



# Annual Activity Report 2021

## Annexes

DIRECTORATE GENERAL FOR CIVIL PROTECTION  
AND HUMANITARIAN AID OPERATIONS – DG ECHO

## Table of Contents

ANNEX 1: Statement of the Director(s) in charge of Risk Management and Internal Control.....	3
ANNEX 2: Performance tables.....	4
ANNEX 3: Draft annual accounts and financial reports.....	21
ANNEX 4: Financial Scorecard.....	49
ANNEX 5: Materiality criteria.....	54
ANNEX 6: Relevant Control System(s) for budget implementation (RCSs).....	55
ANNEX 7: Specific annexes related to "Financial Management".....	75
ANNEX 8: Specific annexes related to "Assessment of the effectiveness of the internal control systems".....	79
ANNEX 9: Specific annexes related to "Control results" and "Assurance: Reservations".....	81
ANNEX 10: Reporting – human resources, digital transformation and information management and sound environmental management.....	84
ANNEX 11: Implementation through national or international public-sector bodies and bodies governed by private law with a public sector mission.....	91
ANNEX 12: EAMR of the Union Delegations (not applicable).....	93
ANNEX 13: Decentralised agencies and/or EU Trust Funds (not applicable).....	94

## **ANNEX 1: Statement of the Director(s) in charge of Risk Management and Internal Control**

*I declare that in accordance with the Commission's communication on the internal control framework <sup>(1)</sup>, I have reported my advice and recommendations on the overall state of internal control in the DG to the Director-General.*

*I hereby certify that the information provided in the present Annual Activity Report and in its annexes is, to the best of my knowledge, accurate and complete.*

*Brussels, 31 March 2022*

*(e-signed)*

*Bernadette FREDERICK*

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(1) C(2017)2373 of 19.04.2017.

## ANNEX 2: Performance tables

<b>General objective 4:</b> A stronger Europe in the World			
<b>Impact indicator 1:</b> EU share of global humanitarian aid			
<b>Source of the data:</b> UN FTS (Financial Tracking System)			
Baseline (2018)	Interim Milestone (2022)	Target (2024)	Latest known results <sup>2</sup> (2021)
EU share: 12%	EU share: increase	EU share: increase	11%
EU and Member States Share: 41%	EU and Member States Share: increase	EU and Member States Share: increase	33%
<b>Impact indicator 2:</b> Geographical coverage of EU humanitarian aid			
<b>Source of the data:</b> UN FTS (Financial Tracking System)			
Baseline (2018)	Interim Milestone (2022)	Target (2024)	Latest known results (2021)
		The EU aims to confirm the EU role as a main, influential humanitarian actor, promoting a principled response, therefore it aims to increase the percentage of countries with EU supported operations to 100%.	
96%	100%	100%	98%

<sup>2</sup> DG ECHO did not meet targets this year due to the convergence of two main factors: On the one side, other global donors have sensibly increased their contributions in humanitarian aid, especially the US (while the global funding in humanitarian aid increased of 7% the funding from the US increased 46% between 2018 and 2020). Furthermore, fluctuations between EUR and the USD also influenced this data as data from UNFTS are calculated in USD.

**Specific objective 4.1:** The EU remains a lead humanitarian donor by providing an adequate and effective humanitarian assistance to populations affected by humanitarian crises

*Related to spending programme: HUMA*

**Result indicator:** Percentage of humanitarian aid projects that integrate gender and age considerations

**Source of the data:** DG ECHO Gender-Age Marker as presented in DG ECHO's projects database (HOPE), based on the final mark provided by the desk officer at final report stage

Baseline (2020- 2017 projects)	Interim Milestone (2022 - 2019 projects)	Target (2024)	Latest known results (2020)
89%	90%	95%	89%

**Result indicator:** Percentage of humanitarian aid initial budget allocated to Education in Emergencies

**Source of the data:** Share of the EU humanitarian aid initial budget allocated to Education in Emergencies projects

Baseline (2020)	Interim Milestone (2022)	Target (2024)  DG ECHO will continue its Education in Emergencies (EiE) actions across the world, and at the same indicative target rate as in 2020, dedicating 10% of EU humanitarian aid to EiE.	Latest known results (2021)
10%	10%	10%	10%

## Main outputs in 2021:

### Public consultations

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Commission presents proposal for a vision on EU Humanitarian Aid policy in the new global geopolitical and humanitarian context	Communication on EU Humanitarian Aid	Adoption in 2021	Adopted
Commission presents proposal for a vision on a strategic approach to support disarmament, demobilisation and reintegration of ex-combatants	Joint Communication on a strategic approach to support disarmament, demobilisation and reintegration of ex-combatants	Adoption in 2021	Adopted 21 December 2021
Commission presents proposal for a vision on the rights of the child	Contribution new EU strategy on the rights of the child	Adoption in 2021	Adopted 24 March 2021.

### External communication actions

Output/Result	Indicator	Target	Latest known results (situation on 31/12/2021)
EU citizens are aware of EU Humanitarian Aid in general, and of specific priority themes (e.g. climate induced displacement, global COVID-19 response, etc.) in particular (indicators and targets apply to all Specific objectives under General objective 4	<ul style="list-style-type: none"> <li>- number of participating journalists in field trips on humanitarian aid</li> <li>- number of people reached by integrated awareness campaigns on humanitarian aid</li> <li>- number of page views on the ECHO website</li> <li>- number of impressions on social media channels</li> <li>- number of interactions on social media channels</li> <li>- number of video views</li> </ul>	<ul style="list-style-type: none"> <li>- 30</li> <li>- 15 million</li> <li>- 1.5 million (total)</li> <li>- 400 million (total)</li> <li>- 300,000 (total)</li> <li>- 90 million (total)</li> </ul>	<ul style="list-style-type: none"> <li>- 14 (travel possibilities heavily impacted by the pandemic)</li> <li>- 42 million (not deduplicated) (excl. reach EU-funded campaigns by partners)</li> <li>- nearly 900 000 visits with approx. 1.4 million page views</li> <li>- 463 million</li> <li>- 1.4 million</li> <li>- 19.5 million + 45 million via campaigning</li> </ul>

### Other important outputs

Output	Indicator (2020)	Target	Latest known results (situation on 31/12/2021)
Number of children reached with EU Education in Emergencies assistance	1.86 million	> 1.86 million	2.3 million children reached in 2021

<b>Output</b>	<b>Indicator (2020)</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Number of humanitarian projects per sector	Multi-purpose cash transfer: 53 Protection: 336 Food Security and Livelihood: 167 Health: 350 Education in Emergencies:129 Shelter and Settlements:73 Nutrition: 116 WASH: 178 Disaster risk reduction/ preparedness: 265 Coordination:134 Support Operations: 88 Mine actions: 6	n/a	Multi-purpose cash transfer: 61 Protection: 269 Food Security and Livelihood:103 Health: 240 Education in Emergencies: 102 Shelter and Settlements: 78 Nutrition: 91 WASH: 130 Disaster risk reduction / disaster preparedness:195 Coordination: 88 Support Operations: 49 Mine actions: 13
Number of interventions of ECHO funded humanitarian aid operations	177 million	> 177 million	590.51 million <sup>3</sup>

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<sup>3</sup> This figure relates to the total number of humanitarian interventions that took place during the year 2021. The figure increased drastically if compared to 2020 results (an increase of 372.544 million of interventions) due to the wide response to the COVID-19 Pandemic through actions such as the provision of vaccines to people in need of humanitarian aid. In 2021 DG ECHO conducted over 400 million interventions related to COVID-19 targeting through various interventions same beneficiaries (I.e. by providing various doses of vaccines to the same beneficiary). According to a new methodology that is being developed by DG ECHO and that will be adopted throughout the year, this number of interventions reached over 126 million beneficiaries. The number of beneficiaries cannot be compared with the baseline value as their methodologies do not extrapolate.

**Specific objective 4.2:** Humanitarian space is preserved and respect for International Humanitarian Law is ensured

*Related to spending programme: HUMA*

**Result indicator:** Percentage of projects that can be monitored on-site<sup>4</sup>

**Source of the data:** DG ECHO's projects database (HOPE)

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2021)
90%	Increase	Increase	92%

**Result indicator:** Number of EU-funded humanitarian projects with an International Humanitarian Law component

**Source of the data:** DG ECHO projects database (HOPE) with an IHL component

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2021)
25	Increase	Increase	36

### Main outputs in 2021:

#### Other important outputs

Output	Indicator (2020)	Target	Latest known results (situation on 31/12/2021)
Number of EU statements, Council conclusions, including humanitarian elements	23	25	53 <sup>5</sup>

<sup>4</sup> This concerns monitoring in the field by DG ECHO staff. In cases where such monitoring cannot take place due to access/security problems, other available monitoring measures are applied to provide the best possible assurance that funded actions are implemented as planned. In 2021, the monitoring of actions in the field has been impacted by COVID-19 travel and accessibility restrictions. Nonetheless, DG ECHO has ensured alternative ways of remote monitoring via desk reviews and continuous contact with partners for those actions that could not be field visited due to these reasons.

<sup>5</sup> The figure based on data from the EEAS for the IHL report and from own research. Statements that mentioned IHL and lacking (strictly speaking) from humanitarian elements, such as statements on the Chemical Weapons Convention, Crimea, building of new settlements in OPT, genocide were not taken into account. This figure comprise the following statements: 9 statements from the High Representative of the Union for Foreign Affairs and Security Policy (HR/VP), 13 statements from the High Representative's Spokeperson, 21 statements from Commissioner Lenarčič (alone or jointly with the High Representative) and 10 Council Conclusions. On top of these statements and conclusions 75 tweets including humanitarian elements were published by Commissioner Lenarčič.



**Specific objective 4.3:** The EU remains a global humanitarian donor by providing an adequate and effective humanitarian assistance in countries affected by humanitarian crises

*Related to spending programme: HUMA*

**Result indicator:** Percentage of humanitarian aid funding targeting actions in forgotten crises

**Source of the data:** DG ECHO's projects database (HOPE)

<b>Baseline (2019)</b>	<b>Interim Milestone (2022)</b>	<b>Target (2024)</b> <b>The target is defined by the Political commitment- that more than 15% of the initial planned budget will be allocated to forgotten crises</b>	<b>Latest known results (2021)</b>
15.77%	> 15%	> 15%	30%

## Main outputs in 2021:

### Other important outputs

Output	Indicator (2020)	Target	Latest known results (situation on 31/12/2021)
Funding per crisis (breakdown as per final budget allocations)	West Africa (89 700 000) Central Africa (117 200 000) Sudan and South Sudan (152 000 000) Horn of Africa (105 500 000) Southern Africa, Indian Ocean (64 700 000) DRC and Great Lakes Region (46 500 000) North Africa (23 000 000) Iraq (35 000 000) Arabian Peninsula (114 000 000) Middle East (312 721 000) Turkey (531 700 000) Ukraine, Western Balkans and Caucasus (27 500 000) South West Asia (130 025 616) South & East Asia and Pacific (66 510 000)	n/a	West Africa (EUR 121 532 000) Central Africa (EUR 130 500 000) Sudan and South Sudan (EUR 173 635 589) Horn of Africa (EUR 170 244 910) Southern Africa, Indian Ocean (EUR 44 500 000) DRC and Great Lakes Region (EUR 72 500 000) North Africa (EUR 20 000 000) Iraq (EUR 28 500 000) Arabian Peninsula (EUR 134 800 000) Middle East (EUR 247 1440 000) Turkey (EUR 300 000 000) Ukraine, Western Balkans and Caucasus (EUR 46 900 000) South West Asia (EUR 250 535 655) South & East Asia and Pacific (EUR 79 000 000) Latin America and Caribbean (EUR 144 000 000)
Number of countries in which ECHO funded humanitarian aid operations	76	n/a	82

**Specific objective 4.4** Adequate and effective civil protection response and preparedness is provided to people in need

*Related to spending programme(s): UCPM*

**Result indicator:** Percentage of activations outside the EU that resulted in coordination and support activities of the Union Civil Protection Mechanism

**Source of the data:** Common Emergency Communication and Information System (CECIS) – DG ECHO

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2021)
80%	> 80%	The response capacities of MS available for international deployments will be further expanded and the ERCC and its coordination role will further improve. > 80%	86%

**Main outputs in 2021:****Other important outputs**

<b>Output</b>	<b>Indicator (2020)</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Coverage of requests for assistance from third countries and fulfilment of needs during crises Number of Requests for Assistance of third countries that receive a positive response under the UCPM	67 out of 78 requests received a positive response under UCPM	All request receive a positive response	86%
Increased disaster preparedness in partner countries outside the EU Number of projects financed for preparedness outside the EU	4 projects financed	2 projects financed	5
Number of projects financed for prevention outside the EU	0	1	1
The UCPM (ERCC and MS/PS) receives scientific and technical advice for operations and operational preparedness	4 JRC reports	4 JRC reports	14 JRC reports
The UCPM Lessons Learnt programme provides evidence for improving and advancing in all emergency management cycle phases (prevention, preparedness and response)	1. Annual lessons learnt document 2. Follow-up activities regarding the implementation of lessons	1. One annual lessons learnt document and one presentation before the Civil Protection Committee <sup>6</sup> 2. One follow-up overview as an annex to the annual report	4 UCPM Lessons Learnt meetings (including minutes of the meeting and report on the lessons learnt exercise)  5 Thematic reports: 2 external: PRES on Business Continuity (April 2021) and COVID Lessons learnt (November 2020). 3 Internal: ESI funding (February 2021), Neamwave exercise (March 2021), India COVID activation (May 2021).

6 Chaired by the Commission, the Civil Protection Committee supports the implementation of civil protection legislation by giving opinions on implementing acts proposed by the Commission. It brings together all Member States and Participating States to the UCPM.

**General objective 1:** A European Green Deal**Impact indicator:** Climate-related economic losses**Source of the data:** Eurostat (Eurostat online code: sdg\_13\_40)

<b>Baseline (2017)</b>	<b>Interim Milestone (2022)</b>	<b>Target (2025)</b>	<b>Latest known results (2019)</b>
Total losses: EUR 12 052 million Total losses as a percentage of GDP: Tbd <sup>7</sup>	Decrease	Decrease	13 006

**Specific objective 1.1:** People and communities at risk or disasters are resilient and prepared*Related to spending programmes: HUMA and UCPM***Result indicator:** Percentage of humanitarian assistance grants including elements of disaster preparedness, resilience and disaster risk reduction**Source of the data:** DG ECHO projects database (HOPE)

<b>Baseline (2020)</b>	<b>Interim Milestone (2022)</b>	<b>Target (2024)</b>	<b>Latest known results (2021)</b>
		There is a political commitment to mainstream preparedness and disaster resilience overall in EU humanitarian programmes. The aim is to go beyond the baseline and reach 75%.	
58%	65%	75%	49% <sup>8</sup>

<sup>7</sup> Data expressed as a percentage of GDP will be presented in DG CLIMA's Annual Activity Report

<sup>8</sup> While the baseline of 58% was set in 2020, it was calculated according to 2019 results. As a consequence of Covid-19, projects to address needs from the pandemic increased importantly in 2020, reducing drastically the proportion between DP and humanitarian response projects if compared to 2019 (the level of this indicator at the closure of 2020 amounts to 46%) Progress in 2021 was positive in comparison to final figures for 2020 despite the general resulting from the pandemic.

