 1:
Ensure ICT governance

ICT governance ensures the alignment of all ICT related activities towards the Agency’s ICT and overall strategy. Especially by coordinating activities and finding synergies between the Agency’s IT teams and also Inter-Agency IT teams (e.g. ICTAC network) allows efficient usage of resources.

Expected results
Efficient collaboration among Agency’s IT Teams and EUIs

All planned ICT activities are discussed within the IT-Experts Forum and the ISC (ICT Steering Committee) to align activities and find potential synergies. Furthermore, participating actively in the ICTAC network ensures efficiency gains by potential usage of “shared services” or sharing ideas and experience with certain technologies.

Indicators	Latest result	Target Year N	Means and frequency of verification
Regular meetings of IT-Experts to align activities	80%	100%	Bi-weekly meeting of IT-Experts to discuss planned activities, identify potential synergies and exchanging ideas and best practices
Regular meeting of ISC	50%	100%	ISC meets in regular interval and discuss ISC topics raised by the IT-Experts
Participation in ICTAC network	100%	100%	Bi-yearly meeting of ICTAC, exchanging ideas and assess technological developments as well as exchanging experience with existing or defining requirements towards new “shared services”

Main outputs

Outputs relating to the multi-annual work programme objectives:

- Continuation of efficient and effective collaboration of ICT activities throughout the Agency.

Other outputs:

- Sharing best practices, experience with other EUIs via the ICTAC network.

Objective 2:		Enhance the service orientation by fine-tuning the right procedures and following industries standards and best practices (e.g. ITIL).	
ICT Service Orientation			
Expected results		By involving all key stakeholders, evolving business requirements are timely addressed and implemented in the ICT service development lifecycle.	
Timely delivery of fit-for-purpose and fit-for-use ICT services			
Indicators	Latest result	Target Year N	Means and frequency of verification
Level of implementation of core ITSM (ITIL) processes [None/Basic/Advanced/Full]	n.a.	Advanced	ITIL methodology adopted
Main outputs			
Adoption of ITIL based service management for the full ICT service development lifecycle.			
Outputs relating to the multi-annual work programme objectives:			
<ul style="list-style-type: none"> • Continuous service improvement following ITIL standard. 			
Other outputs:			
<ul style="list-style-type: none"> • Sharing best practices, processes and experience with other IT Teams. 			
Objective 3:		Define an IT Action plan that defines the ICT Services and projects to be provided to the Agency.	
Provide required ICT Services to the Agency		Acquire and further develop applications and services to cover the Agency's needs.	
Expected results		Successful achievement of the Agency's ICT objectives by completing all tasks defined in the ICT Action plan by Q4/2023, in time and in budget.	
Successful and timely completion of the task defined in the ICT Action plan			
Indicators	Latest result	Target Year N	Means and frequency of verification
IT Action plan implemented	78%	100%	All tasks successfully and timely completed

according to the IT Action Plan.

Main outputs

Successful achievement of the Agency’s ICT goals and objectives through the use of the annual ICT Action Plan.

Outputs relating to the multi-annual work programme objectives:

- Providing fit-for-purpose and fit-for-use services as defined in the Agency’s annual ICT Action Plan.

Objective 4:
High-quality IT support to staff **Provide high-quality IT support services to Agency staff to enable them performing their tasks effectively.**

Expected results
IT Service and Incident requests are addressed / fulfilled in a timely and effective manner Incoming IT requests are handled in time and in high quality by the Agency’s Service Desk.

Indicators	Latest result	Target Year N	Means and frequency of verification
85% of staff rate provided services with “satisfied” or “very satisfied”	Year N-2: 2021: 99.8% of staff rated services with “satisfied” or “very satisfied”	> 85% of staff rates services with either “satisfied” or “very satisfied”	Each ticket response is evaluated. A monthly report of the ratings by staff is generated and reported to management.

Main outputs

High quality services are provided to staff members, staff is satisfied with the quality of provided services

Outputs relating to the multi-annual work programme objectives:

- Keep the level of staff satisfaction continuously high.

Objective 5:
Operate a modern, effective ICT services hosting platform that is **Provide the Agency with a modern and secure IT environment in line with the Information Security Policy.**

secure by design, robust and scalable

Expected results
ICT is operated in a secure and robust environment

Continuous ICT services are provided to staff, even in case of unforeseen events, disasters or developing situations. ICT services are compliant with security and data protection requirements.

Indicators	Latest result	Target Year N	Means and frequency of verification
Implementation of Information Security Policy in line with the adopted action plan.	Year N-2: 2021: 100%	100%	Annual risk assessment of all ICT services

Main outputs

ICT environment provides services that are compliant to the Information Security Policy and the General Data Protection Regulation.

Outputs relating to the multi-annual work programme objectives:

- Ensure the security of ICT services.

2.7 Strategy Delivery and Communication (Horizontal)

The focus of the SDC unit is to support the Agency’s legal mandate by providing support to the Director and the senior management on strategic files and delivering high quality strategic communication end products and outreach work.

The regulatory landscape, in which ACER finds itself, is very much evolving. This has implications for how ACER engages with stakeholders and how it communicates its activities, how these fit within the wider European societal context and indeed which future priority efforts ACER may need to contribute to going forward. The Agency’s remit has increased (and continues to do so) hence so has the volume of communication and outreach activities.

The strategic communications portfolio of ACER is adapting to changing circumstances as the Agency is, for example, called to issue more decisions.

This has resulted in a considerable increase in interaction with the EU media, including numerous national outlets. At the same time, it is warranted that more stakeholder-oriented communications are used to explain ACER’s work and its rationale.

Two main goals

On the strategic communication front, this means implementing the Administrative Board approved 2021-2024 communication strategy with a focus on an energy content-rich and an attractive ACER website; timely, clear and relevant external communication campaigns (social media, website, events, infographics and increasing audio-visual content) that explain ACER’s deliverables; and transparency toward stakeholders on what the Agency does.

On the outreach front, this entails enhancing communication with the European institutions, the NRAs and the external stakeholders, showing the added value brought by ACER within the European policy and energy regulatory context and explaining its work and its decisions.

On the strategy front, this entails, *inter alia*, supporting the Director in developing and updating strategic directions for the Agency and actions with middle- and long-term impact.

<p>Objective 1: Maximise the impact of what ACER does via effective communications</p>	<p>In line with EU objectives, ACER’s external communications target ACER messages to key audiences to optimise the visibility of the unique role of ACER as the EU energy regulatory Agency.</p>		
<p>Expected results Increased awareness of ACER as an Agency that helps drive the EU agenda in areas where it can add value.</p>	<p>ACER reaches out via events, webinars, press releases, social media messages, increasing audiovisual content as well as providing an updated and user-friendly website offering timely publications and news but also well developed and structured content.</p>		
Indicators	Latest result	Target Year - yearly	Means and frequency of verification
Pageviews (website)	Year N-2: 2021 (313,328)	5% growth	Quarterly monitoring Europa Analytics statistics
Infoflash subscribers	Year N-2: 2021 (over 2000)	5% increase	Quarterly monitoring the Infoflash statistics.
Social Media followers	<p>Linkedin: 7,255</p> <p>Twitter: 2,469</p>	5% growth	Quarterly monitoring of social media statistics

Main outputs

Outputs related to the multi-annual work programme objectives:

- Ensuring the ACER website, as our main communication tool, is well funded and up to date as a user-friendly and easily accessible platform providing quality content.
- Creating new webpages in high level priority areas such as Cybersecurity or the High Energy Prices, including ACER’s contributions.
- Maximising the impact of what ACER does and build connections and multipliers by expanding social media activity.
- Distributing news and mass mailing alerts as well as communicating in new formats such as podcasts and data visualisation or expanding use of tools like webinars.

<p>Objective 2: Stakeholder management: ensure a coordinated approach on stakeholder outreach</p>	<p>Adopt a horizontal approach to stakeholder management for those energy files that warrant cross-departmental action.</p> <p>Develop, test and use stakeholder tools across the organisation as to facilitate information sharing and discussion.</p> <p>Incorporate learnings from the monitoring of stakeholder satisfaction into tangible actions to further improve the Agency’s stakeholder management and strategic communications.</p>
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<p>Expected results A cross-departmental stakeholder engagement approach</p>	<p>Horizontal approaches are used across the organisation when beneficial and warranted on specific ACER tasks. Joint stakeholder tools are more and more used, information is efficiently shared and messages and ACER positions to be delivered are being syndicated efficiently and effectively.</p>
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Indicators	Latest result	Target Year N	Means and frequency of verification
Stakeholder overall ACER satisfaction rate	92% (2020*)	Min. 75% every year	Bi-annual survey among core stakeholders
Stakeholder satisfaction rate on engagement and external communication	33% yes, 59% somewhat (2020*) *Note: starting year of this survey: sample was very small	Min. 75% answering yes by 2023	Bi-annual survey among core stakeholders

Main outputs

Outputs relating to the multi-annual work programme objectives:

- Stakeholder satisfaction survey and processing of results including publication of main results. The Agency is also considering to holds surveys among its NRA partner base.
- Internal roll-out and uptake of stakeholder tools (e.g. stakeholder mapping)
- Position papers on selected topics: mostly on selected Green Deal related topics in which ACER together with NRAs can bring added value
- Higher levels of transparency via website to stakeholders on ACER calendar and consultations

2.8 Legal Services

Operating in a horizontal, cross-sectoral manner, the Legal Services Team provides impartial and independent legal advice to the four operational departments, as well as to Corporate Services, in order to support them in achieving the deliverables described in detail in the other sections of this Programming Document.

Access to documents requests received by the Agency, and the Agency's compliance with data protection, is equally followed up by respectively the Access to Documents Coordinator and the Data Protection Officer, both members of the Legal Services Team.

In addition to the in-house tasks of legal support described above, Legal Services provides legal support to the governance of the Agency. Aside from providing legal advice to the Director and the Board of Regulators when requested, Legal Services are responsible for the Secretariat for the Administrative Board. In addition, Legal Services provide the human resources to the Registry of the Board of Appeal, thus helping the Board of Appeal with administrative and secretarial/procedural support in the handling of the various ongoing appeals, managing the external legal counsel, and in involving independent experts.

Finally, the Legal Services Team provides legal support in litigation procedures, either before the Board of Appeal, the General Court, or the Authority Authorised to Conclude Contracts of Employment.

In recent years, the Agency notes an increasing inclination of stakeholders (in particular TSOs) to appeal compared to the past. Moreover, nearly every single decision of the BoA that was not in favour of the appellant was further challenged before the General Court.¹²

The Agency does not consider it likely that this trend would cease to persist in the near future. The various decisions which the Agency has been entrusted to take as a result of the Clean Energy Package and which are described in greater detail in this Programming Document all relate to essential features of the electricity market, which are at the core of the internal electricity market. It is the Agency’s ambition to support and actively implement the objectives of the Clean Energy Package via its decisions. Unfortunately, as a corollary, it does imply that the Agency necessarily will also have to manage the additional workload stemming from the legal challenges against those decisions.