**Result indicator:** Number of countries participating in UCPM that have adopted and implemented national disaster risk reduction strategies

**Source of the data:** UN Office for Disaster Risk Reduction<sup>9</sup>

<b>Baseline (2020)</b>	<b>Interim Milestone (2022)</b>	<b>Target (2024)</b>	<b>Latest known results (2021)</b>
17	25	33 The target refers to 27 MS and 6 Participating States of the UCPM	2 <sup>10</sup>

**Result indicator:** Number of scientific and technical assessments and advice provided to the ERCC support of UCPM operations

**Source of the data:** European Commission, Member States, Participating States, European scientific partnerships (e.g. the European Natural Hazard Scientific Partnership ENHSP)

<b>Baseline (2020)</b>	<b>Interim Milestone (2022)</b>	<b>Target (2024)</b>	<b>Latest known results (2021)</b>
100+ monitoring reports from ENHSP 2+ season reports from JRC 20+ scientific maps	> than baseline	> than baseline The scientific support to the ERCC will be enhanced and complemented with more comprehensive scientific partnerships, in-house expertise and GIS capabilities	In 2021, 33 emergency reports  150 monitoring reports (including JRC reports) 52 Analytical Briefs (43 on COVID-19, 2 man made disasters and 7 natural disaster) 673 situational maps(including scientific maps)

<sup>9</sup> (<https://sendaimonitor.unisdr.org/>)

<sup>10</sup> As the main source of information, the Sendai Framework Monitor does not provide information on how many countries have developed DRR strategies but rather allows each country to assess the status of existing wider DRR frameworks. Moreover, only the countries validating the completeness of their assessments make their data publicly available through the Monitor. Therefore, the limited number of countries reporting to the Sendai Framework Monitor does not reflect the number of UCPM Member and Participating States that have in place relevant disaster risk reduction strategies. DG ECHO is working with UCPM Member and Participating States on the reporting of their national disaster risk reduction strategies.

**Result indicator:** Areas where there is an EU contribution to increase countries response capacity to given events

**Source of the data:** Common Emergency Communication and Information System (CECIS) – DG ECHO

<b>Baseline (2020)</b>	<b>Interim Milestone (2022)</b>	<b>Target (2024)</b>	<b>Latest known results (2021)</b>
	RescEU capacities available in CECIS will be extended to CBRN decontamination capacities and Medevac for highly-infectious disease patients.	RescEU will encompass new and more assets compared to previous years (in the areas of aerial forest fire fighting means, medical evacuation, medical capacities, stockpiles of critical items, CBRN capacities, and transport and logistics)	
2	4	6	2

#### Other important outputs

<b>Output</b>	<b>Indicator (2020)</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
A summary of risk assessments and assessment of risk management capability are made available by Member States and Participating States <sup>11</sup> to the European Commission	27 Member States and Participating States submit the summary of risk assessment, and assessment of risk management capability	33 Member States and Participating States submit the summary of risk assessment, and assessment of risk management capability	29 <sup>12</sup>

<sup>11</sup> 27 EU Member States and 6 Participating States of the UCPM.

<sup>12</sup> Despite UCPM Member and Participating States' reporting obligations on risk assessment, a few reports are missing in almost every reporting cycle. DG ECHO is working closely with UCPM Member and Participating States to support their efforts in improving the quality and frequency of reporting.

**Specific objective 1.2:** The environmental impact of humanitarian aid operations is reduced

*Related to spending programme: HUMA*

**Result indicator:** Percentage of humanitarian aid projects that incorporate environmental considerations.

**Source of the data:** DG ECHO Resilience Marker and, DG ECHO projects database (HOPE)

<b>Baseline (2020)</b>	<b>Interim Milestone (2022)</b>	<b>Target (2024)</b>	<b>Latest known results (2021)</b>
		Establishing an ambitious position on reducing the environmental impact of DG ECHO's humanitarian aid operations is a key contribution to the European Green Deal therefore, it aims to integrate environmental considerations in DG ECHO's humanitarian aid operations to 100%	
New indicator	50%	100%	17.5% <sup>13</sup>

**Result indicator:** Percentage of humanitarian aid projects contributing indirectly to objectives of the Green Deal.

**Source of the data:** ABAC

<b>Baseline (2020)</b>	<b>Interim Milestone (2022)</b>	<b>Target (2024)</b>	<b>Latest known results (2021)</b>
		Establishing an ambitious position on reducing the environmental impact of DG ECHO's humanitarian aid operations is a key contribution to the European Green Deal; therefore, it aims to improve on previous results	
40%	increase	Increase	89% <sup>14</sup>

**Main outputs in 2021:**

**Other important outputs**

<sup>13</sup> . DG ECHO started recently the process of reporting on environmental consideration in projects. In 2021 DG ECHO did not yet have the tools in place to adequately support partners in incorporating environmental considerations in projects, which is not a mandatory process for partners. As the process will be settling progressively, we expect an exponential improvement of this indicator in the upcoming years.

<sup>14</sup> This figure takes into account the committed budget amounts for humanitarian aid projects with a climate marker of 40% or 100% out of the total budget committed for humanitarian aid in 2021

Output	Indicator (2020)	Target	Latest known results (situation on 31/12/2021)
Number of humanitarian aid projects that incorporate environmental considerations	New indicator	200	49 <sup>15</sup>

**General objective 5:** Promoting our European way of life

**Specific objective 5.1:** The needs of people in times of crises are met

*Related to spending programme: UCPM*

**Result indicator:** Response time of the Union Civil Protection Mechanism to a request of assistance

**Source of the data :** Common Emergency Communication and Information System (CECIS) database

Baseline <sup>16</sup> (2020)	Interim Milestone (2022)	Target (2024)	Latest known results (2021)
3 hours for inside Europe response 10 hours for outside Europe response	3 hours for inside Europe response 10 hours for outside Europe response	The response time of the UCPM shall always be subject to improvement <sup>17</sup> .  3 hours for inside Europe response 10 hours for outside Europe response	8 hours for Inside Europe 68 hours for Outside Europe <sup>18</sup>

**Result indicator:** Adequacy of response of the Union Civil Protection Mechanism

**Source of the data:** [same source of data as in the SP]

<sup>15</sup> DG ECHO started recently the process of reporting on environmental consideration in projects. In 2021 DG ECHO did not yet have the tools in place to adequately support partners in incorporating environmental considerations in projects, which is not a mandatory process for partners. As the process will be settling progressively, we expect an exponential improvement of this indicator in the upcoming years.

<sup>16</sup> It is important to note last year performance against the baseline (182 hours for inside Europe response and 613 hours for outside response) to assess the improvement in response time in 2021.

<sup>17</sup> DG ECHO has a role in improving its internal procedures to increase the rapidity of activities that lie in our exclusive areas of influence, but here also DG ECHO cooperates very closely on a 24/7 basis with MS and since the UCPM response does always build on what Member States can make available in times of crises a precise target is difficult to incorporate in a methodology. In addition, the target is also influenced by a mixture of the MFF and policy changes. It should be noted, though, that quantitative response indicators will always be partly influenced by the number, severity and nature of future disasters for which the UCPM is activated and which are unpredictable.

<sup>18</sup> While still hampered by a wide number of requests, in 2021, the response time related to non-COVID-19 activations improved in comparison to 2020. For assistance between Member States, the average response time decreased from 182 hours to just 8 hours, and for activations outside Europe from 613 hours to 68. While the response time is still higher than the target, progress is being made. This improvement was made possible through lessons-learned exercises that took place from 2020, and especially through thematic meetings held between the commission and Member/Participating States. Nevertheless to further improve the UCPM's response to large-scale emergencies, DG ECHO continues to work on inter alia strategic autonomy in building capacities under the rescEU reserve among other measures.



<b>Baseline (2020)</b>	<b>Interim Milestone (2022)</b>	<b>Target (2024)</b> In a similar logic, the adequacy of response is linked to the cooperation with Member States and the use of the UCPM in the most efficient and appropriate way possible- the target is to improve on previous results.	<b>Latest known results (2021)</b>
66% for inside Europe Activations 86% for outside Europe activations	75% for inside Europe Activations > 86% for outside Europe activations	90% for inside Europe Activations > 86% for outside Europe activations	100% for inside Europe Activation (36 out of 36) 86% for outside Europe activations (67 out of 78)

## Main outputs in 2021:

### External communication actions

Output/Result	Indicator	Target	Latest known results (situation on 31/12/2021)
EU citizens are aware of EU Civil Protection in general, and of rescEU, ESI and the EU response to COVID-19 in particular (it applies also to Specific Objective 5.1)	<ul style="list-style-type: none"> <li>- number of participating journalists in field trips or virtual events on civil protection</li> <li>- number of people reached by integrated awareness campaigns on civil protection</li> <li>- number of page views on the ECHO website</li> <li>- number of impressions on social media channels</li> <li>- number of interactions on social media channels</li> <li>- number of video views</li> </ul>	<ul style="list-style-type: none"> <li>- 10</li> <li>- 10 million</li> <li>- 1.5 million (total)</li> <li>- 400 million (total)</li> <li>- 300,000 (total)</li> <li>- 90 million (total)</li> </ul>	<ul style="list-style-type: none"> <li>- 0 (no travel possible due to the pandemic)</li> <li>- 37.8 million (various channels, not deduplicated)</li> <li>- nearly 900 000 visits with approx. 1.4 million page views</li> <li>- 463 million</li> <li>- 1.4 million</li> <li>- 19.5 million + 45 million via campaigning</li> </ul>

### Other important outputs

Output	Indicator (2020)	Target	Latest known results (situation on 31/12/2021)
Number of projects financed for preparedness inside the EU	19	5	7
Number of projects financed for prevention inside the EU	3	5	5
Number of committed and certified capacities included in the European Civil Protection Pool (ECP)	60	> 60	66
Number of Requests for Assistance of Member States that receive a positive response under the UCPM	72 out of 101 requests received a positive response	All request receive a positive response	104 Out of 114 <sup>19</sup>

<sup>19</sup> In 2021 the number of requests for assistance under the UCPM increase to the record number of 114 activations. Despite the very large quantities of in-kind items requested in 2021, the UCPM facilitated the delivery of millions of personal protective equipment items, medical counter measures and vaccines, both to non-EU countries and to EU Member States and Participating States.

Level of awareness of Union citizens of the risk of their region	% of citizens aware of disaster risks in their region	higher % than indicator in 2020	64 <sup>20</sup>
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<sup>20</sup> No information available for 2021 as no Eurobarometer was launched.

## **ANNEX 3: Draft annual accounts and financial reports**

<b>Annex 3 Financial Reports - DG ECHO - Financial Year 2021</b>
<b>Table 1 : Commitments</b>
<b>Table 2 : Payments</b>
<b>Table 3 : Commitments to be settled</b>
<b>Table 4 : Balance Sheet</b>
<b>Table 5 : Statement of Financial Performance</b>
<b>Table 5 Bis: Off Balance Sheet</b>
<b>Table 6 : Average Payment Times</b>
<b>Table 7 : Income</b>
<b>Table 8 : Recovery of undue Payments</b>
<b>Table 9 : Ageing Balance of Recovery Orders</b>
<b>Table 10 : Waivers of Recovery Orders</b>
<b>Table 11 : Negotiated Procedures</b>
<b>Table 12 : Summary of Procedures</b>
<b>Table 13 : Building Contracts</b>
<b>Table 14 : Contracts declared Secret</b>
<b>Table 15 : FPA duration exceeds 4 years</b>

## Additional comments

*Comments in respect of tables 1 to 16:*

*Tables 1 to 16 have been prepared by the Budget Directorate General based on the data obtained from module SAP R/3 (database for the management of appropriations, expenditure and revenue at central level), a system to which DG ECHO only has limited access. Where possible, the figures have been cross-checked.*

*To be noted that the figures of the commitment and payment appropriations on administrative management (Chapter 20 02) only include the decentralised administrative expenditure managed exclusively by DG ECHO. The tables provided by the Budget Directorate General do not include the administrative expenditures related to the policy area Humanitarian Aid which are managed by the central Commission services (mainly expenditures for staff in active employment and buildings).*

*Finally, it is important to note that DG ECHO draws funds from four different financial sources: the general EU budget, the Next Generation EU budget (NGEU), the European Development Fund (EDF) and the External Assigned Revenues received from Member States.*

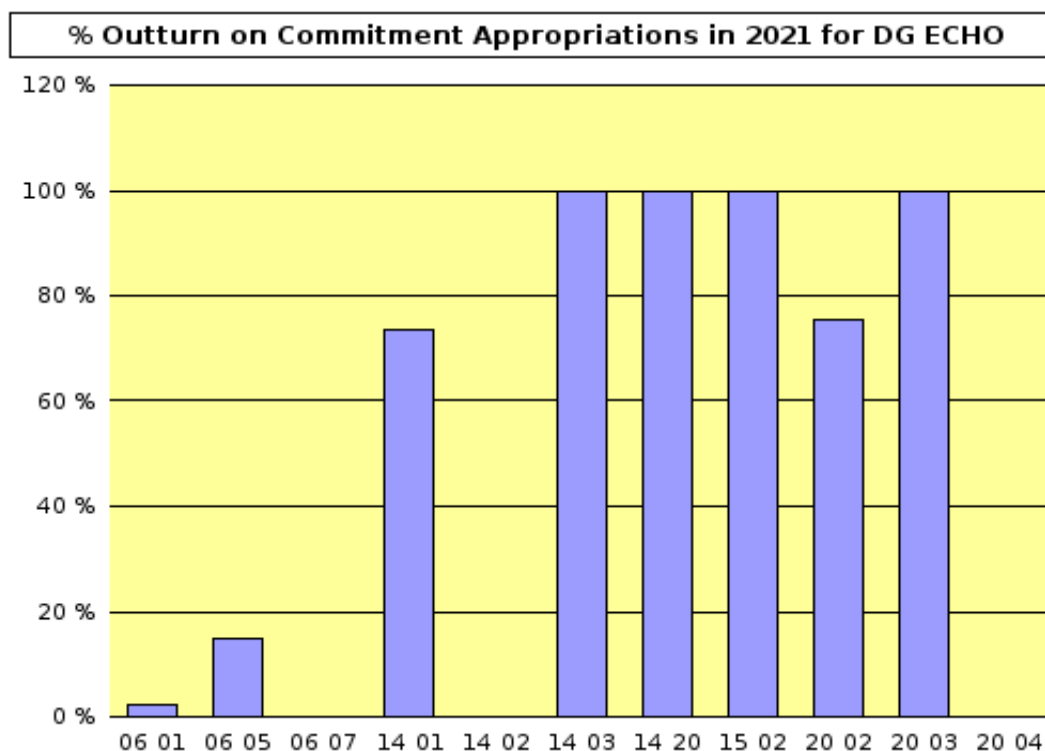
*The DG BUDG tables 1 and 2 on the following pages include only appropriations financed through the EU budget, the NGEU budget and the External Assigned Revenues (so without EDF funds).*

*Therefore, the table on the next page provides reconciled figures, providing totals for administrative, support and operational expenditures, with and without EDF resources, and clearly identifying the amount of NGEU budget.*

<b>TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2021 (in Mio €) for DG ECHO</b>					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
<b>Title 06 Recovery and Resilience</b>					
06	06 01	Support administrative expenditure of the 'Recovery and Resilience' cluster	0.10	0.00	0.00 %
	06 05	Union Civil Protection Mechanism (rescEU)	206.48	202.07	97.86 %
	06 07	Emergency support within the Union	0.00	0.00	0.00 %
<b>Total Title 06</b>			<b>206.58</b>	<b>202.07</b>	<b>97.81 %</b>
<b>Title 14 External Action</b>					
14	14 01	Support administrative expenditure of the 'External Action' cluster	9.44	6.96	73.66 %
	14 02	Neighbourhood, Development and International Cooperation Instrument (NDICI)	0.00	0.00	0.00 %
	14 03	Humanitarian Aid	2,191.83	2,183.63	99.63 %
	14 20	Pilot projects, preparatory actions, prerogatives and other actions	1.55	1.55	100.00 %
<b>Total Title 14</b>			<b>2,202.82</b>	<b>2,192.13</b>	<b>99.51 %</b>
<b>Title 15 Pre-accession Assistance</b>					
15	15 02	Instrument for Pre-accession Assistance (IPA III)	14.00	14.00	100.00 %
<b>Total Title 15</b>			<b>14.00</b>	<b>14.00</b>	<b>100.00 %</b>
<b>Title 20 Administrative expenditure of the European Commission</b>					
20	20 02	Other staff and expenditure relating to persons	0.18	0.14	75.58 %
	20 03	Administrative Operating expenditure	0.06	0.06	100.00 %
	20 04	Information and communication technology related expenditure	0.00	0.00	0.00 %
<b>Total Title 20</b>			<b>0.24</b>	<b>0.20</b>	<b>81.63 %</b>
<b>Total Excluding NGEU</b>			<b>2,423.64</b>	<b>2,408.39</b>	<b>99.37 %</b>

Title 06 Recovery and Resilience <sup>21</sup>					
06	06 01	Support administrative expenditure of the 'Recovery and Resilience' cluster	21.23 <sup>22</sup>	0.50	2.36 %
	06 05	Union Civil Protection Mechanism (rescEU)	2,034.92 <sup>23</sup>	128.23	6.30 %
<b>Total Title 06</b>			<b>2,056.14<sup>24</sup></b>	<b>128.73</b>	<b>6.26 %</b>
<b>Total NGEU Only</b>			<b>2,056.14</b>	<b>128.73</b>	<b>6.26 %</b>
<b>Total DG ECHO</b>			<b>4,479.79</b>	<b>2,537.12</b>	<b>56.63 %</b>

\* Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).



<sup>21</sup> This figures take into account NGEU funds for the years 2021, 2022 and 2023.

<sup>22</sup> For 2021 the allocation of Next Generation EU Funds was EUR 0.5 million.

<sup>23</sup> For 2021 the allocation of Next Generation EU Funds was EUR 678.6 million.

<sup>24</sup> For 2021 the allocation of Next Generation EU Funds was EUR 679.1 million .

<b>TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS in 2021 (in Mio €) for DG ECHO</b>					
			<b>Payment appropriations authorised *</b>	<b>Payments made</b>	<b>%</b>
			<b>1</b>	<b>2</b>	<b>3=2/1</b>
<b>Title 06 Recovery and Resilience</b>					
06	06 01	Support administrative expenditure of the 'Recovery and Resilience' cluster	0.10	0.00	0.00 %
	06 05	Union Civil Protection Mechanism (rescEU)	197.54	192.95	97.68 %
	06 07	Emergency support within the Union	172.25	96.34	55.93 %
<b>Total Title 06</b>			<b>369.89</b>	<b>289.29</b>	<b>78.21%</b>
<b>Title 14 External Action</b>					
14	14 01	Support administrative expenditure of the 'External Action' cluster	14.10	6.04	42.82 %
	14 02	Neighbourhood, Development and International Cooperation Instrument (NDICI)	0.00	0.00	0.00 %
	14 03	Humanitarian Aid	2,452.51	2,439.83	99.48 %
	14 20	Pilot projects, preparatory actions, prerogatives and other actions	0.00	0.00	0.00 %
<b>Total Title 14</b>			<b>2,466.62</b>	<b>2,445.87</b>	<b>99.16%</b>
<b>Title 15 Pre-accession Assistance</b>					
15	15 02	Instrument for Pre-accession Assistance (IPA III)	1.00	1.00	100.00 %
<b>Total Title 15</b>			<b>1.00</b>	<b>1.00</b>	<b>100.00%</b>
<b>Title 20 Administrative expenditure of the European Commission</b>					
20	20 02	Other staff and expenditure relating to persons	0.18	0.01	7.82 %
	20 03	Administrative Operating expenditure	0.06	0.04	60.44 %
	20 04	Information and communication technology related expenditure	0.08	0.08	99.87 %
<b>Total Title 20</b>			<b>0.32</b>	<b>0.13</b>	<b>40.17%</b>
<b>Total Excluding NGEU</b>			<b>2,837.83</b>	<b>2,736.29</b>	<b>96.42%</b>
<b>Title 06 Recovery and Resilience</b>					
06	06 01	Support administrative expenditure of the 'Recovery and Resilience' cluster	1.21	0.31	25.32 %
	06 05	Union Civil Protection Mechanism (rescEU)	3.74	1.30	34.89 %
<b>Total Title 06</b>			<b>4.94</b>	<b>1.61</b>	<b>32.56%</b>
<b>Total NGEU Only</b>			<b>4.94</b>	<b>1.61</b>	<b>32.56%</b>
<b>Total DG ECHO</b>			<b>2,842.77</b>	<b>2,737.90</b>	<b>96.31 %</b>

\* Payment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous payment appropriations for the period (e.g. internal and external assigned revenue).



**% Outturn on Payment Appropriations in 2021 for DG ECHO**

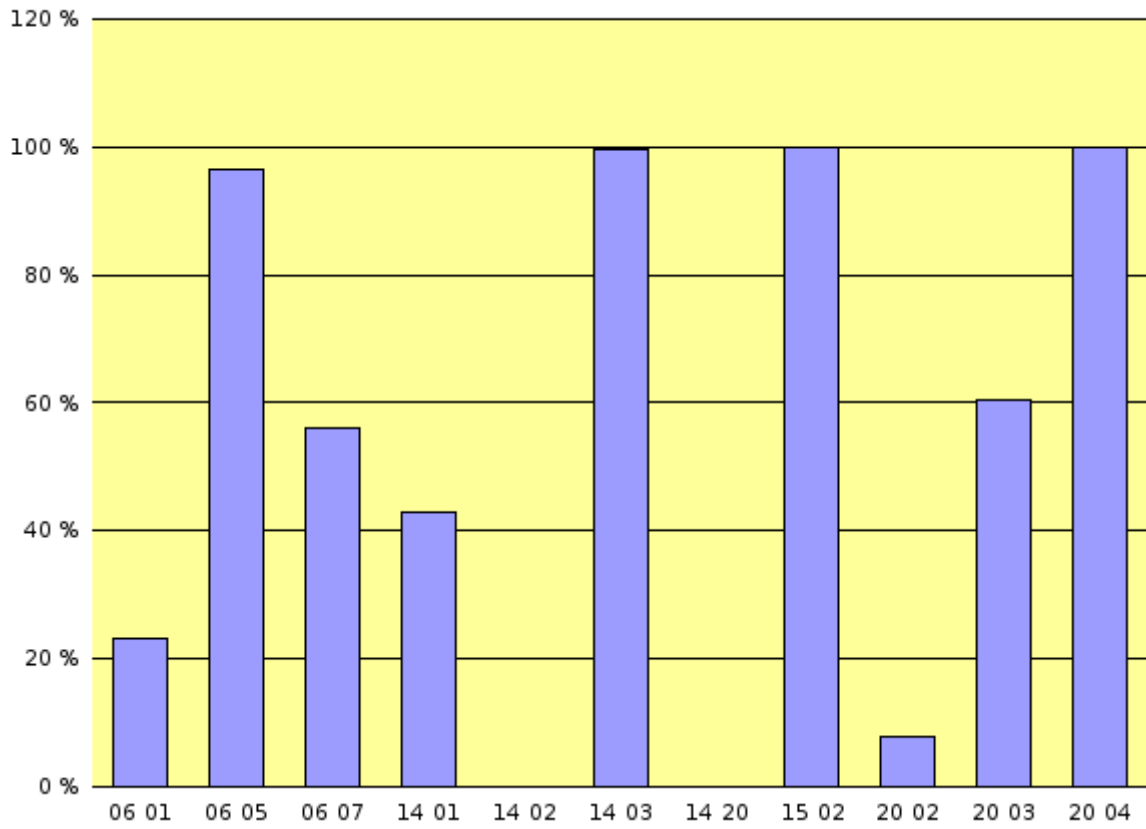


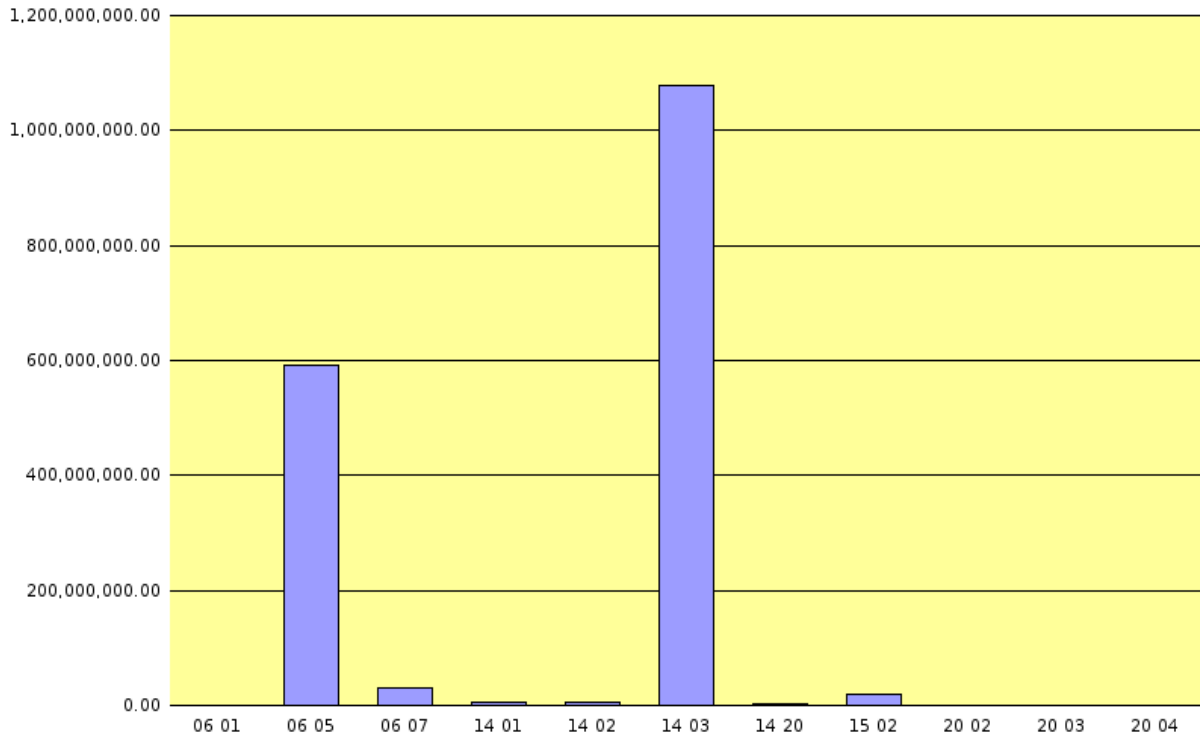
TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG ECHO									
			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
06	06 01	Support administrative expenditure of the 'Recovery and Resilience' cluster	0.00		0.00	0.00%	0.00	0.00	0.00
	06 05	Union Civil Protection Mechanism (rescEU)	202.07	44.02	158.04	78.21%	307.59	465.63	463.56
	06 07	Emergency support within the Union	0.00	0.00	0.00	0.00%	30.38	30.38	171.73
<b>Total Title 06</b>			<b>202.07</b>	<b>44.02</b>	<b>158.04</b>	<b>78.21%</b>	<b>337.97</b>	<b>496.01</b>	<b>635.29</b>
TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG ECHO									
			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
14	14 01	Support administrative expenditure of the 'External Action' cluster	6.96	1.34	5.61	80.69%	0.00	5.61	4.94
	14 02	Neighbourhood, Development and International Cooperation Instrument (NDICI)	0.00		0.00	0.00%	4.80	4.80	4.80
	14 03	Humanitarian Aid	2,183.63	1,386.52	797.11	36.50%	280.19	1,077.31	1,348.34
	14 20	Pilot projects, preparatory actions, prerogatives and other actions	1.55		1.55	100.00%	0.15	1.69	0.15
<b>Total Title 14</b>			<b>2,192.13</b>	<b>1,387.86</b>	<b>804.27</b>	<b>36.69%</b>	<b>285.14</b>	<b>1,089.41</b>	<b>1,358.23</b>
TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG ECHO									
			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
15	15 02	Instrument for Pre-accession Assistance (IPA III)	14.00	0.00	14.00	100.00%	4.59	18.59	6.60
<b>Total Title 15</b>			<b>14.00</b>	<b>0.00</b>	<b>14.00</b>	<b>100.00%</b>	<b>4.59</b>	<b>18.59</b>	<b>6.60</b>

TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG ECHO									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
20	20 02	Other staff and expenditure relating to persons	0.14	0.01	0.12	89.65%	0.00	0.12	0.00
	20 03	Administrative Operating expenditure	0.06	0.04	0.02	39.57%	0.00	0.02	0.00
	20 04	Information and communication technology related expenditure	0.00	0.00	0.00	0.00%	0.00	0.00	0.08
<b>Total Title 20</b>			<b>0.20</b>	<b>0.05</b>	<b>0.15</b>	<b>74.36%</b>	<b>0.00</b>	<b>0.15</b>	<b>0.08</b>
<b>Total Excluding NGEU</b>			<b>2,408.39</b>	<b>1,431.94</b>	<b>976.46</b>	<b>40.54%</b>	<b>627.71</b>	<b>1,604.16</b>	<b>2,000.19</b>

TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG ECHO									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
06	06 01	Support administrative expenditure of the 'Recovery and Resilience' cluster	0.50	0.31	0.19	38.98%	0.00	0.19	0.00
	06 05	Union Civil Protection Mechanism (rescEU)	128.23	1.30	126.93	98.98%	0.00	126.93	0.00
<b>Total Title 06</b>			<b>128.73</b>	<b>1.61</b>	<b>127.12</b>	<b>98.75%</b>	<b>0.00</b>	<b>127.12</b>	<b>0.00</b>
<b>Total NGEU Only</b>			<b>128.73</b>	<b>1.61</b>	<b>127.12</b>	<b>98.75%</b>	<b>0.00</b>	<b>127.12</b>	<b>0.00</b>

<b>Total for DG ECHO</b>	<b>2537.123399</b>	<b>1433.55</b>	<b>1,103.58</b>	<b>43.50 %</b>	<b>627.71</b>	<b>1,731.28</b>	<b>2,000.19</b>
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**Breakdown of Commitments Remaining to be Settled (in Mio EUR) in 2021 ECHO**