In light of the above expectations of work load for the Legal Services, the following three objectives can be identified.

Objective 1: Legal support to Agency departments	Legal support to the deliverables of the Agency departments prepared by the five Departments of the Agency (electricity, gas, MIT, MSC and CS (HR and procurement)) and as outlined in the Programming Document.		
Expected results	Increase in level of legal quality and robustness of the Agency deliverables concerned.		
Indicators	Latest result	Target Year N	Means and frequency of verification
Legal review of deliverables (e.g. decisions, opinions, recommendations, reports)	Year N-2: 74	65	Annual
Legal support for procurement activities	Year N-2: 71	152	Annual
Legal support for HR and budget implementation	Year N-2: 40	40	Annual

¹² Whilst in the period 2015-2020 the BoA adopted 15 decisions, 13 appeals were lodged before the General Court against the BoA decisions (please note that the term to lodge an appeal before the General Court against the latest BoA decision has not yet closed).

Access to Documents applications and reports	Year N-2: 15	20	Annual
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Data Protection	Year N-2: 40	40	Annual
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Main outputs

See Expected Results

Objective 2: Legal support to ACER governance	Provide legal support to the governance of the Agency (Director, BoR, BoA, AB).
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Expected results	Increase in level of legal quality and robustness of the Agency deliverables concerned.
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Indicators	Latest result	Target Year N	Means and frequency of verification
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Legal support, advice and interpretation of existing applicable legislation and/or drafting of advice or acts including. Rules of Procedure, SLAs, and Administrative Arrangements.	Year N-2: 25	70	Annual
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Main outputs

See Expected Results

Objective 3: Management of appeals	Management of the various appeals before the BoA, ECJ and complaints before the Authority Authorised to Conclude Contracts of Employment and European Ombudsman.
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Expected results	Appropriate representation and defence of the challenged decisions of the Agency.
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Indicators	Latest result	Target Year N	Means and frequency of verification
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Appeals before BoA and the ECJ courts	Year N-2: 12	20	Annual
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Art.90(2) complaints,
Ombudsman

Year N-2: 6

6

Annual

Main outputs

See Expected Results

Total resources allocated to the ADMINISTRATIVE SUPPORT AND COORDINATION CATEGORIES and NEUTRAL CATEGORIES	
Human Resources (Full Time Equivalents)	Financial Resources (EUR)
25 Administrative (24 subsidy-financed and 1 fee-financed) and 7 Neutral (subsidy-financed)	5,916,917 from subsidy and 103,068 from fees

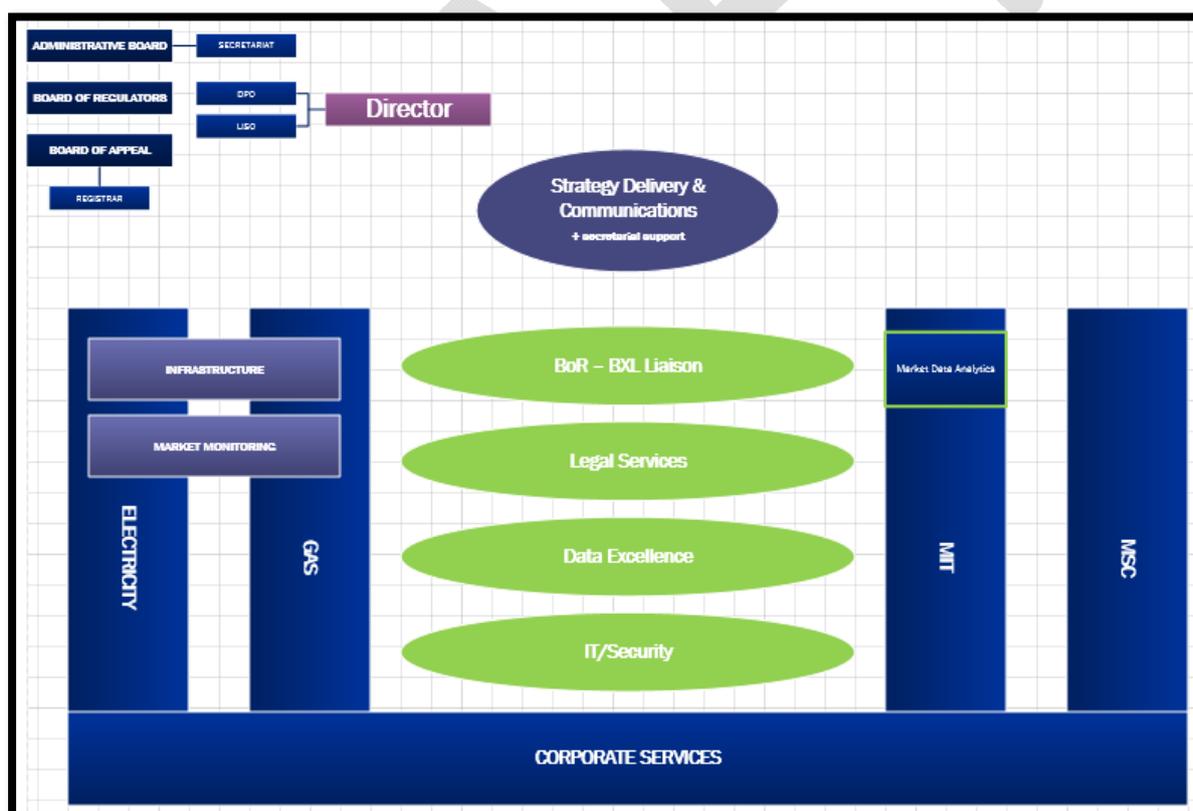
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ANNEX I : ORGANISATION CHART

The number of staff in active service in the different departments as of December 2021 is the following:

Contract type/ Department	SDC (+Dir.)	LS	BoR-BXL	CS	IGR	ELE	MIT	MSC	Total
AD	4	3	1	5	10	12	9	12	56
AST	1	0	0	8	1	1	1	0	12
CA	2	2	1	9	4	6	9	2	35
SNE	0	0	0	0	1	1	1	0	3
Statutory Staff, SNEs	7	5	2	22	16	20	20	14	106
Interim	2	0	0	9	1	1	2	1	16
Trainee	0	0	0	1	3	2	5	4	15
GRAND TOTAL	9	5	2	32	20	23	27	19	137

The organisation chart below reflects the situation as of December 2021:



ANNEX II: RESOURCE ALLOCATION PER ACTIVITY 2023 – 2025

ACTIVITIES	2023									
	<i>a</i>	<i>b</i>	<i>c (a+b)</i>	<i>d</i>	<i>e</i>	<i>f (d+e)</i>	<i>(c+f)</i>			
	TAs Positions (SUBSIDY)	CAs and SNEs Positions (SUBSIDY)	TOTAL Positions (SUBSIDY)	TAs Positions (FEES)	CAs and SNEs Positions (FEES)	TOTAL POSITIONS (FEES)	TOTAL FTEs	2023 Budget (SUBSIDY)	2023 Budget (FEES)	TOTAL BUDGET
1. Market Integrity and Transparency (Operational)	2.0	-	2.0	10.0	12.0	22.0	24.0	381,737	9,155,501	9,537,238
2. Market Surveillance and Conduct (Operational)	1.8	-	1.8	14.0	5.0	19.0	20.8	343,563	2,015,296	2,358,859
3. Internal Electricity Market (Operational)	18.6	9.7	28.3				28.3	5,401,573		5,401,573
4. Internal Gas Market (Operational)	4.3	8.3	12.6				12.6	2,404,940		2,404,940
5. Infrastructure and Security of Supply (Operational)	8.3	1.0	9.3				9.3	1,775,075		1,775,075
6. Administrative, Support and Coordination categories	16.0	8.0	24.0	1.0		1.0	25.0	4,580,839	103,068	4,683,907
7. Neutral categories	4.0	3.0	7.0			0.0	7.0	1,336,078		1,336,078
TOTAL	55	30	85	25	17	42	127	16,223,804	11,273,866	27,497,670

ACTIVITIES	2024									
	<i>a</i>	<i>b</i>	<i>c (a+b)</i>	<i>d</i>	<i>e</i>	<i>f (d+e)</i>	<i>(c+f)</i>			
	TAs Positions (SUBSIDY)	CAs and SNEs Positions (SUBSIDY)	TOTAL Positions (SUBSIDY)	TAs Positions (FEES)	CAs and SNEs Positions (FEES)	TOTAL POSITIONS (FEES)	TOTAL FTEs	2024 Budget (SUBSIDY)	2024 Budget (FEES)	TOTAL BUDGET
1. Market Integrity and Transparency (Operational)	2.0	-	2.0	11.0	12.0	23.0	25.0	392,047	7,722,083	8,114,130
2. Market Surveillance and Conduct (Operational)	1.8	-	1.8	15.0	5.0	20.0	21.8	352,842	859,912	1,212,753
3. Internal Electricity Market (Operational)	19.6	9.7	29.3				29.3	5,743,481	1,068,961	6,812,443
4. Internal Gas Market (Operational)	4.3	8.3	12.6				12.6	2,469,893	459,690	2,929,583
5. Infrastructure and Security of Supply (Operational)	8.3	1.0	9.3				9.3	1,823,016	339,295	2,162,311
6. Administrative, Support and Coordination categories	16.0	8.0	24.0	1.0		1.0	25.0	4,704,558	912,083	5,616,641
7. Neutral categories	4.0	3.0	7.0			0.0	7.0	1,372,163	255,383	1,627,546
TOTAL	56	30	86	27	17	44	130	16,858,000	11,617,407	28,475,407

ACTIVITIES	2025									
	<i>a</i>	<i>b</i>	<i>c (a+b)</i>	<i>d</i>	<i>e</i>	<i>f (d+e)</i>	<i>(c+f)</i>			
	TAs Positions (SUBSIDY)	CAs and SNEs Positions (SUBSIDY)	TOTAL Positions (SUBSIDY)	TAs Positions (FEES)	CAs and SNEs Positions (FEES)	TOTAL POSITIONS (FEES)	TOTAL FTEs	2025 Budget (SUBSIDY)	2025 Budget (FEES)	TOTAL BUDGET
1. Market Integrity and Transparency (Operational)	2.0	-	2.0	11.0	12.0	23.0	25.0	396,414	8,029,251	8,425,665
2. Market Surveillance and Conduct (Operational)	1.8	-	1.8	17.0	5.0	22.0	23.8	356,772	1,016,048	1,372,820
3. Internal Electricity Market (Operational)	20.1	9.7	29.8				29.8	5,906,566	1,189,319	7,095,884
4. Internal Gas Market (Operational)	4.8	8.3	13.1				13.1	2,596,510	522,821	3,119,332
5. Infrastructure and Security of Supply (Operational)	8.3	1.0	9.3				9.3	1,843,324	371,163	2,214,487
6. Administrative, Support and Coordination categories	16.0	8.0	24.0	1.0		1.0	25.0	4,756,966	997,751	5,754,716
7. Neutral categories	4.0	3.0	7.0			0.0	7.0	1,387,448	279,370	1,666,818
TOTAL	57	30	87	29	17	46	133	17,244,000	12,405,723	29,649,723

The tables above provides aggregated human and financial resources per activity. The related justification and brief information on **HR and financial resources** are provided under section III for each activity. It includes the budget foreseen in the Commission’s proposal for resources for the Agency but not the additional FTEs that the Agency may be assigned within the Gas Package or the revised TEN-E Regulation, as the breakdown of these posts was not known at the time of drafting.