**TABLE 4: BALANCE SHEET for DG ECHO**

<b>BALANCE SHEET</b>	<b>2021</b>	<b>2020</b>
<b>A.I. NON CURRENT ASSETS</b>	<b>97876601.14</b>	<b>86689969.21</b>
A.I.5. Non-Current Pre-Financing	97,646,942.01	86,481,531.24
A.I.6. Non-Cur Exch Receiv & Non-Ex Recoverab	229,659.13	208,437.97
<b>A.II. CURRENT ASSETS</b>	<b>688958993</b>	<b>389065369.1</b>
A.II.2. Current Pre-Financing	676,611,349.48	377,779,029.80
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	4,874,523.97	3,766,699.70
A.II.6. Cash and Cash Equivalents	7,473,119.53	7,519,639.59
<b>ASSETS</b>	<b>786835594.1</b>	<b>475755338.3</b>
<b>P.II. CURRENT LIABILITIES</b>	<b>-329311937.4</b>	<b>-498890666.3</b>
P.II.2. Current Provisions	-200,000.00	0.00
P.II.3. Current Financial Liabilities	-2,163,586.51	-1,983,993.68
P.II.4. Current Payables	-102,603,816.70	-112,502,814.57
P.II.5. Current Accrued Charges & Defrd Income	-224,344,534.20	-384,403,858.03
<b>LIABILITIES</b>	<b>-329311937.4</b>	<b>-498890666.3</b>
<b>NET ASSETS (ASSETS less LIABILITIES)</b>	<b>457523656.7</b>	<b>-23,135,327.98</b>
P.III.2. Accumulated Surplus/Deficit	14,064,340,930.73	11631039927
Non-allocated central (surplus)/deficit*	-14,521,864,587.44	-11607904599
<b>TOTAL DG ECHO</b>	<b>0.00</b>	<b>0.00</b>

It should be noted that the balance sheet and statement of financial performance presented in Annex 3 to this Annual Activity Report, represent only the assets, liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and statement of financial performance they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

**TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE for DG ECHO**

<b>STATEMENT OF FINANCIAL PERFORMANCE</b>	<b>2021</b>	<b>2020</b>
II.1 REVENUES	-8833289.25	2965505.7
II.1.1. NON-EXCHANGE REVENUES	-11341205.33	-2447366.14
II.1.1.6. RECOVERY OF EXPENSES	-3,672,525.24	-123,385.09
II.1.1.8. OTHER NON-EXCHANGE REVENUES	-7,668,680.09	-2,323,981.05
II.1.2. EXCHANGE REVENUES	2507916.08	5412871.84
II.1.2.2. OTHER EXCHANGE REVENUE	2,507,916.08	5,412,871.84
II.2. EXPENSES	2265215912	2430335498
II.2. EXPENSES	2265215912	2430335498
II.2.10. OTHER EXPENSES	6,576,133.53	8,464,977.57
II.2.2. EXP IMPL BY COMMISS&EX.AGENC. (DM)	981,220,870.16	1,133,997,154.15
II.2.4. EXP IMPL BY 3RD CNTR & INT ORG (IM)	1,277,489,876.27	1,287,868,752.20
II.2.6. STAFF AND PENSION COSTS	-86,992.69	-25,742.74
II.2.8. FINANCE COSTS	16,024.52	30,357.27
<b>STATEMENT OF FINANCIAL PERFORMANCE</b>	<b>2,256,382,622.54</b>	<b>2,433,301,004.15</b>

It should be noted that the balance sheet and statement of financial performance presented in Annex 3 to this Annual Activity Report, represent only the assets, liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and statement of financial performance they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

**TABLE 5bis : OFF BALANCE SHEET for DG ECHO**

<b>OFF BALANCE</b>	<b>2021</b>	<b>2020</b>
OB.1. Contingent Assets	0	0
GR for pre-financing	0.00	0.00
OB.3. Other Significant Disclosures	-1404529849	-1516459883
OB.3.2. Comm against app. not yet consumed	-1,404,529,849.28	-1,516,459,883.49
OB.4. Balancing Accounts	1404529849	1516459883
OB.4. Balancing Accounts	1,404,529,849.28	1,516,459,883.49
<b>OFF BALANCE</b>	<b>0.00</b>	<b>0.00</b>

**TABLE 6: AVERAGE PAYMENT TIMES**

Legal Times									
Maximum Payment Time (Days)	Total Nbr of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)	Late Payments Amount	Percentage
30	1634	1499	91.74 %	12.353569	135	8.26 %	47.97037037	21596678.82	1. %
60	914	794	86.87 %	39.604534	120	13.13 %	75.825	45817165.24	9. %
90	90	71	78.89 %	48.816901	19	21.11 %	143.1578947	4120513.84	4. %

Total Number of Payments	2638	2364	89.61 %		274	10.39 %		71534357.9	3. %
Average Net Payment Time	27.18915845			22.601523			66.77007299		
Average Gross Payment Time	37.45602729			32.087563			83.77372263		

Suspensions							
Average Report Approval Suspension Days	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
0	41	654	24.79 %	2638	581,972,431.69	21.61 %	2,693,553,546.35

Late Interest paid in 2021			
DG	GL Account	Description	Amount (Eur)
ECHO	65010100	Interest on late payment of charges New FR	16 024.52
			<b>16 024.52</b>

NB: Table 6 only contains payments relevant for the time statistics. Please consult its exact scope in the AAR Annex3 BO User Guide ([https://myintracomm.ec.europa.eu/budgweb/EN/abac/dwh/Pages/its-030-10-20\\_documentation.aspx](https://myintracomm.ec.europa.eu/budgweb/EN/abac/dwh/Pages/its-030-10-20_documentation.aspx)).



TABLE 7 : SITUATION ON REVENUE AND INCOME in 2021 for DG ECHO								
Chapter		Revenue and income recognized			Revenue and income cashed from			Outstanding balance
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	
		1	2	3=1+2	4	5	6=4+5	
40	Revenue from investments and accounts	3,476.33		3,476.33	3,476.33		3,476.33	0.00
61	Cohesion, resilience and values	5,306,154.80	0.00	5,306,154.80	5,281,883.28	0.00	5,281,883.28	24,271.52
65	Neighbourhood and the world	8,005,576.51	0.00	8,005,576.51	6,918,052.22	0.00	6,918,052.22	1,087,524.29
66	Other contributions and refunds	4,397.17	0.00	4,397.17	4,397.17	0.00	4,397.17	0.00
67	Completion for outstanding recovery orders prior to 2021	80,134.73	1,487,033.09	1,567,167.82	80,134.73	1,181,675.86	1,261,810.59	305,357.23
<b>Total DG ECHO</b>		<b>13399739.54</b>	<b>1487033.09</b>	<b>14886772.63</b>	<b>12287943.73</b>	<b>1181675.86</b>	<b>13469619.59</b>	<b>1417153.04</b>

**TABLE 8 : RECOVERY OF PAYMENTS in 2021 for DG ECHO  
(Number of Recovery Contexts and corresponding Transaction Amount)**

INCOME BUDGET RECOVERY ORDERS ISSUED IN 2021	Irregularity		OLAF notified		Total undue payments recovered		Total transactions in recovery context(incl. non-qualified)		% Qualified/Total RC	
	Year of Origin (commitment)	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr
2012			1	133599.34	1	133599.34	1	133599.34	100.00%	100.00%
2013	2	37257.82	1	49905.87	3	87163.69	3	87163.69	100.00%	100.00%
2014	5	54842.66			5	54842.66	5	54842.66	100.00%	100.00%
2015	11	398279.62			11	398279.62	14	560877.03	78.57%	71.01%
2016	25	1394535.49			25	1394535.49	26	1409425.48	96.15%	98.94%
2017	21	269558.03			21	269558.03	25	494845.82	84.00%	54.47%
2018	8	97995.74			8	97995.74	10	234052.95	80.00%	41.87%
2019	3	36002.93			3	36002.93	8	98278.06	37.50%	36.63%
2020							3	819488.28		
2021							33	1462568.01		
Sub-Total	75	2288472.29	2	183505.21	77	2471977.5	128	5355141.32	60.16%	46.16%

EXPENSES BUDGET	Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context(incl. non-qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES							1	10,000.00		
NON ELIGIBLE IN COST CLAIMS	184	4726592.36	1	61424.42	185	4788016.78	218	10,688,236.11	84.86%	44.80%
CREDIT NOTES	1	34998.47			1	34998.47	27	926,788.96	3.70%	3.78%
Sub-Total	185	4761590.83	1	61424.42	186	4823015.25	246	11625025.07	75.61%	41.49%
<b>GRAND TOTAL</b>	260	7050063.12	3	244929.63	263	7294992.75	374	16980166.39	70.32%	42.96%

**TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 12/31/2021 for DG ECHO**

	Number at 1/1/2021 1	Number at 12/31/2021	Evolution	Open Amount (Eur) at 1/1/2021 1	Open Amount (Eur) at 12/31/2021	Evolution
2008	1	1	0.00 %	7,034.80	7,034.80	0.00 %
2009	2	2	0.00 %	189,140.33	189,140.33	0.00 %
2020	18	2	-88.89 %	1,290,857.96	109,182.10	-91.54 %
2021		14			1,113,221.24	
	<b>21</b>	<b>19</b>	<b>-9.52 %</b>	<b>1,487,033.09</b>	<b>1,418,578.47</b>	<b>-4.60 %</b>

**TABLE 10: Recovery Order Waivers >= 60 000 € in 2021 for DG ECHO**

	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
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<b>Total DG ECHO</b>	
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<b>Number of RO waivers</b>	
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There is 1 waiver below 60 000 € for a total amount of -63.2

**TABLE 11: Negotiated Procedures in 2021 for DG ECHO**

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
<b>Total</b>		

**TABLE 12: Summary of Procedures in 2021 for DG ECHO**

**Internal Procedures > € 60,000**

Procedure Legal base	Number of Procedures	Amount (€)
Negotiated procedure middle value contract (Annex 1 - 14.2)	2	266,830.00
Open procedure (FR 164 (1)(a))	6	31,086,057.17
<b>Total</b>	<b>8</b>	<b>31,352,887.17</b>

**TABLE 13: BUILDING CONTRACTS in 2021 for DG ECHO**

Legal Base	Procedure subject	Contract Number	Contractor Name	Contract Subject	Contracted Amount (€)

**TABLE 14: CONTRACTS DECLARED SECRET in 2021 for DG ECHO**

Legal Base	LC Date	Contract Number	Contract Subject	Contracted Amount (€)

**TABLE 15 : FPA duration exceeds 4 years - DG ECHO**

**TABLE 16 : Commitments co-delegation type 3 in 2021 for DG ECHO**

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**Annex 3 Financial Reports - for EDF - Financial Year 2021 for DG ECHO**

**Table 1: Commitments**

**Table 2: Payments**

**Table 3: Commitments to be settled**

**Table 4: Balance Sheet**

**Table 5: Statement of Financial Performance**

**Table 5 Bis: Off Balance Sheet**

**Table 6: Average Payment Times**

**Table 7: Income**

**Table 8: Recovery of undue Payments**

**Table 9: Ageing Balance of Recovery Orders**

**Table 10: Waivers of Recovery Orders**

**Table 11: Negotiated Procedures**

**Table 12: Summary of Procedures**

**Table 13: Building Contracts**

**Table 14: Contracts declared Secret**

**Table 15: FPA duration exceeds 4 years**

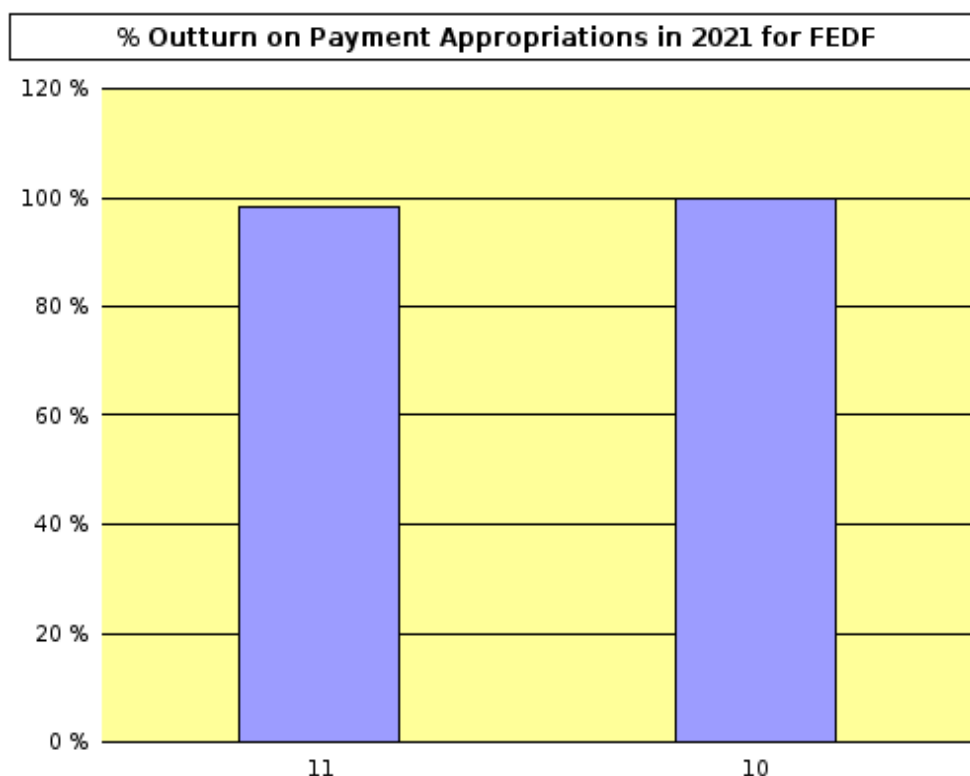
TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS until 2021 (in Mio €) for DG ECHO					
EDF N°	Cumulative Commitment appropriations authorised	Commitment appropriations authorised in the year	Cumulative Commitments made	Commitments made in 2021	%
	1		2		3=2/1
11	702.10	-1.80	699.75	-0.19	99.67 %
10	231.43		231.43	0.00	100.00 %
	<b>933.53</b>	<b>-1.80</b>	<b>931.18</b>	<b>-0.19</b>	<b>99.75 %</b>



TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS until 2021 (in Mio €) for DG ECHO							
EDF N°	Budget item		Cumulative Commitment appropriations authorised	Commitment appropriations authorised in the year	Cumulative Commitments made	Commitments made in 2021	%
			1		2		3=2/1
11	Cotonou	B Envelope	320.10	-1.80	320.10	-0.04	100.00 %
11	Cotonou	Regional allocations	382.00		379.65	-0.15	99.39 %
10	Cotonou	B Envelope	231.43		231.43	0.00	100.00 %
<b>Total</b>			<b>933.53</b>	<b>-1.80</b>	<b>931.18</b>	<b>-0.19</b>	<b>99.75 %</b>



<b>TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS until 2021 (in Mio €) for DG ECHO</b>					
EDF N°	Cumulative Payments appropriations authorised	Payment appropriations authorised in the year	Cumulative Payments made	Payments made in 2021	%
	1		2		3=2/1
11	702.10	-1.80	689.13	8.44	98.15 %
10	231.43		231.43		100.00 %
	<b>933.53</b>	<b>-1.80</b>	<b>920.56</b>	<b>8.44</b>	<b>98.61 %</b>



<b>TABLE 1: OUTTURN ON PAYMENT APPROPRIATIONS until 2021 (in Mio €) for DG ECHO</b>							
EDF N°	Agreement	Instrument	Cumulative Payments appropriations authorised	Payment appropriations authorised in the year	Cumulative Payments made	Payments made in 2021	%
			1		2		3=2/1
11	Cotonou	B Envelope	320.10	-1.80	313.64	4.36	97.98 %
11	Cotonou	Regional allocations	382.00		375.49	4.08	98.30 %
10	Cotonou	B Envelope	231.43		231.43		100.00 %
			<b>933.53</b>	<b>-1.80</b>	<b>920.56</b>	<b>8.44</b>	<b>98.61 %</b>

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG ECHO								
EDF N°	Commitments outstanding at the end of previous				Commitments of the current year			Total commitm. outstanding at the end of the year
	Commitm. carried forward from previous year	Decommitm./ Revaluations/ Cancellations	Payments	Commitm. outstanding at year-end	Commitm./ Decommitm./ Revaluations/ Cancellations	Payments	Commitm. outstanding at year-end	
	1	2	3	4=1+2-3	5	6	7=5-6	
11	19.25	-0.19	8.38	10.68		0.06	-0.06	10.62
10	0.00	0.00		0.00				0.00
	<b>19.25</b>	<b>-0.19</b>	<b>8.38</b>	<b>10.68</b>		<b>0.06</b>	<b>-0.06</b>	<b>10.62</b>

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €)								
EDF N°	Commitments	Contracted	Payments	% to be settled	to be settled at end 2021	to be settled at end 2020	RAL Evolution	
	1	2	3	4 = 3/1	5 = 1-3	6	5-6	(5-6)/5
11	699.75	699.54	689.13	98.48%	10.62	19.25	-8.63	-44.82%
10	231.43	231.43	231.43	100.00%	0.00	0.00	-0.00	-100.00%
	<b>931.18</b>	<b>930.97</b>	<b>920.56</b>	<b>98.86%</b>	<b>10.62</b>	<b>19.25</b>	<b>-8.63</b>	<b>55.18%</b>

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG ECHO										
EDF N°	Agreement	Instrument	Commitments	Contracted	Payments	% to be settled	to be settled at end 2021	to be settled at end 2020	RAL Evolution	
			1	2	3	4 = 3/1	5 = 1-3	6	5-6	(5-6)/5
11	Cotonou	B Envelope	320.10	319.94	313.64	97.98%	6.47	10.87	-4.40	-40.50%
11	Cotonou	Regional allocations	379.65	379.61	375.49	98.90%	4.16	8.39	-4.23	-50.41%
10	Cotonou	B Envelope	231.43	231.43	231.43	100.00%	0.00	0.00	0.00	456.52%
			<b>931.18</b>	<b>930.97</b>	<b>920.56</b>	<b>98.86%</b>	<b>10.62</b>	<b>19.25</b>	<b>-8.63</b>	<b>55.18%</b>

**TABLE 6: AVERAGE PAYMENT TIMES in 2021 for EDF DG ECHO**

<b>Legal Times</b>				
<b>Maximum Payment Time (Days)</b>	<b>Total Number of Payments</b>	<b>Nbr of Payments within Time Limit</b>	<b>Percentage</b>	<b>Average Payment Times (Days)</b>
30	3	3	100.00 %	8.00
60	14	14	100.00 %	50.14

<b>Total Number of Payments</b>	<b>17</b>	<b>17</b>	<b>100.00 %</b>	
<b>Average Net Payment Time</b>	<b>42.71</b>			<b>42.71</b>
<b>Average Gross Payment Time</b>	<b>87.06</b>			<b>87.06</b>

<b>Suspensions</b>							
<b>Average Report Approval Suspension Days</b>	<b>Average Payment Suspension Days</b>	<b>Number of Suspended Payments</b>	<b>% of Total Number</b>	<b>Total Number of Payments</b>	<b>Amount of Suspended Payments</b>	<b>% of Total Amount</b>	<b>Total Paid Amount</b>
0	58	13	76.47 %	17	6,478,455.80	72.89 %	8,887,556.60

**NB: Table 6 only contains payments relevant for the time statistics. Please consult its exact scope in the AAR Annex3 BO User Guide ( [https://myintracomm.ec.europa.eu/budgweb/EN/abac/dwh/Pages/its-030-10-20\\_documentation.aspx](https://myintracomm.ec.europa.eu/budgweb/EN/abac/dwh/Pages/its-030-10-20_documentation.aspx) ).**

**TABLE 7 : SITUATION ON REVENUE AND INCOME in 2021 for FEDF**

Revenue Type	RO created during 2021			RO created before 2021			Total		
	Issued	Cashed	Open amount	Open amount at the beginning of the year	Cashed	Open amount	Issued	Cashed	Open amount
	1	2	3 = 1 - 2	4	5	6 = 4 - 5	7 = 1 + 4	8 = 2+5	9 = 3 + 6
Extraordinary gains	9.43	0.43	9.00	15.18	0.11	15.06	24.61	0.54	24.07
Revenue Decreasing Consumption	33.33	23.29	10.04	70.94	23.57	47.37	104.27	46.85	57.42
Uncalled Capital - DE	709.36	709.36	0.00	185.22	0.00	185.22	894.58	709.36	185.22
Uncalled Capital - SI	8.31	8.31	0.00	2.02	0.00	2.02	10.33	8.31	2.02
Uncalled Capital - SP	280.48	280.48	0.00	71.39	0.00	71.39	351.87	280.48	71.39
Uncalled Capital - FIN	52.54	52.54	0.00	13.58	0.00	13.58	66.12	52.54	13.58
Uncalled Capital - LV	4.30	4.30	0.00	1.05	0.00	1.05	5.34	4.30	1.05
Uncalled Capital - CY	4.13	4.13	0.00	1.00	0.00	1.00	5.13	4.13	1.00
Interest on prefinancement	4.04	0.87	3.16	-0.00	0.00	0.00	4.04	0.87	3.16
Interest EIB				0.00		0.00	0.00		0.00
Uncalled Capital - PT	42.12	42.12	0.00	10.77	0.00	10.77	52.89	42.12	10.77
Uncalled Capital - NL	165.10	165.10	0.00	42.99	0.00	42.99	208.09	165.10	42.99
Uncalled Capital - SK	13.92	13.92	0.00	3.39	0.00	3.39	17.30	13.92	3.39
Contribution cofinancement - IT				0.00		0.00	0.00		0.00
Uncalled Capital - SE	102.66	102.66	0.00	26.45	0.00	26.45	129.11	102.66	26.45
Uncalled Capital - FR	604.88	604.88	0.00	160.31	0.00	160.31	765.19	604.88	160.31
Uncalled Capital - LU	8.79	8.79	0.00	2.30	0.00	2.30	11.09	8.79	2.30
COF-Payable-Canada				0.00		0.00	0.00		0.00
Uncalled Capital - BE	111.48	111.48	0.00	-868.79	0.00	868.79	757.31	111.48	868.79
Uncalled Capital - RO	26.57	26.57	0.00	6.46	0.00	6.46	33.03	26.57	6.46
Bank Interests to allocate				-2.49		-2.49	-2.49		-2.49
To allow regularisation of open items by DG DEVCO (Ares (2011) 754001	-0.37	0.00	-0.37	-2.45		-2.45	-2.82	0.00	-2.82
Uncalled Capital - BG	8.09	8.09	0.00	0.00	0.00	0.00	8.09	8.09	0.00
Uncalled Capital - AT	82.80	82.80	0.00	21.58	0.00	21.58	104.38	82.80	21.58
Virements à reputer				-0.41		-0.41	-0.41		-0.41
Uncalled Capital - DK	68.50	68.50	0.00	17.82	0.00	17.82	86.33	68.50	17.82
Uncalled Capital - IT	435.65	435.65	0.00	112.77	0.00	112.77	548.42	435.65	112.77
Uncalled Capital - EE	3.19	3.19	0.00	0.78	0.00	0.78	3.97	3.19	0.78
Uncalled Capital - LT	6.69	6.69	0.00	1.63	0.00	1.63	8.32	6.69	1.63
Uncalled Capital - IE	33.40	33.40	0.00	8.46	0.00	8.46	41.86	33.40	8.46
COF-Payable-LU				0.00		0.00	0.00		0.00
Uncalled Capital - PL	74.27	74.27	0.00	18.07	0.00	18.07	92.34	74.27	18.07
Bank interests Stabex to allocate				-0.76		-0.76	-0.76		-0.76
Uncalled Capital - MT	1.41	1.41	0.00	0.34	0.00	0.34	1.75	1.41	0.34
COF-Payable-SE	1.91	1.91	0.00	0.00	0.00	0.00	1.91	1.91	0.00
Default Interest on Claims	-0.50	-0.50	0.00	-4.09		-4.09	-4.59	-0.50	-4.09
Contribution cofinancement - FR				0.00		0.00	0.00		0.00

Contribution cofinancement - NL				0.00		0.00	0.00		0.00
Contribution cofinancement - SE				0.00		-0.00	0.00		-0.00
Uncalled Capital - HU	22.74	22.74	0.00	5.53	0.00	5.53	28.27	22.74	5.53
Interest on late payments Contribution				1.78		1.78	1.78		1.78
Uncalled Capital - GR	52.98	52.98	0.00	13.57	0.00	13.57	66.55	52.98	13.57
Interest Recovery				2.31		2.31	2.31		2.31
COF-Payable-FIN				0.00		0.00	0.00		0.00
COF-Payable-UK				0.00		0.00	0.00		0.00
Manual liaison account BG32/FEDF	1.51	1.51	0.00	0.00	0.00	0.00	1.51	1.51	0.00
Uncalled Capital - CZ	29.51	29.51	0.00	7.18	0.00	7.18	36.68	29.51	7.18
COF-Payable-DK				0.00	0.00	0.00	0.00	0.00	0.00
Uncalled Capital - UK	514.81	514.81	0.00	132.11	0.00	132.1	646.9	514.8	132.1
COF-Payable-BE				0.00	0.00	0.00	0.00	0.00	0.00
Contribution cofinancement - BE				0.00		0.00	0.00		0.00
COF-Payable-FR	5.00	5.00	0.00	0.00	0.00	0.00	5.00	5.00	0.00
Contribution cofinancement - ES				0.00		0.00	0.00		0.00
Bank Intere Secu Stabex				0.76		0.76	0.76		0.76
COF-Payable-CH				0.00		0.00	0.00		0.00
Losses on realisation of trade debtors				-0.20		-0.20	-0.20		-0.20
Uncalled Capital - Croatia	8.33	8.33	0.00	2.03	0.00	2.03	10.36	8.33	2.03
EU flight contributions from other EU bodies				0.00		0.00	0.00		0.00
COF-Payable-PT				0.00		0.00	0.00		0.00
Miscellaneous income				2.48		2.48	2.48		2.48
COF-Payable-NL				0.00		0.00	0.00		0.00
Bk Intere Spe Congo Fund				0.02		0.02	0.02		0.02
Bank Interest				2.49		2.49	2.49		2.49
COF-Payable-CZ				0.00		0.00	0.00		0.00
COF-Payable-DE	9.57	9.57	0.00	0.00	0.00	0.00	9.57	9.57	0.00
Bank interests Congo to allocate				-0.02		-0.02	-0.02		-0.02
Contribution cofinancement - DK				0.00		0.00	0.00		0.00
PF Not Migrated - Initial Upload				0.00		0.00	0.00		0.00
COF-Payable-AT				0.00		0.00	0.00		0.00
COF-Payable-IT				0.00		0.00	0.00		0.00
Recettes diverses à imputer				0.00		0.00	0.00		0.00
Contribution cofinancement - PL				0.00		0.00	0.00		0.00
COF-Payable-RO				0.00	0.00	0.00	0.00	0.00	0.00
Co-financing Contribution Payable ST-USAID				0.00		0.00	0.00		0.00
Différences constatées lors de l'encaissement d'OR	0.00	0.00	0.00	-0.00		-0.00	0.00	0.00	0.00
Current Account-DG BUDG-SWIFT				0.00		0.00	0.00		0.00
COF-Payable-Australia				0.00		0.00	0.00		0.00
Co-financing Contribution Payable ST-EIB				0.00		0.00	0.00		0.00
Contribution cofinancement - DE				0.00		0.00	0.00		0.00
EX Diff/Ajustement Realised (gains)	-8.23	0.00	-8.23				-8.23	0.00	-8.23
EX Diff/Ajustement Realised (losses)	5.06	0.00	5.06				5.06	0.00	5.06
<b>Total DG FEDF</b>	<b>3,537.75</b>	<b>3,519.08</b>	<b>18.68</b>	<b>85.53</b>	<b>23.68</b>	<b>61.85</b>	<b>3,623.29</b>	<b>3,542.76</b>	<b>80.53</b>

**TABLE 8 : RECOVERY OF PAYMENTS in for EDF for DG ECHO  
(Number of Recovery Contexts and corresponding Transaction Amount)**

Year of Origin (commitment)	Total undue payments recovered		Total transactions in recovery context(incl. non- qualified)		% Qualified/Total RC	
	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount
<b>Sub-Total</b>						

EXPENSES BUDGET	Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context(incl. non- qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES										
NON ELIGIBLE IN COST CLAIMS	1	0.27			1	0.27	1	0.27	100.00%	100.00%
CREDIT NOTES										
<b>Sub-Total</b>	<b>1</b>	<b>0.27</b>			<b>1</b>	<b>0.27</b>	<b>1</b>	<b>0.27</b>	<b>100.00%</b>	<b>100.00%</b>
<b>GRAND TOTAL</b>	<b>1</b>	<b>0.27</b>			<b>1</b>	<b>0.27</b>	<b>1</b>	<b>0.27</b>	<b>100.00%</b>	<b>100.00%</b>

**TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2021 for EDF for DG ECHO**

	Number at 01/01/202	Number at 31/12/2021	Evolution	Open Amount (Eur) at 01/01/202	Open Amount (Eur) at 31/12/2021	Evolution

**TABLE 10: Recovery Order Waivers >= 60 000 € in 2021 for EDF DG ECHO**

	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments

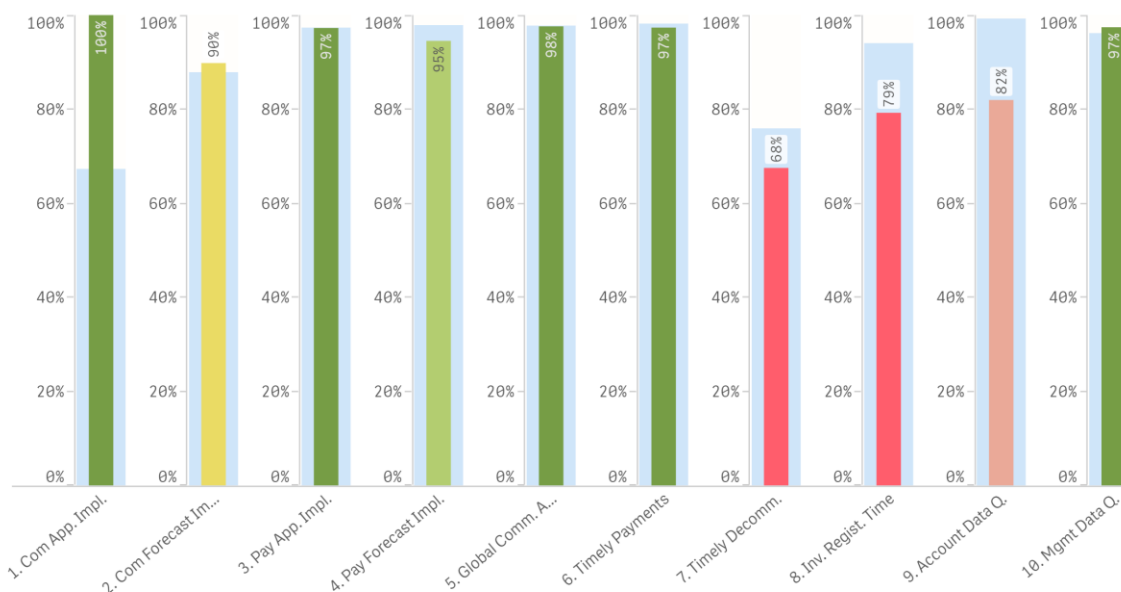
<b>Total DG ECHO</b>	
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<b>Number of RO waivers</b>	
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## ANNEX 4: Financial Scorecard

### DG ECHO Budget

#### ECHO Indicator Scores 2021



For each indicator the light blue bar denotes the EC Score.