With regard to new requests, the allocated staff is calculated as ½ FTE for the purposes of the 2023 Work Programme, although indicated in full in the table, on the assumption that staff will be recruited progressively throughout the year.

As explained under Section III.1, the allocation of resources (FTE of Temporary Staff, Contract Agents and Seconded National Experts) against the different activities is carried out according to the methodology for Agencies job screening. Each job is identified according to one screening ‘type’: the three Screening *types* describe the general *role* of a job: **administrative support and coordination**, **neutral** and **operational**. Most jobs either fulfil an **operational** role, i.e. serving frontline activities (more or less directly serving the European citizen) or an **administrative support and coordination** role, as *enablers* of the operational jobs by being responsible e.g. for HR, ICT, logistics, etc. for their Agency. Financial management and control at Agency level and on-the-spot (external) audit are treated as **neutral**.

ANNEX III: FINANCIAL RESOURCES 2023 - 2025

Starting with the financial year 2021 the Agency envisaged collection of revenues from fees and charges that will change its income structure , making it partially-subsided from the EU budget.

The executed revenues, commitment and payment appropriations of the year N-1, the approved budget of the year N, the estimated revenues and expenditures of the upcoming years, and the budget outturns from the previous year are presented in the below tables.

Table 1: Revenue

General revenues

REVENUES	2021	2022	2023		VAR 2023 / 2022 (%)	2024	2025
	Executed revenue	Revenue 2022	Agency request	Revenue expected to be approved		Estimated revenue	Estimated revenue
1 REVENUE FROM FEES AND CHARGES	8,771,500	9,650,169	11,273,866	11,273,866	16.83%	11,617,407	12,405,723
2. EU CONTRIBUTION	13,032,493	14,877,050	15,864,000	15,864,000	6.63%	16,858,000	17,244,000
of which Administrative (Title 1 and Title 2)	11,381,382	12,698,358	11,767,188	11,767,188	-7.33%	14,613,409	14,935,144

of which Operational (Title 3)	1,982,983	2,178,692	2,567,650	2,567,650	17.85%	2,631,841	2,697,637
of which assigned revenues deriving from previous years' surpluses	198,348	293,103	1,529,162	1,529,162	421.71%		
3 THIRD COUNTRIES CONTRIBUTION (incl. EFTA and candidate countries)	384,372	364,124	359,804	359,804	-1.19%		
Of which EFTA							
Of which Candidate Countries							
4 OTHER CONTRIBUTIONS							
5 ADMINISTRATIVE OPERATIONS							
6 REVENUES FROM SERVICES RENDERED AGAINST PAYMENT							
7 CORRECTION OF BUDGETARY IMBALANCES							
TOTAL REVENUES	22,188,365	24,891,343	27,497,670	27,497,670	10.47%	28,475,407	29,649,723

Table 2: Expenditure

Allocation of expenditure from fees and charges:

EXPENDITURE	Commitment appropriations					2024	2025
	2021 executed budget	FEES budget 2022	Draft Budget 2023		VAR 2023/ 2022	Estimated budget	Estimated budget
			Agency request for FEES	Budget Approved			
Title 1	2,861,587	3,411,148	3,998,668	3,998,668	17.22%	4,412,635	5,150,951
Staff Expenditure							
11 Salaries & allowances	2,539,111	3,289,644	3,724,302	3,724,302	13.21%	4,130,433	4,860,655
- of which establishment plan posts	2,020,963	2,475,738	2,892,817	2,892,817		3,278,161	3,987,076
- of which external personnel	518,147	813,905	831,485	831,485	2.16%	852,272	873,579
12 Expenditure relating to Staff recruitment	2,081	-	-	-		-	-
13 Mission expenses		-	-	-		-	-
14 Socio-medical infrastructure	15,102	25,589	21,664	21,664		21,664	21,664
15 Training	37,644	82,475	110,570	110,570	34.06%	114,219	117,988
16 External Services	196,735	-	126,867	126,867		131,054	135,378
17 Receptions, events and representations	3,351	5,218	5,237	5,237	0.36%	5,237	5,237
18 Social welfare	672	8,222	10,029	10,029	21.97%	10,029	10,029
19 Other Staff related expenditure	66,892	-	-	-		-	-
Title 2	489,763	267,020	330,198	330,198	23.66%	330,198	330,198
Infrastructure and operating expenditure							
20 Rental of buildings and associated costs	342,478	267,020	330,198	330,198	23.66%	330,198	330,198
21 Information and communication technology	66,815	-	-	-		-	-
22 Movable property and associated costs	13,014	-	-	-		-	-
23 Current administrative expenditure	37,305	-	-	-		-	-

24 Postage / Telecommunications	12,244	-	-	-		-	-
25 Meeting expenses		-	-	-		-	-
26 Running costs in connection with operational activities	17,908	-	-	-		-	-
27 Information and publishing		-	-	-		-	-
28 studies		-	-	-		-	-
Title 3	5,420,150	5,972,000	6,945,000	6,945,000	16.29%	6,874,575	6,924,575
Operational expenditure							
Meetings	4,076	57,000	63,000	63,000	10.53%	64,575	64,575
REMIT operations	4,982,664	5,340,000	6,352,000	6,352,000	18.95%	6,310,000	6,360,000
Translation expenses		-	-	-		-	-
Expert consultations	433,410	575,000	530,000	530,000	-7.83%	500,000	500,000
Website, information and publication		-	-	-		-	-
TOTAL EXPENDITURE	8,771,500	9,650,169	11,273,866	11,273,866	16.83%	11,617,407	12,405,723

EXPENDITURE	Payment appropriations					2024	2025
	2021 executed budget	FEES budget 2022	Draft Budget 2023		VAR 2023/ 2022	Estimated budget	Estimated budget
			Agency request for FEES	Budget Approved			
Title 1	2,861,587	3,411,148	3,998,668	3,998,668	17.22%	4,412,635	5,150,951
Staff Expenditure							
11 Salaries & allowances	2,539,111	3,289,644	3,724,302	3,724,302	13.21%	4,130,433	4,860,655
- of which establishment plan posts	2,020,963	2,475,738	2,892,817	2,892,817	16.85%	3,278,161	3,987,076
- of which external personnel	518,147	813,905	831,485	831,485	2.16%	852,272	873,579
12 Expenditure relating to Staff recruitment	2,081	-	-	-		-	-
13 Mission expenses		-	-	-		-	-
14 Socio-medical infrastructure	15,102	25,589	21,664	21,664	-15.34%	21,664	21,664
15 Training	37,644	82,475	110,570	110,570	34.06%	114,219	117,988

16 External Services	196,735	-	126,867	126,867		131,054	135,378
17 Receptions, events and representations	3,351	5,218	5,237	5,237	0.36%	5,237	5,237
18 Social welfare	672	8,222	10,029	10,029	21.97%	10,029	10,029
19 Other Staff related expenditure	66,892	-	-	-		-	-
Title 2	489,763	267,020	330,198	330,198	23.66%	330,198	330,198
Infrastructure and operating expenditure							
20 Rental of buildings and associated costs	342,478	267,020	330,198	330,198	23.66%	330,198	330,198
21 Information and communication technology	66,815	-	-	-		-	-
22 Movable property and associated costs	13,014	-	-	-		-	-
23 Current administrative expenditure	37,305	-	-	-		-	-
24 Postage / Telecommunications	12,244	-	-	-		-	-
25 Meeting expenses		-	-	-		-	-
26 Running costs in connection with operational activities	17,908	-	-	-		-	-
27 Information and publishing						-	-
28 studies		-	-	-		-	-
Title 3	2,262,893	5,972,000	6,945,000	6,945,000	16.29%	6,874,575	6,924,575
Operational expenditure							
Meetings	3,684	57,000	63,000	63,000	10.53%	64,575	64,575
REMIT operations	1,990,799	5,340,000	6,352,000	6,352,000	18.95%	6,310,000	6,360,000
Translation expenses		-	-	-		-	-
Website, information and publication	268,410	575,000	-	-		500,000	500,000
Expert consultations		-	530,000	530,000	-100.00%	-	-
TOTAL EXPENDITURE	5,614,243	9,650,169	11,273,866	11,273,866	16.83%	11,617,407	12,405,723

Allocation of expenditure from EU budget contribution:

EXPENDITURE	Commitment appropriations				VAR 2023/ 2022	2024	2025
	2021 executed budget	Subsidy 2022	Draft Budget 2023			Estimated budget	Estimated budget
			Agency request for SUBSIDY	Budget Approved			
Title 1	8,349,106	9,274,299	9,748,917	9,748,917	5.12%	10,706,171	11,027,906
Staff Expenditure							
11 Salaries & allowances	7,709,994	7,848,018	8,233,350	8,233,350	4.91%	9,306,654	9,606,978
<i>- of which establishment plan posts</i>	6,119,262	6,079,534	6,397,365	6,397,365	5.23%	7,424,770	7,678,046
<i>- of which external personnel</i>	1,590,732	1,768,485	1,835,985	1,835,985	3.82%	1,881,885	1,928,932
12 Expenditure relating to Staff recruitment	4,919	8,800	11,200	11,200	27.27%	11,480	11,767
13 Mission expenses	24,205	125,200	130,200	130,200	3.99%	130,200	130,200
14 Socio-medical infrastructure	35,695	56,071	49,345	49,345	-11.99%	49,345	49,345
15 Training	87,976	178,325	237,830	237,830	33.37%	242,891	248,050
16 External Services	318,701	781,625	801,957	801,957	2.60%	680,566	696,532
17 Receptions, events and representations	7,921	11,282	11,263	11,263	-0.16%	11,263	11,263
18 Social welfare	1,587	17,778	21,571	21,571	21.34%	21,571	21,571
19 Other Staff related expenditure	158,108	247,200	252,200	252,200	2.02%	252,200	252,200

Title 2	3,117,602	3,788,184	3,907,237	3,907,237	3.14%	3,907,237	3,907,237
Infrastructure and operating expenditure							
20 Rental of buildings and associated costs	972,044	1,284,469	1,299,947	1,299,947	1.21%	1,299,947	1,299,947
21 Information and communication technology	662,599	810,500	811,000	811,000	0.06%	811,000	811,000
22 Movable property and associated costs	102,882	140,135	125,300	125,300	-10.59%	125,300	125,300
23 Current administrative expenditure	128,189	230,150	210,150	210,150	-8.69%	210,150	210,150
24 Postage / Telecommunications	30,260	75,800	75,800	75,800	0.00%	75,800	75,800
25 Meeting expenses	940,520	802,130	940,040	940,040	17.19%	940,040	940,040
26 Running costs in connection with operational activities	281,107	445,000	445,000	445,000	0.00%	445,000	445,000
27 Information and publishing	-	-	-	-		-	-
28 studies	-	-	-	-		-	-
Title 3	1,950,158	2,178,692	2,567,650	2,567,650	17.85%	2,244,591	2,308,856
Operational expenditure							
Meetings	18,828	104,500	134,500	134,500	28.71%	137,863	142,923

REMIT operations	1,046,821	220,000	420,000	420,000		-	-
Translation expenses	240,000	325,000	291,450	291,450	-10.32%	298,736	306,205
Expert consultations	509,367	1,144,492	1,314,000	1,314,000	14.81%	1,390,100	1,431,389
Website, information and publication	135,141	384,700	407,700	407,700	5.98%	417,893	428,340
TOTAL EXPENDITURE	13,416,865	15,241,174	16,223,804	16,223,804	6.45%	16,858,000	17,244,000

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EXPENDITURE	Payment appropriations					2024	2025
	2021 executed budget	Subsidy 2022	Draft Budget 2023		VAR 2023/ 2022	Estimated budget	Estimated budget
			Agency request for subsidy	Budget Approved			
Title 1	7,929,935	9,274,299	9,748,917	9,748,917	5.12%	10,706,171	11,027,906
Staff Expenditure							
11 Salaries & allowances	7,467,492	7,848,018	8,233,350	8,233,350	4.91%	9,306,654	9,606,978
<i>- of which establishment plan posts</i>	5,876,759	6,079,534	6,397,365	6,397,365	5.23%	7,424,770	7,678,046
<i>- of which external personnel</i>	1,590,732	1,768,485	1,835,985	1,835,985	3.82%	1,881,885	1,928,932
12 Expenditure relating to Staff recruitment	1,716	8,800	11,200	11,200	27.27%	11,480	11,767
13 Mission expenses	16,653	125,200	130,200	130,200	3.99%	130,200	130,200
14 Socio-medical infrastructure	8,986	56,071	49,345	49,345	-11.99%	49,345	49,345
15 Training	26,234	178,325	237,830	237,830	33.37%	242,891	248,050
16 External Services	278,423	781,625	801,957	801,957	2.60%	680,566	696,532
17 Receptions, events and representations	7,010	11,282	11,263	11,263	-0.16%	11,263	11,263
18 Social welfare	1,587	17,778	21,571	21,571	21.34%	21,571	21,571
19 Other Staff related expenditure	121,835	247,200	252,200	252,200	2.02%	252,200	252,200
Title 2	1,805,024	3,788,184	3,907,237	3,907,237	3.14%	3,907,237	3,907,237
Infrastructure and operating expenditure							

20 Rental of buildings and associated costs	795,602	1,284,469	1,299,947	1,299,947	1.21%	1,299,947	1,299,947
21 Information and communication technology	155,217	810,500	811,000	811,000	0.06%	811,000	811,000
22 Movable property and associated costs	30,233	140,135	125,300	125,300	-10.59%	125,300	125,300
23 Current administrative expenditure	86,662	230,150	210,150	210,150	-8.69%	210,150	210,150
24 Postage / Telecommunications	28,444	75,800	75,800	75,800	0.00%	75,800	75,800
25 Meeting expenses	667,266	802,130	940,040	940,040	17.19%	940,040	940,040
26 Running costs in connection with operational activities	41,601	445,000	445,000	445,000	0.00%	445,000	445,000
27 Information and publishing	-	-	-	-	-	-	-
28 studies	-	-	-	-	-	-	-
Title 3	210,998	2,178,692	2,567,650	2,567,650	17.85%	2,244,591	2,308,856
Operational expenditure							
Meetings	31,957	104,500	134,500	134,500	28.71%	137,863	142,923
REMIT operations	-	220,000	420,000	420,000	-	-	-
Translation expenses	86,502	325,000	291,450	291,450	-10.32%	298,736	306,205
Expert consultations	48,820	1,144,492	1,314,000	1,314,000	14.81%	1,390,100	1,431,389
Website, information and publication	43,719	384,700	407,700	407,700	5.98%	417,893	428,340
TOTAL EXPENDITURE	9,945,957	15,241,174	16,223,804	16,223,804	6.45%	16,858,000	17,244,000

Table 3: Budget outturn and cancellation of appropriations

Budget outturn	2019	2020	2021
Revenue actually received (+)	16,243,389	17,299,898	23,603,506
Payments made (-)	- 13,197,948	- 14,052,215	-15,566,618
Carry-over of appropriations (-)	- 2,965,258	- 3,081,457	- 6,646,518
Cancellation of appropriations carried over (+)	118,181	126,274	138,968
Exchange rate differences (+/-)	- 16	604	- 177
Total	198,348	293,104	1,529,162

Descriptive information and justification on budget outturn, cancelation of commitment appropriations, cancelation of payment appropriations for the year and payment appropriations carried over:

The final approved appropriation for the financial year 2021 amounted to EUR 23,590,235 out of which EUR 8,771,500 were represented by fees plus an additional amount of EUR 24,723.54 collected during the year from overpaid telecommunication fees and EUR 2,515.27 uncommitted appropriations from 2020 resulting in a total recognised revenue of EUR 22,617,520.92. A total amount of EUR 6,646,518.16 was carried forward into the 2022 financial year to cover for the payment obligations remained open at year end.

Appropriations amounting to EUR 136,453.12 were cancelled at the end of the 2021 financial year and will be returned to the general budget in the course of 2022. The cancelled amount was mainly due to lower than expected cost of Board meetings, actual cost of building maintenance and utilities consumption, less than expected postage and telecommunication costs, consultancy on REMIT projects and lower than expected number of claims received from the contribution made to staff towards the home office equipment. Unused commitment appropriations of the year 2020 that were automatically carried over and amounting to EUR 2,515.27 are also returned to the general budget. Minor exchange rate losses amounting to EUR 176.73 were recorded for the financial year.

From the total revenue recorded for the year 2021 the Agency will be returning 6.48% of the total recognised revenue or EUR 1,529,161.67 to the general budget of the Union in the course of 2022.

ANNEX IV: HUMAN RESOURCES – QUANTITATIVE

Table 1: Staff population and its evolution; Overview of all categories

A) Statutory staff and SNE

Staff	Year 2021			Year 2022	Year 2023 ¹³	Year 2024	Year 2025
ESTABLISHMENT PLAN POSTS	Authorised Budget	Actually filled as of 31/12/2021	Occupancy rate %	Envisaged staff	Envisaged staff	Envisaged staff	Envisaged staff
Administrators (AD)	59	56	95%	63	67	70	73
Assistants (AST)	12	12	100%	13	13	13	13
Assistants/Secretaries (AST/SC)	0	0	n/a	0	0	0	0
TOTAL ESTABLISHMENT PLAN POSTS	71	71	97.5%	76	80	83	86
EXTERNAL STAFF	FTE corresponding to the authorised budget	Executed FTE as of 31/12/2021	Execution Rate %	FTEs corresponding to the authorised budget	Envisaged FTE	Envisaged FTE	Envisaged FTE

¹³ Please note that the overall figures of envisage staff does not include, at the time of writing this programming document, the additional staff which may be granted to the agency with the new gas directive.

Contract Agents (CA)	36	33.1	92%	37	37	37	37
Seconded National Experts (SNE)	4	3.4	84%	10	10	10	10
TOTAL EXTERNAL STAFF	40	36.5	88%	47	47	47	47
TOTAL STAFF	111	107.5	92.8%	123	127	130	133

B) Additional external staff expected to be financed from grant, contribution or service-level agreements

Human Resources	Year 2022	Year 2023	Year 2024	Year 2025
	Envisaged staff	Envisaged staff	Envisaged staff	Envisaged staff
Contract Agents (CA) - FGIV	4	4	4	4
Seconded National Experts (SNE)	4	4	4	4
TOTAL	8	8	8	8

C) Other Staff

- Structural service providers¹⁴

	Actually filled as of 31/12/2021
Security	
IT	
Other (specify)	

- Interim workers

	Actually filled as of 31/12/2021	2023
Number	16	18

¹⁴ Service providers are contracted by a private company and carry out specialised outsourced tasks of a horizontal/support nature. At the Commission, following general criteria should be fulfilled: 1) no individual contract with the Commission 2) on the Commission premises, usually with a PC and desk 3) administratively followed by the Commission (badge, etc.) and 4) contributing to the added value of the Commission.

Table 2: Multi-annual staff policy plan years 2023 – 2025

Function group and grade	Year 2021				Year 2022		Year 2023		Year 2024		Year 2025	
	Authorised budget		Actually filled as of 31/12/2021		Authorised budget		Envisaged		Envisaged		Envisaged	
	Permanent posts	Temporary posts	Permanent posts	Temporary posts	Perm. posts	Temp. posts	Perm. posts	Temp. posts	Perm. posts	Temp. posts	Perm. posts	Temp. posts
AD 16												
AD 15		1				1		1		1		1
AD 14												
AD 13		4		1		4		4		4		4
AD 12		3		5		3		3		3		3
AD 11		4		2		4		7		7		7
AD 10		3		7		3		6		6		6
AD 9		12		6		12		9		9		9
AD 8		9		9		9		15		15		15
AD 7		12		13		14		15		18		21
AD 6		10		9		10		4		4		4
AD 5		1		4		3		3		3		3
AD TOTAL		59		56		63		67		70		73
AST 11												
AST 10												
AST 9												
AST 8												
AST 7												
AST 6		2		1		2		3		3		3
AST 5		4		2		4		6		6		6

AST 4		3		6		4		4		4		4
AST 3		3		3		3						
AST 2												
AST 1												
AST TOTAL		12		12		13		13		13		13
AST/SC 6												
AST/SC 5												
AST/SC 4												
AST/SC 3												
AST/SC 2												
AST/SC 1												
AST/SC TOTAL												
TOTAL		71		68		76		80		83		86
GRAND TOTAL	71		71		76		80		83		86	

- External personnel

Contract Agents

Contract agents	FTE corresponding to the authorised budget 2021	Executed FTE as of 31/12/2021	Headcount as of 31/12/2021	FTE corresponding to the authorised budget 2022	FTE corresponding to the authorised budget 2023	FTE corresponding to the authorised budget 2024	FTE corresponding to the authorised budget 2025
Function Group IV	31	26.4	27	32	32	32	32
Function Group III	5	6.7	8	5	5	5	5
Function Group II	0	0	0	0	0	0	0

Function Group I	0	0	0	0	0	0	0
TOTAL	36	33.1	35	37	37	37	37

Seconded National Experts

Seconded National Experts	FTE corresponding to the authorised budget 2021	Executed FTE as of 31/12/2021	Headcount as of 31/12/2021	FTE corresponding to the authorised budget 2022	FTE corresponding to the authorised budget 2023	FTE corresponding to the authorised budget 2024	FTE corresponding to the authorised budget 2025
TOTAL	4	3.4	3	10	10	10	10