Indicator	Objective	Comment	ECHO Score	EC Score
1. Commitment Appropriations Implementation	Ensure efficient use of commitment appropriations expiring at the end of Financial Year	n/a	100%	67%
2. Commitment Forecast Implementation	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year	n/a	90%	88%
3. Payment Appropriations Implementation	Ensure efficient use of payment appropriations expiring at the end of Financial Year	n/a	97%	97%
4. Payment Forecast Implementation	Ensure the cumulative alignment of the payment implementation with the payment forecast in a financial year	n/a	95%	98%
5. Global Commitment Absorption <sup>25</sup>	Ensure efficient use of already earmarked commitment	n/a	98%	98%

<sup>25</sup> Due to technical limitation, the indicator does not take into account the Com L1 Consumption between the FDC ILC date and the FA FDI allowed as an exception in the external actions for Com L1 of type GF, i.e. with Financing



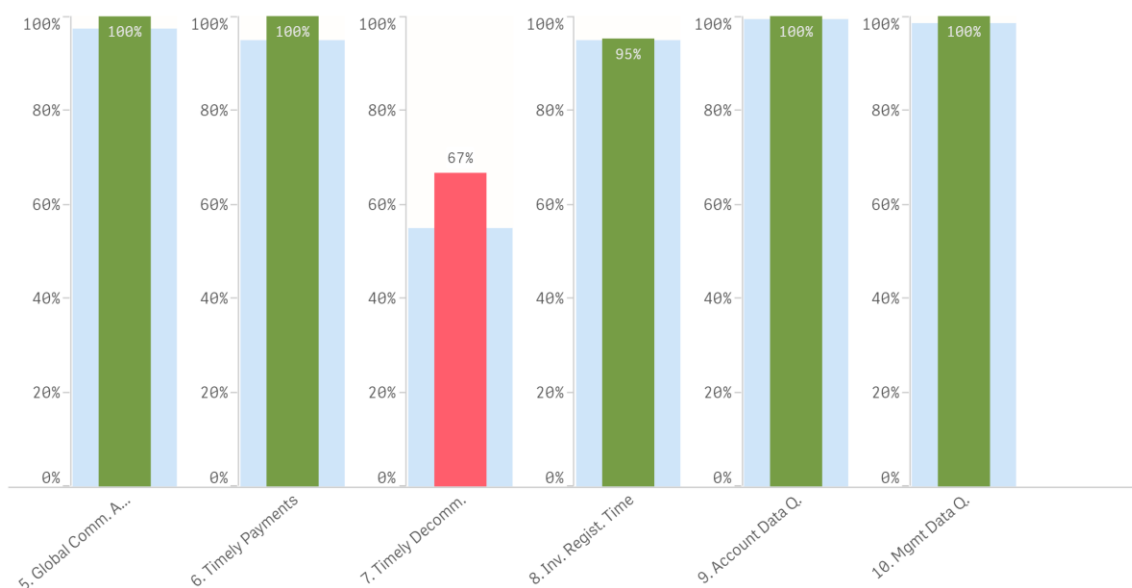
	appropriations (at L1 level)			
6. Timely Payments	Ensure efficient processing of payments within the legal deadlines	The result of 97% achieved by DG ECHO is an excellent result taking into consideration the significant increase in the overall volume of activity in 2021 as well as the complexity of DG ECHO projects	97%	98%
7. Timely Decommitments	Ensure efficient decommitment of outstanding RAL at the end of commitment life cycle	At the end of 2021, DG ECHO had identified 65 contracts with a positive RAL and a Final Date of Implementation (FDI) expired. Shortcomings in the handling of this type of file were identified. The standard accounting quality procedures already include the relevant checks, however, to improve the procedure, DG ECHO has foreseen more detailed instructions for staff on how to manage those files.	68%	76%
8. Invoice Registration Time	Monitor the accounting risk stemming from late registration of invoices in the central accounting system ABAC	The main reason for DG ECHO performance lower than the Commission level one was the increase in missions for Civil Protections experts in 2021. The deployment in Haiti (33 experts from August to October) was one of the largest deployments since the ERCC (Emergency Response and Coordination Centre) creation. This created an exceptional increase in the workload delayed the registration process of invoices. In addition, delays with invoices related to IT field equipment and services purchases also contributed to poorer performance than usual. Mitigating measures were already put in place in 2021 but the results will be visible only in 2022.	79%	94%
9. Accounting Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the accounts	In 2021, DG ECHO's poor score is explained by a missing link between the local IT system of DG ECHO (HOPE) developed to manage humanitarian aid projects and ABAC. This link should be developed between HOPE and ABAC in this regard as soon as resources allow.	82%	99%
10. Management Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the management decisions	n/a	97%	96%

Agreement, under the FR2018 Article 114.2. As a result, the actual Indicator score may be slightly higher than the one reported for DGs using the GF commitments.



## EDF Budget

ECHO Indicator Scores 2021



For each indicator the light blue bar denotes the EC Score.

Indicator	Objective	Comment <sup>26</sup>	ECHO Score	EC Score
1. Commitment Appropriations Implementation	Ensure efficient use of commitment appropriations expiring at the end of Financial Year	The indicator is not applicable for DG ECHO in YEAR due to the lack of underlying transactions recorded by DG ECHO in 2021.	–	–
2. Commitment Forecast Implementation	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year	The indicator is not applicable for DG ECHO in YEAR due to the lack of underlying transactions recorded by DG ECHO in 2021.	–	–
3. Payment Appropriations Implementation	Ensure efficient use of payment appropriations expiring at the end of Financial Year	The indicator is not applicable for DG ECHO in YEAR due to the lack of underlying transactions recorded by DG ECHO in 2021.	–	–
4. Payment Forecast Implementation	Ensure the cumulative alignment of the payment implementation with the payment forecast in a financial year	The indicator is not applicable for DG ECHO in YEAR due to the lack of underlying transactions recorded by DG ECHO in 2021.	–	–

<sup>26</sup> An explanation behind the indicator result can be provided, e.g. the comment about the achievement itself, reference to the whole Commission performance (better or worse), reasons behind this achievement. The comment is mandatory for the 'Timely payments' indicator. For the rest of indicators the comment is mandatory only if the score is equal or below the target of 80%.

5. Global Commitment Absorption <sup>27</sup>	Ensure efficient use of already earmarked commitment appropriations (at L1 level)	n/a	100%	97%
6. Timely Payments	Ensure efficient processing of payments within the legal deadlines	The result of 100% achieved by DG ECHO is an excellent result taking into consideration the significant increase in the overall volume of activity in 2021 as well as the complexity of DG ECHO projects.	100%	95%
7. Timely Decommitments	Ensure efficient decommitment of outstanding RAL at the end of commitment life cycle	At the end of 2021, DG ECHO had identified 65 contracts with a positive RAL and a Final Date of Implementation (FDI) expired. Shortcomings in the handling of this type of file were identified. The standard accounting quality procedures already include the relevant checks, however, to improve the procedure, DG ECHO has foreseen more detailed instructions for staff on how to manage those files.	67%	55%
8. Invoice Registration Time	Monitor the accounting risk stemming from late registration of invoices in the central accounting system ABAC	n/a	95%	95%
9. Accounting Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the accounts	n/a	100%	99%
10. Management Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the management decisions	n/a	100%	99%

27 Due to technical limitation, the indicator does not take into account the Com L1 Consumption between the FDC ILC date and the FA FDI allowed as an exception in the external actions for Com L1 of type GF, i.e. with Financing Agreement, under the FR2018 Article 114.2. As a result, the actual Indicator score may be slightly higher than the one reported for DGs using the GF commitments.

## **ANNEX 5: Materiality criteria**

To identify material deficiencies that need to be disclosed in the Declaration of Assurance by the Authorising Officer by Delegation (AOD), DG ECHO considered the following qualitative and quantitative criteria, assessing whether a deficiency is significant and should lead to reporting as a reservation.

### **Qualitative criteria for defining significant weaknesses**

To identify significant weaknesses that could have a negative impact on the statement of assurance related to the use of resources and the legality and regularity of operations provided by its AOD, DG ECHO considers any (i) significant errors, taking into account their frequency and occurrence, and (ii) significant internal control weaknesses that have been identified. Furthermore, any issues that could damage DG ECHO's reputation are also considered.

The identification of significant weaknesses of the Internal Control system is retrieved from various sources, such as the annual assessment of the functioning of the Internal Control Framework, the continuous assessment of the effectiveness of the internal control performed by DG ECHO's management, the conclusions from reports issued by various control bodies (ECA, IAS etc.) and the direct reporting to the Director-General by DG ECHO's staff.

DG ECHO also takes into account of all major issues that have been outlined by the various control bodies or situations where a significant reputational risk may occur.

### **Quantitative criteria for defining reservations**

To define the quantitative criteria, DG ECHO follows the proposed Commission standard, which is consistent with the European Court of Auditor's threshold for materiality, i.e. considers that a weakness is significant when the value of transactions affected represents more than 2% of the annual payments under a Relevant Control System (according to the calculations of the Residual Error Rate).

#### De minimis' threshold for financial reservations

Since 2019 <sup>(28)</sup>, a 'de minimis' threshold for financial reservations has been introduced. Quantified AAR reservations related to residual error rates above the 2% materiality threshold, are deemed not substantial for segments representing less than 5% of a DG's total payments and with a financial impact below EUR 5 million. In such cases, quantified reservations are no longer needed.

This is without prejudice of maintaining a reservation for its reputational reasons if applicable.

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(28) Agreement of the Corporate Management Board of 30/4/2019.

## ANNEX 6: Relevant Control System(s) for budget implementation (RCSs)

DG ECHO has two activities, i.e. Humanitarian Aid and Civil Protection. About 90% of the total budget is allocated to Humanitarian Aid, whose implementation is rather evenly distributed over Direct and Indirect Management, while changing somewhat from year to year. DG ECHO's Control Strategy is designed considering these circumstances, which results in the presence of **two Relevant Control Systems** (RCS) focusing on each of the two management modes. In view of the budget distribution between the activities, the control systems have been developed primarily for Humanitarian Aid, whereas Civil Protection uses a slightly adapted and simplified variant of the RCS for Direct Management, under which mode it is almost exclusively implemented. As for adaptation, e.g. no certification process (Stage 1) is needed for Civil Protection, as DG ECHO works under this activity with national and regional authorities and administrations of the Participating States, with whom the Commission has established long-term relationships of trust and recurrent programming.

### **Direct Management (DM)**

#### **DM Stage 1: Awarding of the Certificate to Partners (Humanitarian Aid)**

<b>Control objective 1: Ensuring conformity of DM applicants/partners with the criteria of the Humanitarian Aid Regulation (HAR)</b>			
<b>Risk addressed</b>	<b>Applicants for DM partnership do not comply with the suitability criteria for Community funding, as provided in the HAR</b>		
<b>Control task</b>	<b>Description</b>	<b>Timing/Stage</b>	<b>DG ECHO Responsible</b>
C1.1: Ex-ante assessment of applications – <u>all applicants for the Humanitarian Partnership Certificate</u>	The assessment covers legal status, humanitarian principles, financial status, systems, accountability (including implementing partners' arrangements), ethics, anti-fraud and anti-corruption and safeguarding, operational capacity, compliance with rules and regulations, internal control.	Receipt of applications to become certified partners	External audit team (assessment of audit reports) – E2; Legal team (awarding certification and any appeal) – E1

C1.2: Periodic assessments – <u>all certified partners</u>	<p>DG ECHO assesses, including the use of the corporate SEDIA tool concerning financial capacity, whether the NGOs continue to comply with the Certificate conditions.</p> <p>For each assessment, the NGOs must provide a self-declaration of compliance, the annual activity report, audited annual accounts with an assessment of the financial capacity (in particular the Liquidity ratio and the Financial independency ratio). A weak Financial independency ratio leads to mitigating risk measures such as a reduction of the % of pre-financing of grants signed during the year.</p> <p>The External Audit team will carry out a certain number of compliance audits per year of key Partners, as well as follow-up reviews of critical recommendations. The results of these audits and reviews will feed into the periodic assessment, where relevant.</p>	Frequency of assessments depends on liquidity and independency ratio of partner, and ranges from 12-24 months	External audit team – E2; Legal team – E1; Finance team – E3
	Partners must inform DG ECHO immediately of any change in their legal, technical or organisational situation through a legal modification request or modification of the organisation's data.	In case of change	Legal team – E1
	Partners must take the necessary actions to address outstanding recommendations from DG ECHO's external auditors.	Following-up previous audit recommendations is to be done during subsequent audits, Critical recommendations are subject to specific follow-up audit engagements..	External audit team – E2
Documents and templates	C1: The Humanitarian Aid Regulation C1.1: Questionnaire to be completed by applicants for the Certificate C1.2: The EU Humanitarian Partnership Certificate		

## DM Stage 2: Programming, evaluation and selection of proposals

### **A - Preparation, adoption and publication of the Worldwide Decision, ad-hoc decisions and Humanitarian Implementation Plans (HIP) – Humanitarian Aid**

**Control objective 2A: Ensuring that the Commission funds the proposals that best contribute to the achievement of the policy and programme objectives (effectiveness); compliance (legality & regularity); and prevention of fraud (anti-fraud strategy)**

Risk addressed	I. The programme documents do not adequately reflect the policy objectives and priorities.	Timing/Stage	DG ECHO Responsible
	II. The process and the eligibility, selection and award criteria are not adequate to ensure an appropriate evaluation of proposals.		
Control task	Description		

<p>C2.1: Ensuring relevance of programme documents – <u>all relevant documents</u></p>	<ol style="list-style-type: none"> <li>1. Hierarchical validation within the authorising department</li> <li>2. Inter-service consultation, including all relevant DGs</li> <li>3. Adoption by the Commission</li> </ol>	<p>Preparation and adoption of programme documents</p>	<p>Relevant operational staff; Staff coordinating ISC and Commission Decisions</p>
<p>C2.2: Ex-post assessment of the HIPs – <u>all HIPs n-1</u></p>	<p>Lessons learned exercise, including follow-up</p>	<p>Before preparation of the (next) HIPs</p>	<p>DG ECHO staff involved in drafting, approving, and implementing the HIPs</p>
<p>Documents and templates</p>	<p><u>C2.1</u></p> <ul style="list-style-type: none"> <li>• Annual Work Programme</li> <li>• Financing Decision</li> <li>• ESOP</li> <li>• Worldwide Decision</li> <li>• Emergency decisions</li> <li>• HIPs</li> <li>• Task assignments and/or function descriptions that provide explicit allocation of responsibilities to individual officials</li> <li>• Centralised verification checklist, which includes a list of the requirements of the regulatory provisions identified</li> </ul> <p><u>C2.2</u></p> <ul style="list-style-type: none"> <li>• Template for the follow-up of HIPs</li> </ul>		



**B – Selecting and awarding: Evaluation and selection of proposals**

**Control objective 2B: Ensuring relevance of proposal selection to the policy objectives; a sound allocation of funds to actions (best value for money; effectiveness, economy, efficiency); compliance (legality & regularity); and fraud prevention (anti-fraud strategy).**

<b>Risk addressed</b>	<p><b>I. The evaluation, ranking and selection of proposals are not carried out in accordance with policy objectives, priorities, or with the defined eligibility, selection and award criteria.</b></p> <p><b>II. The description of the action in the grant agreement includes tasks that do not contribute usefully to the achievement of the operational objectives, and/or the necessary costs are over-estimated.</b></p>		
<b>Control task</b>	<b>Description</b>	<b>Timing/Stage</b>	<b>DG ECHO Responsible</b>
C2.3: Ensuring adequate qualifications of staff assigned to the selection process – <u>all staff to be assigned</u>	<p>The following staff categories are involved in the selection process:</p> <ol style="list-style-type: none"> <li>1. Geographical desk officers in charge of the relevant country/file at headquarters.</li> <li>2. Technical assistants in charge of the relevant country/file, based in the country of operation;</li> <li>3. Thematic field experts;</li> <li>4. Relevant Geographical Team Leaders at HQ;</li> <li>5. Relevant Geographical Heads of Unit</li> </ol> <p>For 1 and 2 (“core staff”), qualifications are ensured by the experience gained through daily coordination and monitoring of the implementation of Humanitarian Aid, and regular operational training.</p> <p>For 3 (thematic consultation), qualifications are verified at recruitment and enhanced by continuous on-the-job training and field missions to countries of operation.</p> <p>Categories 4 and 5 (supervision) are trained in humanitarian aid and carry out regular field missions to be acquainted with the operating context.</p> <p>On-the-job training is based on multiple sources as required by each individual file.</p>	Receipt of proposals	Responsible operational mgmt. HR training staff Field Network responsible unit – E4
C2.4: Ensuring a sound assessment of proposals – <u>all proposals</u>	<p>The assessment of proposals is based on general quality criteria established in the HIP Technical Annex, as well as on specific strategic and operational criteria, including policy compliance, also defined in the HIP and its annexes for each humanitarian region/country/crisis, as applicable. Guidelines are available for both HIP and HIP Technical Annex.</p> <p>The criteria, structured around main categories, are taken over in a DASHBOARD, whose template is available in HOPE.</p> <p>The dashboard lists all proposals received for a given allocation round. It allows to encode a narrative appraisal of each proposals by desk officers and by field staff, each of whom assesses the proposals independently. A consolidated scoring per criteria and final recommendations for funding resulting from HQ/field joint appraisal are subsequently added.</p> <p>A dashboard is completed for each selection process, under the supervision of the Team Leader. Once finalised at team level, the</p>	Planning and implementing the proposal assessment	Desk officers/Team Leaders/Head of Geographical Unit

	<p>dashboard is submitted to the Head of Unit for verification and for final approval.</p> <p>The dashboard may be discussed and possibly modified in an ad-hoc meeting with the responsible Head of Unit and the responsible geographical team.</p> <p>Once the preliminary selection of proposals is completed at Unit level, the Head of Unit informs the Director, who may request supplementary information or clarifications.</p> <p>The finally approved dashboard is annexed to an explanatory note that summarises the different steps of the process. The note is signed by the Head of Unit and registered in Ares.</p> <p>In the event of changes to the Dashboard resulting from the revision of proposals (see next box), an update to the note is registered in Ares.</p>		
<p>C2.5: Review and validation of selected proposals by the AO – <u>all selected proposals</u></p>	<p>All proposals preliminarily selected as per the dashboard are revised thoroughly from a technical viewpoint. Applicants receive a detailed feedback from ECHO HQ with specific and reasoned requests for adjustments, as applicable.</p> <p>This phase allows to remove activities or components that do not contribute usefully to the achievement of the sought operational objectives, in line with the analysis included in the dashboard. Improvements to budget efficiency may be requested at this stage, if needed.</p> <p>All requested changes are subject to a negotiation phase, which takes into account the views of both parties and the situation on the ground.</p> <p>Only proposals that undergo this phase successfully are definitively selected for funding.</p> <p>For all selected proposals, an operational sheet (Fichop) is prepared, summarising the analysis and conclusions of both field staff and HQ staff, based on the outcome of the revision process. The Fichop is annexed to the contract visa circuit, and provides the basis for an informed decision-making by the AO before the signature of the agreement.</p> <p>The AO may request further information and/or clarifications from the geographical team/the responsible Head of Unit before signing the agreement, and/or a revision of the Fichop, as applicable.</p>	<p>After the evaluation of proposals</p>	<p>AO</p>
<p>C2.6: Redress procedure – <u>all contested decisions</u></p>	<p>All applicants for funding receive a notification concerning the status of the proposal they have submitted, as applicable.</p> <p>The notification spells out the main reasons for refusal.</p> <p>Applicants are provided with contact names at HQ and field, whom they can contact for further explanations.</p> <p>Contested decisions are normally related to insufficient or unclear reasons for refusal. In such cases, a second letter is sent, clarifying in detail the technical grounds of the decision and any other relevant factors that determined it. If necessary, a meeting is organised to clarify the respective expectations.</p> <p>In a context of humanitarian partnership, redress procedures typically consist in a dialogue among the parties, which can take place at different levels (desk officers/team leader or Head of</p>	<p>After receipt of complaints from unsuccessful applicants</p>	<p>Redress committee or equivalent</p>

	unit). While partnership is the key reason explaining the limited number of contested decisions, time factors along with funding availability does not allow setting the selection procedure in stand-by pending the resolution of legal disputes.		
Documents and templates	<p>C2.4</p> <ul style="list-style-type: none"> <li>• Dashboard</li> <li>• HIP templates/guidelines</li> <li>• ECHO training policy and annual programme</li> <li>• ECHO field staff recruitment policy</li> <li>• ECHO country and sectoral experts job descriptions</li> <li>• ECHO field missions planning</li> <li>• Fichop Guidelines</li> </ul>		

### DM Stage 3: Contracting: Transformation of selected proposals into legally binding grant agreements

<b>Control objective 3: Ensuring compliance (legality &amp; regularity); prevention of fraud (anti-fraud strategy)</b>			
<b>Risk addressed</b>	<p>I. <b>The beneficiary does not meet eligibility criteria or lack financial capacity to carry out the actions.</b></p> <p>II. <b>The duration of the action is not conformity with the HIP.</b></p>		
<b>Control task</b>	<b>Description</b>	<b>Timing/Stage</b>	<b>DG ECHO Responsible</b>
C3.1: Ensuring that grantees fulfil stated criteria and that the action is in conformity with the HIP – <u>all draft grant agreements</u>	<ol style="list-style-type: none"> <li>1. Validation of beneficiaries (eligibility and financial viability)</li> <li>2. In-depth financial verification for risk beneficiaries</li> <li>3. Signature of the grant agreement by the AOSD</li> </ol>	Before signature of grant agreement	Financial officers – E3; AOSD
Documents and templates	<p><u>C3.1</u></p> <ul style="list-style-type: none"> <li>• Application for grant (proposal)</li> <li>• Draft Grant Agreement</li> <li>• Checklist for validation of grants</li> </ul>		

## DM Stage 4: Implementation of the grant agreement

### A - Monitoring

**Control objective 4A: To ensure that the results of funded actions are of good quality and meet the objectives and conditions (effectiveness & efficiency).**

**Control objective 4B: To ensure that the related financial operations comply with regulatory and contractual provisions (legality & regularity); prevention of fraud (anti-fraud strategy).**

<b>Risk addressed</b>	<b>III. Actions do not – fully or partially – meet the technical description and requirements of the grant agreement;</b> <b>IV. Payments do not correspond to the applicable contractual and regulatory provisions.</b>		
<b>Control task</b>	<b>Description</b>	<b>Timing/Stage</b>	<b>DG ECHO Responsible</b>
C4.1: Ensuring through monitoring that operational and financial conditions of the grant agreement are met during the implementation of the action	<ul style="list-style-type: none"> <li>Operational and financial checks in accordance with the financial circuits (100% of projects)</li> <li>Operational authorisation by the AO (100% of projects)</li> <li>For riskier operations: Ex-ante in-depth and/or on-site verification (&gt;95% of “monitorable” projects)</li> <li>For high risk operations, reinforced monitoring (defined by risk criteria)</li> <li>If needed: Application of Suspension/interruption of payments; Penalties or liquidated damages; Referring fraud allegations to OLAF</li> </ul>	During the period of the grant contract	Desk officers; field officers; financial officers – E3; AOSD
Documents and templates	<u>C4.1</u> <ul style="list-style-type: none"> <li>Grant agreement</li> <li>Project reports</li> <li>Internal rules and guidelines (e.g. Financial Circuits)</li> </ul>		

**B – Field audits**

**Control objective 4C: To have a reasonable assurance that grantees have, on-the-spot, adequate management and control systems in place to ensure a successful implementation of the action, from an operational point of view (achievement of results), and from a legal and compliance point of view (illegibility of expenditures, anti-fraud strategy, etc.).**

<b>Risk addressed</b>	<b>The partner does not have the means to implement the action on-the-spot in conformity with DG ECHO operational and legal requirements</b>		
<b>Control task</b>	<b>Description</b>	<b>Timing/Stage</b>	<b>DG ECHO Responsible</b>
C4.2: Audit of projects in the field – DG <i>ECHO's Audit Strategy</i>	<p>A risk-based sample is selected and reflected in the annual audit plan on the basis of various criteria, such as:</p> <ul style="list-style-type: none"> <li>• Operating theatres</li> <li>• Budget allocated/size of agreements</li> <li>• Input by operational and internal control desks,</li> <li>• Modus operandi (e.g. EEOC)</li> </ul> <p>Audits are carried out by the external auditors as per the FWC.</p>	During the period of the grant contract	The External Audit Sector – E2; Desk and Field officers
Documents and templates	<p><u>C4.1</u></p> <ul style="list-style-type: none"> <li>• Audit Strategy</li> <li>• Audit Plan</li> <li>• Audit framework contract</li> <li>• Field Audit reports</li> </ul>		

**DM Stage 5: Ex-ante controls of operational performance and legality & regularity – desk checks at final report step**

**Control objective 5: To have a reasonable assurance, before making the final payment, that the objectives of the action have been achieved from an operational point of view and that there are no errors or ineligible expenditure claimed by the partner at the final report stage**

<b>Risk addressed</b>	<b>A grant is fully reimbursed without having achieved its objectives and/or despite having non-eligible expenditure</b>		
<b>Control task</b>	<b>Description</b>	<b>Timing/Stage</b>	<b>DG ECHO Responsible</b>
C5.1: Verification of performance and legality & regularity – <u>all grant agreements</u>	Final reports are assessed from an operational and financial point of view, based on a detailed checklist, before providing the certified correct and the pass for payment	At the end of the project, when Final Reports are submitted; before the final payment	Operational officers ; Financial officers – E3;
Documents and templates	<u>C5.1</u> <ul style="list-style-type: none"> <li>• Operational and financial final reports</li> <li>• Checklist for final payment</li> <li>• Certified correct</li> </ul>		

## DM Stage 6: Ex-post controls

### A – Headquarters Audits

#### Control objective 6A: To provide final assurance to the AOSD that payments done are legal and regular in conformity with the eligibility rules

<b>Risk addressed</b>	<b>Ineligible expenditure has been claimed by a partner without being detected by ex-ante controls, and has been reimbursed to that partner</b>		
<b>Control task</b>	<b>Description</b>	<b>Timing/Stage</b>	<b>DG ECHO Responsible</b>
C6.1: Ex-post HQ audits – <u>randomized sample</u>	A randomly selected sample of HQ audits is drawn in the Audit Plan, in line with the Audit Strategy. Ex-post audits of grants carried out by external auditors, based on an agreed methodology as per the FWC.	Closed grant agreement	External Audit Sector – E2
Documents and templates	<u>C6.1</u> <ul style="list-style-type: none"> <li>• Audit Strategy</li> <li>• Audit Plan</li> <li>• Audit Framework Contract</li> <li>• HQ Audit reports</li> </ul>		

## B - Implementing results from audits/controls and fraud investigations

### Control objective 6B:

- To address systemic weaknesses of DG ECHO's ex-ante controls, based on an analysis of audit findings (sound financial management);
- To ensure appropriate accounting of recoveries to be issued (reliability of reporting, safeguarding of assets);
- To ensure appropriate accounting of operations (reliability of reporting, safeguarding of assets).

<b>Risk addressed</b>	<b>Accounting errors, irregularities, cases of fraud and SEAH reported to DG ECHO are not addressed, or not addressed in a timely manner.</b>		
<b>Control task</b>	<b>Description</b>	<b>Timing/Stage</b>	<b>DG ECHO Responsible</b>
C6.2: Follow-up of audit reports and fraud investigation reports - <u>all audits and confirmed fraud cases where a financial impact on EU funds has been confirmed</u>	<p>The ineligible expenditure identified as a result of the audits is systematically registered and followed up. The Internal Control Coordinator authorises the recovery.</p> <p>Fraud investigations are systematically followed up.</p> <p>Established recoveries are communicated to the financial sector. The recovery is carried out by a separate team, in accordance with the financial circuits. 100% of recoveries are followed-up and cashed.</p> <p>Any system weaknesses detected by the Auditor in the area of SEAH (prevention, detection, reporting and response), must be followed up to ensure appropriate remedial action.</p>	Following the completion of audits and fraud investigations	External Audit Sector - E2; Anti-Fraud team - E2; Financial Sector - E3; Financial Circuits; AOSD
Documents and templates	<p><u>C6.2</u></p> <ul style="list-style-type: none"> <li>• Recovery Order Requests sent from E2 to E3, based on the audit reports and on the results of the consultation of the desks and the Partner, and approved by the ICC.</li> <li>• DG ECHO Anti-Fraud Strategy</li> <li>• Fraud allegations</li> <li>• Fraud Register</li> <li>• HOPE database</li> <li>• Fraud case transmission notes to OLAF</li> <li>• Fraud investigation reports from partners</li> <li>• OLAF fraud investigation reports</li> <li>• Recovery orders</li> </ul>		



## **Indirect Management (IM) for Humanitarian Aid contribution agreements**

### **IM Stage 1: Pillar assessment**

<b>Control objective 1: Ensuring adequacy of (potential) IM partners' management and control systems</b>			
<b>Risk addressed</b>	<b>The International Organisation does not have in place the management and control systems to ensure a level of protection of the EU financial interest equivalent to that of the Commission.</b>		
<b>Control task</b>	<b>Description</b>	<b>Timing/Stage</b>	<b>DG ECHO Responsible</b>
C1.1: Ex-ante pillar assessment of organisations – <u>all (potential) partners under IM</u>	An assessment of the systems, rules and procedures of the entities implementing Union funds is made. The broad areas covered by these assessments are called “pillars” and include (1) internal control, (2) accounting, (3) independent external audit, (4) procedures and rules for grants, procurement or for financial instruments, (5) requirements on publication of information on recipients, (6) protection of personal data and (7) exclusion from access to funding.	Before entering a framework agreement; or when the Terms of Reference for the assessments have been substantially modified, making the previous assessment obsolete; or in case of substantial change to the IM Partner's systems, as declared by the Partner.	Legal sector – E1; Financial unit – E3; Audit sector – E2; Internal Control Sector – E2
Documents and templates	<u>C1:</u> <ul style="list-style-type: none"> <li>• The Humanitarian Aid Regulation</li> <li>• The FAFA</li> <li>• ToR for Pillar Assessments</li> <li>• Pillar Assessment reports</li> </ul>		