Table 3: Recruitment forecasts for year 2023 following retirement/Mobility or new requested posts

(Information on the entry level for each type of posts: Indicative table)

Job title in the Agency	Type of contract (Official, TA or CA)		TA/Official		CA
	Due to foreseen retirement/ mobility	New post requested due to additional tasks	Function group/grade of recruitment internal (Brackets) and external (single grade) foreseen for publication *		Recruitment Function Group (I, II, III and IV)
			Internal (brackets)	External (brackets)	
Policy Officer		4	AD5 - AD7	AD7	

Number of inter-agency mobility Year 2020 from and to the Agency: 0

ANNEX V: HUMAN RESOURCES – QUALITATIVE

A. Recruitment policy

Implementing rules in place:

		Yes	No	If no, which other implementing rules are in place
Engagement of CA	Model Decision C(2019)3016	x		
Engagement of TA	Model Decision C(2015)1509	x		
Middle management	Model decision C(2018)2542	x		
Type of posts	Model Decision C(2018)8800		x	Commission Decision C(2013) 8979 – by analogy

B. Appraisal and reclassification/promotions

Implementing rules in place:

		Yes	No	If no, which other implementing rules are in place
Reclassification of TA	Model Decision C(2015)9560	x		
Reclassification of CA	Model Decision C(2015)9561	x		

Table 1: Reclassification of TA/promotion of officials

	Average seniority in the grade among reclassified staff						
Grades	2018	2019	2020	2021	2022	Actual average over 5 years	Average over 5 years (According to decision C(2015)9563)
AD05	3.64	2.79	2.56	2.29	n/a	n/a	
AD06	2.50	2.71	2.75	3			
AD07	2.00	3.06	3.36	3			
AD08	2.75	n/a	3.10	3.59			
AD09	n/a	4.66	3.00	3.67			
AD10	n/a	4.50	n/a	n/a			
AD11	n/a	n/a	n/a	4.13			
AD12	n/a	n/a	n/a	n/a			
AD13	n/a	n/a	n/a	n/a			
AST1							
AST2							

AST3	3.16	5.33	2.64	2.67			
AST4	n/a	n/a	3.00	n/a			
AST5	n/a	n/a	n/a	4			
AST6							
AST7							
AST8							
AST9							
AST10 (Senior assistant)							
AST/SC1							
AST/SC2							
AST/SC3							
AST/SC4							
AST/SC5							

Table 2: Reclassification of contract staff

Function Group	Grade	Staff in activity at 1.01.Year 2021	How many staff members were reclassified in Year 2021	Average number of years in grade of reclassified staff members	Average number of years in grade of reclassified staff members according to Decision C(2015)9561
CA IV	17	1			Between 6 and 10 years
	16	1			Between 5 and 7 years
	15	8			Between 4 and 6 years
	14	8	3	2.39	Between 3 and 5 years
	13	9			Between 3 and 5 years
CA III	11	0			Between 6 and 10 years
	10	1			Between 5 and 7 years
	9	7			Between 4 and 6 years
	8	0	1	2	Between 3 and 5 years
CA II	6	0			Between 6 and 10 years
	5	0			Between 5 and 7 years
	4	0			Between 3 and 5 years
CA I	2	0			Between 6 and 10 years
	1	0			Between 3 and 5 years

C. Gender Representation

Table 1 - Data on 31/12/2021 /statutory staff (only officials, AT and AC)

		Official		Temporary		Contract Agents		Grand Total	
		Staff	%	Staff	%	Staff	%	Staff	%
Female	Administrator level			14	13.73	11	10.78	25	24.51
	Assistant level (AST & AST/SC)			7	6.86	4	3.92	11	10.78
	Total			21	20.59	15	14.71	36	35.29
Male	Administrator level			41	40.20	16	15.69	57	55.88
	Assistant level (AST & AST/SC)			5	4.90	4	3.92	9	8.82
	Total			46	45.10	20	19.61	66	64.71
Grand Total				67	65.69	35	34.31	102	100

Table 2 - Data regarding gender evolution over 5 years of the Middle and Senior management¹⁵

	2017		2021	
	Number	%	Number	%
Female Managers	1	16.66	1	16.66
Male Managers	5	83.33	5	83.33

Action taken concerning gender imbalance:

The Agency is conscious of importance of gender equality and of fair and equal representation of both genders at all levels. It is committed to striving towards remedying current imbalance across all Departments. It should be noted however that the members of ACER’s Senior Management Team are contractually bound to the Agency, which restricts near-term choices and adjustments at management level.

The Agency already has in place Rules of Procedure for the selection of Temporary and Contract Staff, according to which it “is an equal opportunities employer”. According to the same rules, when appointing the Selection Committee, the AACC needs to give consideration to the diversity in its composition, fostering to the extent possible, gender, age and geographical balance. Furthermore, the Agency publishes all its Selection Notices with a gender-neutral voice.

The Agency also developed a Leadership pipeline project, with the main goal to build, develop and foster a pipeline of skilled leaders. Within the project, the Agency plans to invest in leadership development and training opportunities for all colleagues. The Agency will endeavour to identify and communicate relevant career paths and stepping-stones for leadership roles. This is viewed as a possible way to help promote female colleagues to leadership positions.

Recently, the Agency also established an internal working group for Diversity and Inclusion. Main goal of the group is to foster diversity and inclusion, develop best practices and work towards their implementation. The Agency believes that this could also help in improving the current imbalance.

The Agency is considering several, additional, measures for addressing the matter in question:

- Developing Gender Equality Strategy for the Agency (setting the priorities, goals and commitment of the Agency over a 5-year period)

¹⁵ Staff who is defined as middle manager by the applicable General Implementing provisions on middle management

- Developing Mentorship programmes for Female leaders (targeted training for future female managers, including mentoring, coaching and career guidance)
 - Commitment to including a target number of female candidates for leadership position appointments
- All proposed measures are still under consideration since they require Agency’s resources (human and financial) and need alignment and coordination with the policies and rules already in place.

D. Geographical balance

Explanatory figures to highlight nationalities of staff (split per Administrator/CA FG IV and Assistant /CA FG I, II, III)

Table 1 - Data on 31/12/2021 - statutory staff only (officials, AT and AC)

Nationality	AD + CA FG IV		AST/SC- AST + CA FGI/CA FGII/CA FGIII		TOTAL	
	Number	% of total staff members in AD and FG IV categories	Number	% of total staff members in AST SC/AST and FG I, II and III categories	Number	% of total staff
Austria	2	1.96			2	1.96
Belgium	6	5.88			6	5.88
Bulgaria	2	1.96			2	1.96
Cyprus	1	0.98			1	0.98
Czech Republic	2	1.96			2	1.96
Germany	3	2.94			3	2.94

Denmark	1	0.98			1	0.98
Spain	6	5.88	1	0.98	7	6.86
France	5	4.90	2	1.96	7	6.86
Greece	8	7.84	1	0.98	9	8.82
Croatia	4	3.92	1	0.98	5	4.90
Hungary	4	3.92	1	0.98	5	4.90
Ireland	2	1.96			2	1.96
Italy	9	8.82	4	3.92	13	12.75
Lithuania		0.00	1	0.98	1	0.98
Netherlands	3	2.94			3	2.94
Portugal	1	0.98	1	0.98	2	1.96
Poland	2	1.96	1	0.98	3	2.94
Romania	1	0.98			1	0.98
Slovenia	19	18.63	7	6.86	26	25.49
Slovakia	1	0.98			1	0.98
TOTAL	82	80.39	20	19.61	102	100

Table 2 - Evolution over 5 years of the most represented nationality in the Agency

Most represented nationality	N-5		N-1	
	Number	%	Number	%
Slovenia				

E. Schooling

Agreement in place with the European School(s) of				
Contribution agreements signed with the EC on type I European schools	Yes		No	
Contribution agreements signed with the EC on type II European schools	Yes	x	No	
Number of service contracts in place with international schools:	5			
Description of any other solutions or actions in place:				
<p>As established in the Seat Agreement (Article 13) between the Slovenian Government and the Agency, the Government shall establish a European School within the public school network in Slovenia, in accordance with the Convention defining the Statute of the European Schools and with the programmes of European schools. European Schools provide multilingual tuition in all EU languages and offer the European Baccalaureate recognised in all Member States. Staff members of the EU Institutions, including the agencies, should enjoy free access to European Schools (school fees and transport included).</p> <p>Progress was achieved in 2018, as the setting of the Accredited European School of Ljubljana (AES) was decided and the school became operational as of 3 September 2018, with entry grades at the P1 and P2</p>				

levels (corresponding to Grade 1 and 2 of Elementary School). The auditing process for accreditation of the school started in September 2018, the accreditation process was finalised with the decision of the Board of Governors of the European Schools, in April 2019. The financial agreement with the European Commission was signed in the course of fall 2019.

Since for the time-being the AES offers classes at the P1-P5 levels and S1-S3 level. The Agency's staff members whose children are not eligible for those classes, are obliged to send their children to international schools. Until the AES offers a complete education cycle at the pupil's level, and given the school fees charged by the international schools in Ljubljana, there was a need to address the unequal conditions, to which the staff of the Agency is subject. To address this, the Administrative Board adopted Decision AB no 5/2018 of 7 June 2018 establishing measures to support the staff of the Agency with regard to kindergarten and school fees. In line with the decision, the Agency provides financial support to afore mentioned staff members, until the AES offers a complete education cycle at pupil's level. This approach is in line with the eligibility for the education allowance, as applied by the European Commission's Office for the Administration and Payment of Individual Entitlements. As per specific provisions of the decision, the Agency covers kindergarten and school fees for each eligible child, exceeding the sum of the allowances received by staff member, as per the Internal Commission Directive (Conclusion No 257/09 revised) and under the provisions of the Staff Regulations. Financial contribution, granted by the Agency, is paid directly to the schools kindergarten on the basis of concluded service agreements.

In both cases (European section or international school programmes), the Agency includes the budgetary credits necessary to cover its financial contribution in the provisional draft budget sent to the budgetary authority in the framework of the annual budgetary procedure. The Agency also transmits full information on the measures planned to the budgetary authority.

It should be noted that the funds to cover the costs of the Agency's children to the European School Ljubljana should be covered by the European subsidy.

There are two private international schools in Ljubljana (British and French), as well as international sections in the national school system, both at primary and secondary level. There are also four universities in Slovenia, amongst others the University of Ljubljana with 23 faculties and 3 art academies.

ANNEX VI: ENVIRONMENT MANAGEMENT

The Agency is in the process of aligning its internal processes to good practices, such as the Eco-Management and Audit Scheme (EMAS) standards, with a view to reduce the environmental impact of its administrative operations on the environment. In 2021, the Agency's Administrative Board adopted the two-year-long Greening Action Plan 2021-2022 with the aspiration to align its goals with the European Commission and become climate neutral by 2030 (if resources allow). The Greening Action Plan 2021-2022 identifies six (6) action domains and commits to 17 concrete action points which aim at reducing the Agency's environmental impact. More specifically:

1. AD#1: DESIGN SUSTAINABLE BUILDINGS AND WORKING SPACE
 - 1.1. ACTION #1 Launching the procurement procedure for the rental of green and sustainable office premises
2. AD#2: OPTIMISE ENERGY CONSUMPTION AND SYSTEMS
 - 2.1. ACTION #2 Installation of lights on sensors and other possible energy saving automations
 - 2.2. ACTION #3 Installation of energy saving lightbulbs (such as LEDs)
 - 2.3. ACTION #4 Training staff on the impact of individual actions for reducing carbon footprint (on how to be more carbon accountable)
 - 2.4. ACTION #5 Consider using more cloud resources and reduce the install-base needed in the Data Centre, thus lowering the amount of power and cooling capacity
 - 2.5. ACTION #6 Switch to an electricity provider that offers 100% share of RES
3. AD#3: RECONSIDER AIR TRAVEL AND PROMOTE LOW CARBON TRAVEL MODES
 - 3.1. ACTION #7 Upgrading the telepresence and video conferencing capabilities
 - 3.2. ACTION #8 Reconsider business travel for staff and for meeting participants - for example by introducing threshold / selection criteria (tCO₂e of flight) in the booking phase of missions to allow a conscious choice
 - 3.3. ACTION #9 Introduce carbon offset for necessary business travel by donating to projects that reduce GHG
 - 3.4. ACTION #10 Adopt a checklist for the organisation of sustainable meetings and events
4. AD#4: REDUCE COMMUTING EMISSIONS
5. AD#5: REDUCE PURCHASE AND CONSUMPTION GHG EMISSIONS
 - 5.1. ACTION #11 Consider further digitalisation of administrative workflows, which would allow a truly paperless office where technically feasible (i.e. e-voting and e-signatory in ARES)
 - 5.2. ACTION #12 Consider removing private/local printers and introduce secure, centralized and energy-saving printing services, by e.g. having staff use a personal pin to print on the shared printer
 - 5.3. ACTION #13 Include environmental aspects in the future tenders of the Agency
6. AD#6: MANAGE & COMMUNICATE
 - 6.1. ACTION #14 Participation and contribution to the Greening Network, attendance on meetings
 - 6.2. ACTION #15 Sharing of good practices
 - 6.3. ACTION #16 Annual competition of volunteers for a green change
 - 6.4. ACTION #17 Public communication on the greening efforts of the Agency

The Agency has made the following steps in the course of 2021:

- The Agency is receiving electricity from 100% renewable energy sources since January 2021;
- Monthly consumption reports are collected from the landlord for consumption monitoring purposes;
- Established the Greening Ambassadors group with seven volunteers across the Agency in order to improve staff engagement, awareness and ownership of the carbon emission reduction efforts of the Agency;
- The renovation of bathroom facilities with automated water faucets was implemented in order to reduce water consumption;
- The renovation of the lightning system (installation of LED lights and sensors for lightning control) is being implemented in order to reduce electricity consumption;
- Consultancy services on a workplace strategy, including the possibility for an office space reduction plan is taking place in the course of October 2021-February 2022; Staff is fully migrated to cloud-based video conferencing and telepresence solutions;
- Carbon footprint calculation in MIPS is currently available for monitoring purposes;
- Environmental aspects were introduced in the tendering procedure for stationery and office supplies.
- The website includes a section on the greening efforts of the Agency. Communication campaign was launched on social media platforms upon the adoption of the action plan.

In line with its proactive approach to environmental challenges, the Agency is also participating in the Greening Network initiative of the European agencies where environmental issues are discussed and experiences as well as best practices are shared, including how to increase environmental awareness and responsibility, as well present issues related to environmental management implementation.

The Agency is not EMAS registered or ISO14001 certified and is also not in the process of doing so at the moment. The Agency expressed its interest to join an interinstitutional FWC for consultancy services on carbon footprint calculation, offsetting of carbon emissions and EMAS certification. The contract is expected to be available in Q3/Q4 2022. The Agency foresees the drafting of the Agency's carbon footprint report in the course of 2022, while it intends to start the process of EMAS certification in 2023/2024. The timing of the initiation of the project for the EMAS certification is partially dependent on the outcomes of the building project to be launched in the beginning of 2022.

In 2023 and beyond the Agency will further improve its green environment strategy, update and adopt further greening action plans and is regularly collecting ideas that support this initiative from its staff.

ANNEX VII: BUILDING POLICY

Current building(s)

#	Building Name and type	Location	SURFACE AREA(in m ²)			RENTAL CONTRACT					Host country (grant or support)
			Office space	non-office	Total	RENT (€/year)	Duration of the contract	Type	Breakout clause Y/N	Conditions attached to the breakout clause (if applicable)	
1	TR3, office building	Trg republike 3, 1000 Ljubljana, Slovenia	3,247.69	679.29	3,926.98	660,556.92	Rental for ten (10) years in total without possibility for an extension, until 31.01.2024.	Lease contract	Yes.	After 2 years of lease term the Agency is entitled to terminate the contract in the events specified in the lease contract.	Not applicable.
TOTAL			3,247.69	679.29	3,926.98	660,556.92					

In 2022 ACER should start with the planning phase of its building project (new rental contract).

Indicative timelines for the new procedure for the office premises:

- Starting the project for the new premises: 31.01.2022 (24 months in total needed)
- Drafting technical specifications and aligning the needs (Director, Heads of Departments, IT, Security, FM, REMIT, Procurement): 3 months
- Launching market prospection: 2 months
- Selecting potential tenderers following the market prospection: 1-2 months
- Sending out invitations, evaluating the offers, site seeing and negotiations: 3-4 months
- Approval of the building file by EP and the Council: 3 months
- Renovation / fitting out to be performed by the landlord: 4-6 months
- Placing new furniture: 1 month
- Moving the Agency: 3 months.

ANNEX VIII: PRIVILEGES AND IMMUNITIES

The Protocol on the Privileges and Immunities of the European Union governs the status of the European Institutions and their staff in relation to the Member States. Thus, the protocol applies in full to the Agency and its staff.

The relations between the Agency and its host country, as well as particular rules and privileges applicable to Agency staff in Slovenia, are governed by the Seat Agreement between the Slovenian Government and the Agency for the Cooperation of Energy Regulators, signed in Ljubljana on 26 November 2010.

Agency privileges	Privileges granted to staff	
	Protocol of privileges and immunities / diplomatic status	Education / day care
<ul style="list-style-type: none"> - Inviolability of premises and archives - Facilitations for communication Security - Direct exemption from taxes 	<ul style="list-style-type: none"> - Staff immunity from Slovenian jurisdiction regarding acts carried out in the official capacity - Exemption from national taxes on salaries and wages - Staff exemption from import taxes and duties on personal effects in the first year - Exemption from social security contribution towards Slovenian schemes - Director and Heads of Departments holding Diplomatic status 	<p>The government of Slovenia established a European School of Ljubljana (ESL) with two language sections – EN and SI for P1 and P2 grades. The Agency will cover the school fees to the ESL once a financing agreement is signed with the European Commission after the accreditation of the ESL.</p>

ANNEX IX: EVALUATIONS

The Agency has so far been subject to one external evaluation from the Commission, as foreseen in the Founding Regulation (FR), in 2014. The recast FR foresees that by 5 July 2024, and every five years thereafter, the Commission, with the assistance of an independent external expert, shall carry out an evaluation to assess ACER's performance in relation to its objectives, mandate and tasks.

The first few years of operation of the Agency were characterised primarily by the adoption of Framework Guidelines (FGs) and Network Codes (NCs). Now that most provisions of the Network Codes and Guidelines are in force, the Agency has begun monitoring its implementation and the effects they have on market functioning.

The Agency developed indicators for the ex-post evaluations of the network codes. After the release of the study for a methodology proposal to evaluate the impact of the gas NCs and Guidelines in 2015, the Agency through cases studies or in-depth analysis described the effect of the network codes in the dedicated sections of the Market Monitoring Reports and stand-alone monitoring reports for the implementation of the Congestion Management Guidelines, Capacity Allocation Mechanisms and Balancing Codes.

The proposed indicators should not be used in isolation to draw conclusions regarding market impacts of NCs and GLs, but rather be looked at in combination and interpreted in the light of market fundamentals. These indicators are used by ACER in its annual Market Monitoring Report to measure the economic impact of NCs/GLs and its use will gradually increase over time. Further details are available on the Agency's website at <http://www.acer.europa.eu/Media/News/Pages/ACER-publishes-study-on-how-best-monitor-the-effects-of-the-implementation-of-the-network-codes.aspx>.

The Agency has an internal monitoring system based on a 'traffic lights' approach through which Key Performance Indicators - KPIs (see below) are monitored. Specific tasks are monitored at the department level, unless they are included in the KPIs. The traffic lights system ensures that the results achieved and deadlines met in relation to the objectives are monitored on a quarterly basis at the coordination and management meetings, with measures taken in case the objectives are at risk of not being met. The absorption of the Agency's budget is monitored through weekly reports providing an overview of both commitments and payments.

Internal Key Performance Indicators

Staff satisfaction

Task	Staff engagement /satisfaction
Objectives and deadlines (indicative)	To assess, on a regular basis, staff's engagement and satisfaction with working at the Agency in order to address shortcomings. Review to be performed every 2 years.
KPI	1. 2/3 of participating staff satisfied or highly satisfied with the employment conditions at the Agency.

Budget Implementation and Audit

Task	Budget Implementation and Audit
Objectives	To achieve a high level of budget implementation for both commitment and payment appropriations. To receive a positive opinion from the European Court of Auditors and implement its recommendations.
KPI	2. At least 95% execution of commitment appropriations 3. Minimum 75% execution of payment appropriations. 4. Cancellation of payment appropriations below 5%. 5. Non-qualified opinion received from ECA and 75% of its recommendations implemented in line with the Agency's Action Plan.

Internal Electricity Market and Infrastructure (Network Codes, Opinions, Recommendations, Decisions and Reports)

Task	Timely adoption of the Agency Acts in the Electricity sector foreseen in the Work Programme and in the regulations relevant for the Agency
Objectives and deadlines (indicative)	Timely and effective Network Codes implementation, as well as adoption of Electricity-related opinions and recommendations, including terms and conditions and methodologies, PCIs, etc. Various deadlines (depending on the act in question and the legal requirements).

KPI	6. 90% of opinions, reviews, recommendations and reports delivered on time.
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Internal Gas Market and Infrastructure and Security of Supply (Network Codes, Opinions, Recommendations, Decisions and Reports)

Task	Timely adoption of the Agency Acts in the Gas sector foreseen in the Work Programme and in the regulations relevant for the Agency
Objectives and deadlines (indicative)	Timely and effective Network Codes implementation, as well as adoption of Gas-related opinions and recommendations, including terms and conditions and methodologies, PCIs, etc. Various deadlines (depending on the act in question and the legal requirements).
KPI	7. 90% of opinions, reviews, recommendations and reports delivered on time.

Electricity and Gas Internal Market Monitoring

Tasks	Annual Market Monitoring Report
Objectives and deadlines (indicative)	Objective: timely preparation of a high quality Annual Market Monitoring Report (and of its constituent volumes, published separately). More specifically: the report is to provide in-depth analysis of barriers to IEM integration and give recommendations to the European Parliament and Commission on how to remove them. Expected completion date: November.
KPI	8. Positive feedback on the report based on an online survey (70% satisfied or very satisfied).

Market Information and Transparency

Task	REMIT Analytics and Information Management
Objectives and deadlines (indicative)	To provide guidance, collect, analyse and provide high-quality REMIT data for monitoring purposes of the Agency, NRAs and other relevant authorities.

	To operate the Agency's REMIT Information Systems operationally reliable.
KPI	<p>9. Key achievements (e.g. key projects) as well as continued measurement of % planned vs. delivered projects.</p> <p>10. Accuracy, Consistency, Completeness, Integrity and Timeliness (ACCIT) of information, measured by the yoy % change of composite indicator of data quality metrics,</p> <p>AND</p> <p>99% of service availability, measured as an average availability of individual REMIT IT services.</p>

Market Surveillance and Conduct

Task	Market monitoring of trading activity in wholesale energy markets to detect and prevent trading based on inside information and market manipulation, in cooperation with NRAs, on the basis of data collected in connection with the REMIT implementing acts. Ensure that NRAs and other relevant authorities apply market manipulation provisions under REMIT in a coordinated and consistent way.
Objectives and deadlines (indicative)	<p>Market Monitoring of the data collected according to Article 8 of REMIT. Increased integrity and transparency of wholesale energy markets. Detection of abusive practices under REMIT.</p> <p>Aim to ensure that NRAs and other relevant authorities carry out their tasks under REMIT in a coordinated and consistent way and coordinate investigations of alleged cross-border market abuse instances as required.</p>
KPI	<p>11. 100% of high priority alerts manually screened and transferred to NRAs</p> <p>12. 16 initial assessments sent to relevant authorities</p> <p>13. At least 25% of REMIT breach cases pro-actively followed by ACER</p> <p>14. More than 100 REMIT breach cases triaged and reviewed on cooperation needs</p> <p>15. More than 75% of market abuse enforcement Decisions by NRAs quoting the ACER Guidance</p> <p>16. 0% of the requests from NRAs of operational assistance on REMIT investigations accepted by ACER</p>

ANNEX X: STRATEGY FOR THE ORGANISATIONAL MANAGEMENT AND INTERNAL CONTROL SYSTEMS

In 2018 ACER adopted Decision No 17/2018 of the Administrative Boards of the Agency for the Cooperation of Energy Regulators on the Internal Control Framework of the Agency.

The internal control framework of the Agency is designed to provide reasonable assurance regarding the achievement of objectives, including the following:

- Effectiveness, efficiency and economy of operations,
- Reliability of reporting and safeguarding of assets and information,
- Prevention, detection, correction and follow-up of fraud and irregularities, and
- Adequate management of the risks relating to the legality and regularity of the underlying transactions¹⁶.

Internal control helps ACER to achieve its objectives and sustain operational and financial performance whilst respecting rules and regulations. Internal control supports sound decision-making by taking into account risks in the achievement of objectives and where necessary, reducing them to acceptable levels through cost-effective controls. Internal control applies to all activities, irrespective of whether they are financial or non-financial.

The ACER Internal Control Framework is based on the Framework of the European Commission, which was revised in 2017 with a view to aligning Commission standards to the highest international standards set by the COSO framework¹⁷.

The framework consists of 5 components and 17 Internal Control Principles. Characteristics of each principle have been included to help to define the principles.

The effectiveness of the internal control is assessed annually via Internal Control Indicators and reported in the Annual Activity Report.

¹⁶ Art. 30 Internal Control of Budget Implementation, Financial Regulation of ACER, Decision AB No 22/2013.

¹⁷ The full text of the Internal Control-Integrated Framework is available at www.coso.org.

COMPONENT I. Control Environment (Principles 1-5)

ICP Owner	ICP	ICP Description	ICP Indicators	Evidence	Target	Indicator Owner
CS	1. Demonstrates commitment to integrity and ethical values	We demonstrate a commitment to integrity and ethical values.	1.1 Number of annual awareness raising initiatives in ACER on ethics, integrity and conflict of interest and/or fraud (target: at least 1 per year in one or more areas).	Awareness raising material	1 per year	CS/HRM
			1.2 % of newcomers who take part in the induction programme on ethics, integrity and conflict of interest.	List of attendance	90%	CS/HRM
			1.3 Managers are promoting a fair, flexible and respectful workplace.	Staff Engagement Survey	70% of respondents agree	SDC
			1.4 Staff meetings with the Director	Invitations	1/year	SDC
CS	2. Exercises oversight responsibility	Management exercises oversight of the development and performance of internal control.	2.1 (Y/N) The ACER Annual Activity Report (AAR) includes the Declaration of Assurance of the Director.	AAR	Yes	CS
			2.2 Regular reporting on the status of follow-up to IAS recommendations.	Progress Reports	Yes	CS
CS	3. Establishes structure, authority and responsibility	Management establishes structures, reporting lines, and appropriate responsibilities in the pursuit of objectives.	3.1 (Y/N) ACER has clear rules of procedure in place.	Standard Operating Procedures	Yes	CS
			3.2 (Y/N) Financial circuits: roles and tasks are clearly defined.	Guidelines on financial circuits and segregation of duties	Yes	CS/BUDG

			3.3 (Y/N) Deputising and reporting arrangements for administrative and operational activities are in place.	Implementation of Director's Decision on Deputising in Sysper 2	Yes	CS
CS	4. Demonstrates commitment to competence	We demonstrate a commitment to attracting, developing, and retaining competent individuals in alignment with objectives.	4.1 Satisfaction rate with the ACER training policy. 4.2 % of authorized posts of the annual establishment plan filled at end of year. 4.3 (Y/N) ACER has a Competency Framework in place. 4.4 Percentage of Selection Notices (SN) advertised on different media.	Staff Engagement Survey Establishment Plan Director's Decision Publication and advertisement notices	75% of respondents satisfied 95% Yes 90% of SN advertised on at least 2 media channels	CS/HRM CS/HRM CS/HRM CS/HRM
CS	5. Enforces accountability	We hold individuals accountable for their internal control responsibilities in the pursuit of objectives.	5.1 Appraisal reports concluded in accordance with the applicable rules and appraisal standards.	Data from HR Tool JRC Report	100%	CS/HRM

COMPONENT II. Risk Assessment (Principles 6-9)

ICP Owner	ICP	ICP Description	ICP Indicators	Evidence	Target	Indicator Owner
CS	6. Specifies suitable objectives	We define objectives with sufficient clarity to enable the identification and assessment of risks relating to the	6.1 (Y/N) Risk management in ACER is embedded in the planning process and is assessed at all levels of ACER (department and activity level) 6.2 Staff have a clear understanding of their work-related objectives and how their work contributes to achieving ACER's objectives.	Progress reports, AAR, SPD Risk register Staff Engagement Survey	Yes 70% of respondents agree	CS CS/HRM

		achievement of objectives.	6.3 ACER KPI 10 (Commitment Appropriation Execution Rate, (%) of implementation of Commitment Appropriations) 6.4 ACER KPI 11 (Payment Appropriations Execution Rate, (%) of Payment Appropriations)	Budget Execution Reports Budget Execution Reports	95% 75%	CS/BUDG CS/BUDG
			6.5 ACER KPI 12 (Payment Appropriations Cancellation Rate, (%) of cancellation of Payment Appropriations)	Budget Execution Reports	<5%	CS/BUDG
CS	7. Identifies and analyses risk	We identify risks in relation to the achievement of objectives across the organisation and assess risks as a basis for determining how the risks should be managed.	7.1 (Y/N) A risk management exercise is conducted at least once a year as part of the AWP process. 7.2 (Y/N) Risks are followed-up in the AAR.	AWP (as part of SPD), Risk register AAR	Yes Yes	CS CS
CS	8. Assesses fraud risk	We consider the potential for fraud in assessing risks related to the achievement of objectives.	8.1 (Y/N) Annual fraud risk assessment is performed as part of the annual risk assessment exercise. 8.2 (Y/N) ACER has an up to date anti-fraud strategy (not older than 3 years). 8.3 (Y/N) The assessment of absence of conflict of interest (CoI) is done for selection and reclassification procedures.	AAR AAR Guidelines on prevention and management of CoI concerning staff involved in selection, recruitment or reclassification procedures	Yes Yes Yes	CS CS CS/HRM
CS	9. Identifies and analyses significant change	We identify and assess changes that could significantly impact the internal control system.	9.1 (Y/N) The preparation of the AWP includes an assessment of risks that could have an impact on the internal control system. Assessment of risks is done also on ad-hoc basis, as necessary.	AWP	Yes	CS

COMPONENT III. Control Activities (Principles 10-12)

ICP Owner		ICP	ICP Indicators	Evidence	Target	Indicator Owner
CS	10. Selects and develops control activities	We select and develop control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels.	10.1 (Y/N) Business continuity arrangements identified in the ACER Business Continuity Plan are tested regularly.	BCP	Yes 1 test every year	CS
			10.2 (Y/N) 4 eyes principle has been ensured in all financial workflows	Guidelines on financial circuits and segregation of duties	Yes	CS/BUDG
			10.3 (Y/N) The segregation of duties among financial actors is clearly defined.	Guidelines on financial circuits and segregation of duties	Yes	CS/BUDG
			10.4 (Y/N) Ex-ante legal checks are performed on procurement procedures.	Procurement Guidelines for Project Managers	Yes	CS
			10.5 (Y/N) Delegations and nominations of financial actors are in place for every budgetary year.	Delegations register, Art. 40 of the Financial Regulation of ACER	Yes	CS
CS	11. Selects and develops general control over technology	We select and develop general control activities over technology to support the achievement of objectives.	11.1 (Y/N) ACER has an up to date ICT Strategy in place (not older than 3 years).	ICT Strategy	Yes	CS/IT
			11.2 Number of information security breaches/incidents.	Information Security Policy	0	CS
			11.3 (Y/N) The ICT Steering Committee is exercising control over technology and the implementation of the ICT Strategy.	Director's Decision on Establishing the	Yes	CS/IT

				ICT Steering Committee		
CS	12. Deploys through policies and procedures	We deploy control activities through corporate policies that establish what is expected and in procedures that put policies into action.	12.1 (Y/N) Exceptions and incidents reported have been reviewed and registered every year.	AAR, Register of exceptions, Register of incidents	Yes	CS
COMPONENT IV. Information and Communication (Principles 13-15)						

ICP Owner	ICP	ICP Description	ICP Indicators	Evidence	Target	Indicator Owner
CS	13. Uses relevant information	We obtain or generate and use relevant, quality information to support the functioning of internal control.	13.1 (Y/N) A Share Point tool is used for collecting information regarding KPI monitoring and reporting which provides input towards the progress reports. Also, Business Intelligence tools are used to provide accurate data to support management decisions.	Progress Reports, KPI Monitoring Tool, Business Intelligence reports	Yes	CS
CS	14. Communicates internally	We communicate information internally, including objectives and responsibilities for internal control necessary to support the functioning of internal control.	14.2 (Y/N) ACER has a whistleblowing policy in place which is easily accessible to all staff (published on intranet). 14.3 (Y/N) Staff members are aware of the ICPs.	Whistleblowing policy Published on Intranet	Yes Yes	HRM CS
SDC	15. Communicates externally	We communicate with external parties about matters affecting the	15.1 (Y/N) Changes and developments in the internal control system are clearly communicated and reported.	AAR	Yes	SDC

		functioning of internal control.				
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COMPONENT V. Monitoring Activities (Principles 16-17)

ICP Owner	ICP	ICP Description	ICP Indicators	Evidence	Target	Indicator Owner
CS	16. Conducts ongoing and/or separate assessments	We select, develop, and perform ongoing and/or separate assessments to ascertain whether the components of internal control are present and functioning.	16.1 (Y/N) The risk assessment performed by IAS is duly taken into account, the Director defines risk responses and endorses the related action plans.	Audit Action Plan	Yes	CS
			16.2 (Y/N) The results of the regular monitoring and annual assessment of internal controls in ACER are integrated and followed-up in the AAR.	AAR	Yes	CS
CS	17. Assesses and communicates deficiencies	We assess and communicate internal control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management as appropriate.	17.1 (Y/N) The results of the continuous and specific assessments have been properly disclosed in the Annual Activity Report (AAR)	AAR	Yes	CS
			17.2 KPI 14 (budget implementation and audit) rate (%) of accepted internal audit recommendations implemented within agreed deadlines.	AAR	80%	CS
			17.3 Corrective actions related to incidents are taken in a timely manner.	Register of procedural incidents	Yes	CS

Note: CS – Corporate Services, SDC – Strategy Delivery and Communication.

Roles and responsibilities in internal control in ACER

The roles and responsibilities of internal control actors in the Agency are as follows:

Role	Responsibility
Director / Authorising Officer	Overall responsibility for the functioning of the internal control system in ACER. Signs a declaration of assurance on the functioning of the ACER's Internal Control System annexed to the Consolidated Annual Activity Report.
Authorising Officers by Delegation	Each Authorising Officer by Delegation is responsible for the functioning of the internal control system in the areas under their delegated responsibility.
Internal Control Coordinator	Supports the Director in overseeing and monitoring the implementation of internal control in ACER. Ensures the awareness and understanding of the ACER Internal Control Framework by all staff, in particular through training, information and support activities.

Methodology for monitoring and assessment

According to Internal Control Principle 16, "*We select, develop and perform ongoing and/or separate assessments to ascertain whether the components of internal control are present and functioning*", ACER regularly monitors the implementation of Internal Control Principles and carries out an annual assessment on the effectiveness of internal controls. Both are closely linked and form an integral part of the monitoring and reporting cycle. On the one hand, deficiencies identified in the context of regular monitoring are important elements to be taken into account in the overall assessment of the functioning and effectiveness of the internal control system. On the other hand, any shortcomings identified during the overall assessment are addressed and improvement actions are integrated in the Annual Activity Report and followed-up upon.

Regular monitoring

The Internal Control Coordinator monitors the implementation of the Internal Control Principles at least once per year (Q4) through the indicators corresponding to each Internal Control Principle. The results are communicated to the Director's Office, which is coordinating the input for the progress reports that are presented to the Administrative Board. Any weakness identified during the regular monitoring is included in the annual review and assessment of internal controls. This enables the Agency to react to changing conditions and to correct any weaknesses identified or any deviations from intended performance in a timely manner. If necessary, internal control issues related to financial and human resources will be discussed in ad-hoc meetings.

Annual assessments

Each year the Agency carries out an annual review and self-assessment of the compliance and effectiveness of internal control. This provides a global overview of the state of play of internal control and aims to provide reasonable assurance of the correct functioning and effectiveness of internal control in ACER. The results of the assessment are incorporated in the Consolidated Annual Activity Report.

The annual assessment is carried-out following a three-step approach:

Step 1: Definition of the internal control assessment criteria

The ACER Internal Control Indicators are intended to facilitate monitoring of the Internal Control Principles, Components and Internal Control System overall. A proportional approach has been used to define ACER Indicators. An owner has been assigned to the Internal Control Principle and to each Indicator.

Step 2: Identification of internal control strengths and deficiencies

An internal control deficiency is an issue that requires the attention of management. It may include conflicts of interest, internal control weaknesses, errors, fraud, illegal acts, ineffectiveness, and inefficiency. A severe deficiency reduces the likelihood of achieving ACER's objectives.

To identify internal control strengths and deficiencies, ACER uses available information sources such as:

- Internal assessments
- Improvement actions / internal control strengths and weaknesses reported by staff
- Analysis of risks
- Risk Register
- Exceptions registered in the register of exceptions
- ECA, IAS and outsourced audit findings and recommendations

ACER aims to identify both the internal control strengths and deficiencies and assesses the severity of the identified deficiencies as follows:

- **Minor deficiency:** minor impact on the presence and/or functioning of the principle. The principle is in place and functions well, only minor improvements are needed.
- **Moderate deficiency:** moderate impact on the presence and/or functioning of the principle. The principle is in place and functions but some improvements are needed.
- **Major deficiency:** significant impact on the presence and/or functioning of the principle, but the principle is partially effective. With such a deficiency, the principle is partially in place and/or is partially functioning; substantial improvements are needed.

- **Critical deficiency:** fundamental impact on the presence and/or functioning of the principle and the principle is not effective. With such a deficiency, the principle is not in place and/or essentially does not function as intended.

Step 3: Assessment of the Internal Control System

The assessment of the Internal Control System is carried out at three levels:

- at the level of the principles (based on the analysis of the detected strengths and deficiencies),
- at the level of the components (based on an analysis of the results at principle level),
- at the level of the internal control system as a whole (based on an analysis of the results at component level).

For each level assessed, ACER concludes the following:

Effective internal control system	No internal control weakness or deficiency identified. The principle is present and functioning well, only minor improvements needed.
Partially effective internal control system (minor weakness)	Minor deficiency or combination of minor/moderate deficiencies identified. The principle control system is present and functioning but some improvements are needed.
Partially effective internal control system (major weakness)	Major deficiency or combination of moderate deficiencies identified. The principle control system is present and functioning but a lot of improvements are needed.
Ineffective internal control system	The principle is not present and functioning. A critical internal control deficiency or combination of several major deficiencies determines that the principle in general is not effective.

The Agency will then assess the overall level of effectiveness of internal control. This overall conclusion will take into consideration the functioning of the Agency’s internal control components in an integrated manner.

ANNEX XI: PLAN FOR CONTRIBUTION AGREEMENTS

Table 1 – Impact of on-going and expected grant, contribution and service-level agreements

	General information				Financial and HR impacts				
	Date of signature	Duration	Counterpart	Short description		2021	2022	2023	2024
Contribution agreements									
					Amount				
					Number of CA				
					Number of SNE				
Total contribution agreements					Amount				
					Number of CA				
					Number of SNE				

ANNEX XII: STRATEGY FOR COOPERATION WITH THIRD COUNTRIES AND INTERNATIONAL ORGANISATIONS

STRATEGIC FOCUS

While most of the tasks of the Agency focus on the EU Internal Energy Market, selected tasks require or may benefit from collaboration with regulatory entities in third countries. Hence as a strategic focus, in its cooperation with third countries (i.e. non EU members) and international organisations, the Agency has its mandate in mind as a compass. This is driven by both resources and work portfolio management. As a rule the Agency aims to invest its assigned resources in the best execution of its mandated tasks leaving limited time to other activities. The Agency also does not represent the EU on policy matters related to its area of work when interacting with third countries or international organisations and cannot commit the EU to any international obligation.

COUNTRIES AND ORGANISATIONS IN SCOPE

Various regulatory acts applicable to the Agency, and international agreements provide guidance on the geographical areas in focus. These are its founding regulation - recast (art.43), article 19 of the Regulation on wholesale energy market integrity and transparency (REMIT), tasks allocated under the EEA Joint Committee Decision No 93/2017 and The Trade and Cooperation Agreement (TCA) between the European Union and the United Kingdom (art. 318). As such, the primary geographical focus of the Agency is on the member states of the EEA, the Energy Community Contracting Parties and the United Kingdom.

In addition, the Agency sees benefit in working with organisations that may benefit the implementation of its tasks. As such, it will, for example, continue to cooperate with FERC, the US energy regulatory authority, with whom it has a bilateral agreement. The Agency also participates in the EU-US energy regulators' roundtable, which involves representatives from the National Association of Regulatory Utility Commissioners (NARUC) and FERC. It should be noted that the Agency occasionally provides expert participation in Mediterranean Energy Regulators (MedReg) events.

Other types of cooperation will be on a needs or a requested basis, for example, by a competent EU institution.

FORMS OF COOPERATION

The practical translation of cooperation is primarily centred on the following activities:

- Involve third countries that comply with the conditions of article 43 and request to participate in the work of the Agency, so as to facilitate the implementation of the tasks of the Agency (completion of the Internal Energy Market also beyond the EU borders, REMIT-related surveillance, etc.).
- Enable the participation of EEA EFTA NRAs in the Agency's boards and working groups in line with Decision of the EEA Joint Committee No 93/2017 of 5 May 2017 amending Annex IV (Energy) to the EEA Agreement (2019/205), and in general cooperate with the EFTA Surveillance Authority as required by Annex IV (Energy) of the EEA Agreement.
- Liaise with the UK regulatory authority as outlined in the TCA.
- Cooperate with peer regulatory agencies on market monitoring activities.
- Cooperate with the Energy Community at the Working Group level, in the areas of Network Codes, infrastructure (e.g. exemptions, cross-border cost allocation), market monitoring, cross-border capacity allocation, and possibly other issues that relate to borders between the EU and the Energy Community and to applying the EU energy acquis.
- Foster the exchange of experiences in particular with the Energy Community, EEA EFTA, MedReg states and FERC (among others on market surveillance activities).
- Visits abroad: Upon invitation or prior agreement, visit institutions in key countries potentially affected by ACER's work or of key EU strategic importance.
- Resources permitting, step up media activities in third countries.

ANNEX XIII: 2023 INDICATIVE PROCUREMENT PLAN FOR OPERATIONAL TASKS

This is not a mandatory component of the Programming Document and will be added to the document at a later stage.

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