**IM Stage 2: Programming, evaluation and selection of proposals**

**A - Preparation, adoption and publication of the Worldwide Decision, ad-hoc decisions and Humanitarian Implementation Plans (HIP)**

For this sub-stage the same control strategy as for Direct Management for Humanitarian aid grants applies – See above

**B – Selecting and awarding: Evaluation and selection of proposals**

For this sub-stage the same control strategy as for Direct Management for Humanitarian aid grants applies – See above

**IM Stage 3: Contracting: Transformation of selected proposals into legally binding contribution agreements**

For this stage the same control strategy as for Direct Management for Humanitarian aid grants applies – See above

**IM Stage 4: Implementation of the grant agreement**

**A - Monitoring**

For this sub-stage the same control strategy as for Direct Management for Humanitarian aid grants applies – See above

**B – Verification missions in the field**

For this sub-stage the same task on field audits as for the control strategy for Direct management for humanitarian grants applies – See above

**IM Stage 5: Ex-ante controls of operational performance and legality & regularity – desk checks at final report step**

**Control objective 5: To have a reasonable assurance, before making the final payment, that the objectives of the action have been achieved from an operational point of view, and that there are no errors or ineligible expenditure claimed by the partner at the final report stage**

**Risk addressed**      **A grant is fully paid without having achieved its objectives and/or despite having ineligible expenditure beyond the amount to be financed by DG ECHO according to the notional approach**

<b>Control task</b>	<b>Description</b>	<b>Timing/Stage</b>	<b>DG ECHO Responsible</b>
C5.1: Verification of performance and legality & regularity – <u>all contribution</u>	Final reports are assessed from an operational and financial point of view, based on a detailed checklist, before providing the certified correct and the pass for payment	At the end of the project, when Final reports are submitted; before the final payment	Desk officers; Financial officers – E3;

<u>agreements</u>			
Documents and templates	<u>C5.1</u> <ul style="list-style-type: none"> <li>• Operational and financial final reports</li> <li>• Checklist for final payment</li> <li>• Certified correct</li> </ul>		

## IM Stage 6: Ex-post controls

### A – Verification missions

<b>Control objective 6A: To provide final assurance to the AOD that payments made are legal and regular, and, in conformity with the Indirect Management Delegation Agreement, within the target error rate of 2%</b>			
<b>Risk addressed</b>	<b>Ineligible expenditure has been claimed by a partner without being detected by ex-ante controls, and has been reimbursed to that partner</b>		
<b>Control task</b>	<b>Description</b>	<b>Timing/Stage</b>	<b>DG ECHO Responsible</b>
C6.1: Ex-post verification missions – <u>a randomly selected sample.</u>	A randomly selected sample of HQ audits is drawn in the Audit Plan, in line with the Audit Strategy. Ex-post verifications of contribution agreements are carried out by external auditors, based on an agreed methodology with the UN (DEVCO's ToRs for verification missions) and included in the FWC. These ToRs are also used for all entities working through indirect management.	Closed contribution agreement	External Audit Sector – E2
Documents and templates	<u>C6.1</u> <ul style="list-style-type: none"> <li>• Audit Strategy</li> <li>• Audit Plan</li> <li>• Audit Framework Contract</li> <li>• DG DEVCO's agreed Terms of Reference for UN verifications – also applied to IO.</li> <li>• Verification mission reports</li> <li>•</li> </ul>		

### B - Implementing results from ex-post verification missions/controls and fraud investigations

<b>Control objective 6B:</b>			
<ul style="list-style-type: none"> <li>• To address <u>systemic weaknesses of DG ECHO's ex-ante controls</u>, based on an analysis of audit findings (sound financial management);</li> <li>• To ensure <u>appropriate accounting of recoveries</u> to be made (reliability of reporting, safeguarding of assets and information);</li> <li>• To ensure <u>appropriate accounting of operations</u> (reliability of reporting, safeguarding of assets and information).</li> </ul>			
<b>Risk addressed</b>	<b>Accounting errors, irregularities and cases of fraud reported to DG ECHO are not addressed, or not addressed in a timely manner.</b>		
<b>Control task</b>	<b>Description</b>	<b>Timing/Stage</b>	<b>DG ECHO Responsible</b>
C6.2: Follow-up of verification mission reports and fraud	The ineligible expenditure identified as a result of the verification missions is systematically registered and followed up. The Head of Unit of Finance (E3) authorises the recovery.	Following the completion of verification missions or fraud	External Audit Sector – E2; Anti-Fraud team – E2;

<p>investigation reports – <u>all verification mission and confirmed fraud cases where a financial impact on EU funds has been confirmed</u></p>	<p>Substantiated fraud is systematically recorded and followed-up. Established recoveries are communicated to the financial sector. The recovery is carried out by a separate team, in accordance with the financial circuits. 100% of recoveries are followed-up and cashed.</p>	<p>investigations</p>	<p>Financial Sector E3; Financial Circuits; AOSD</p>
<p>Documents and templates</p>	<p><u>C6.2</u></p> <ul style="list-style-type: none"> <li>• Recovery Order Requests sent from E2 to E3, based on the audit reports and on the results of the consultation of the desks and the Partner, and approved by the ICC.</li> <li>• DG ECHO Anti-Fraud Strategy</li> <li>• Fraud allegations</li> <li>• Fraud Register</li> <li>• HOPE database</li> <li>• Fraud case transmission notes to OLAF</li> <li>• Fraud investigation reports from partners</li> <li>• OLAF fraud investigation reports</li> <li>• Recovery orders</li> </ul>		

**C – Reviewing the Annual Financial Statements of UN agency partners**

<b>Control objective 6C:</b> <ul style="list-style-type: none"> <li><b>To contribute to the final assurance of the AOD that payments made are legal and regular</b></li> </ul>			
Risk addressed	<b>The accounts of UN agency partners contain errors, irregularities and cases of fraud, which may affect EU funding</b>		
Control task	Description	Timing/Stage	DG ECHO Responsible
C6.3: Review of Annual Financial Statements of UN agencies – <u>all agencies receiving payments from DG ECHO during the reporting year</u>	Review of the latest available Annual Financial Statements of those UN agencies that have received payments from DG ECHO during the reporting year, as an additional source of assurance in support of the AOD's Declaration of Assurance signed each reporting year in the Annual Activity Report.	Annual Report      Activity	Unit E2
Documents and templates	<u>C6.3</u> <ul style="list-style-type: none"> <li>Annual Financial Statements of relevant UN agencies</li> </ul>		

## **Cross-cutting control activities**

Evaluation referring to the Better Regulation Guidelines

**All Activities; Stage 7: Evaluation:** Evaluation is the final step of the control framework and is addressed by Internal Control Principle 12. Evaluation is a management and learning tool, and also holds a strong component of accountability.

The Commission defines in the Better Regulation Guidelines (BRG) evaluation as an “evidence-based judgment of the extent to which an existing intervention is effective, efficient, relevant given the current needs, coherent both internally and with other EU interventions and has achieved EU added value”. The BRG set out the principles to follow when preparing new initiatives and proposals and when managing and evaluating interventions.

DG ECHO’s five-year Evaluation Programme – which makes a part of the Management Plan – is established on the basis of 1) Art 30(4) of the Financial Regulation; 2) the Humanitarian Aid Regulation (HAR); 3) the Decision on a Union Civil Protection Mechanism; and 4) the other DG ECHO legal bases – while applying DG ECHO’s Evaluation Strategy (as formalised by a note to senior management in 2017).

The regular evaluation of all essential activities contributes to the assurance of the DG ECHO AO in the context of the AAR, while looking through a robust analysis at the reasons behind the performance of systems in place and how they can be improved.

Evaluations are carried out by external experts – through a Framework Service Contract – in accordance with the BRG.

Concerning Humanitarian Aid, DG ECHO aims at evaluating all interventions over a period of 5 years, both from the geographic and thematic perspectives. These evaluations are generally carried out at an aggregate level, in order to enable overall conclusions at the programme and policy level and to inform future decisions at that level. For major grants funded through DG ECHO, the grant agreement sometimes includes an obligation for the DG ECHO partner to evaluate the specific action funded. If so, such evaluation will be taken into account for future relevant evaluations organised by DG ECHO at the aggregate level.

The publication of evaluation reports is not the end of the process. Conclusions and recommendations of the evaluations are reflected on in a Staff Working Document (for major evaluations) and a management response. Furthermore, the evaluation findings feed into the next cycle of decision-making and are referred to in the reports of the SPP cycle.

**Control objective 7: To regularly evaluate the relevance, coherence, EU added value, effectiveness and efficiency of all significant DG ECHO activities, and to follow up the evaluation results**

<b>Risk addressed</b>			
DG ECHO's activities are not fit-for-purpose			
<b>Control task</b>	<b>Description</b>	<b>Timing/Stage</b>	<b>DG ECHO Responsible</b>
C7.1: Evaluation programming – <i>all significant DG ECHO activities</i>	In the context of the Management Plan, preparation of a five-year evaluation programme based on DG ECHO's evaluation strategy, which takes account of the relevant parts of the BRG and the Financial Regulation. Appropriate coverage of programme and meeting information needs to be ensured. Once programme has been adopted it should be presented to the Humanitarian Aid Committee (HAC) for information.	As specified in the instructions for the Management Plan, i.e. the programme should each year be ready by end-November.	Evaluation Function – E2 (preparation); all DG ECHO Directorates (consultation); Senior Management (adoption)
C7.2: Scoping of evaluations – <i>for application, see next column</i>	<ul style="list-style-type: none"> <li>Drafting of Terms of Reference for individual evaluations, based on a standard format. Compliance with relevant requirements of the BRG, objectivity, and meeting information needs to be ensured – <i>all evaluations</i></li> <li>Establishing an Evaluation Roadmap, for endorsement by the Director General and upload in DECIDE – <i>for major evaluations</i></li> </ul>	As planned in the evaluation programme.	Evaluation Function – E2; DG ECHO Unit(s) responsible for the evaluation subject; Inter-Service Steering Group; Senior Management (for major evaluations); Director General
C7.3: Procurement of evaluation services – <i>all evaluations</i>	A. Setting up an evaluation Framework Contract (FWC). Compliance with eligibility and selection criteria of contractors to be ensured	Every four years, when a FWC is about to expire	Evaluation Function – E2; Procurement Function – E3; DG ECHO Directorates; Senior Management
	B. Setting up a specific evaluation contract under the FWC. Ensuring that the selected tender complies with the tender specifications and offers the best value for money.	As planned in the evaluation programme.	Evaluation Function – E2; Tender Evaluation Committee; AOSD
C7.4: Monitoring the implementation of evaluation assignments – <i>all evaluations</i>	<ul style="list-style-type: none"> <li>Quality assurance of deliverables under the Specific Contract</li> <li>Respect of timetable</li> </ul>	As specified in the evaluation Work Plan (final version set in the Inception report)	Inter-Service Steering Group



<p>C7.5: Follow-up of evaluation reports – <i>for application, see next column</i></p>	<ul style="list-style-type: none"> <li>• Based on a request from the Directorate General, the Director responsible for the evaluation subject provides a response to the evaluation results – <i>all evaluations</i></li> <li>• Publication of evaluation Final Report on DG ECHO Europa and EU Bookshop – <i>all evaluations</i></li> <li>• Establishing a Staff Working Document (SWD) on the evaluation results – <i>for major evaluations</i></li> <li>• Scrutiny by the Commission’s Regulatory Scrutiny Board – <i>for selected SWDs</i></li> <li>• Establishment of a Commission Report to the other EU Institutions – <i>when required by the Legal Base</i></li> </ul>	<p>Two months after the completion of an evaluation</p>	<p>Evaluation Function – E2; Director General; Director responsible for the evaluation subject</p>
<p>Documents and templates</p>	<ul style="list-style-type: none"> <li>• The Better Regulation Guidelines</li> <li>• The Financial Regulation (Art. 30(4))</li> <li>• DG ECHO’s legal bases</li> <li>• DG ECHO Evaluation Strategy 2014-2018 (Ares(2013)3765307)</li> <li>• DG ECHO Evaluation Strategy 2018-2022 (Ares(2020)3602420)</li> <li>• Evaluation Programme</li> <li>• Evaluation Framework Contract</li> <li>• Evaluation Roadmaps (based on a std template)</li> <li>• Evaluation Terms of Reference</li> <li>• Evaluation Final Reports</li> <li>• Evaluation Staff Working Documents (based on a std template)</li> <li>• Management Response to evaluation results</li> <li>• Commission Evaluation Report to the other EU institutions</li> </ul>		

## **ANNEX 7: Specific annexes related to "Financial Management"**

### **Audit Observations and recommendations**

#### **Internal Audit Service (IAS)**

##### *Audit on the pillar assessment process in the external action family*

The multi-DG audit on the pillar assessment process in the external action family from January 2021 reported two critical findings at corporate level, one which also concerned DG ECHO.<sup>54</sup> on agreements signed with pillar assessed entities. In addition, the report issued two very important recommendations to DG ECHO i) on substantive changes and ii) Commission services' involvement in the pillar assessment process

DG ECHO accepted the recommendations and has fully implemented the established action plan by issuing an instruction note setting out the responsibilities within the DG ECHO units to ensure that the outcome of the pillar assessment and the established supervisory measures are adequately recorded and applied. The instruction note also identifies the responsible unit in charge of the monitoring of the substantive changes communicated by the pillar assessed entities, the analysis of these changes and the identification of additional measures that can be needed following these changes. Finally, a specific checklist has been developed for the review of the pillar assessment reports to ensure that the process is adequately monitored and properly documented, in line with the IAS recommendation. The IAS has already followed up on the implementation of the recommendations and concluded their full implementation.

##### *Audit on the Control Strategy in Humanitarian Aid*

The 2019 IAS audit on DG ECHO's control strategy for humanitarian aid actions issued two very important recommendations on i) the ex-ante controls before final payment and ii) the ex-post audits. The IAS concluded in November 2021 that given that DG ECHO had addressed the high risks identified the two very important recommendations were downgraded to important. The remaining actions are set to be implemented at the end of March 2022 and concerns the update of the operational checklist to include checks on whether the United Nations and International Organisations report on their implementing partners and contractors following the adoption of the new Humanitarian Aid Contribution Agreement.

##### *Audit on Crisis Communication*

In 2021, the IAS performed a multi-DG audit on *crisis communication in DG COMM, SG, DG SANTE and DG ECHO*. The report issued two important recommendations to which none was addressed to DG ECHO.

#### **The European Court of Auditors**

##### *Statement of Assurance 2020*

The 2020 European Court of Auditors (ECA) Annual Report - published in October 2021 - issued two recommendations to DG ECHO. First, DG ECHO should carefully check the eligibility of the costs submitted by the beneficiaries for transporting medical equipment under the Emergency Support Instrument within the Union (ESI), in particular the regularity of procurement procedures. Second, DG ECHO should establish

a procedure to ensure that partner organisations base their allocation of shared costs on expenditure actually incurred.

DG ECHO considers both recommendations as implemented. Since 2021, checks on the partner organisations' capacity and standard operational procedures to claim the shared cost based on actual and not budgeted costs are part of the scope of the ex-ante assessment that any organisation has to comply with before being certified as a Commission's Humanitarian Aid Partner for the period 2021-2027. In addition, the Commission has published guidance on the eligibility in Humanitarian Aid grants. Beyond this verification at system level, the eligibility of shared costs as actual costs is part of the scope of DG ECHO's ex post controls and audits.

For the second recommendation, DG ECHO is carefully checking the eligibility of the costs submitted by the beneficiaries of the ESI actions for transporting medical equipment. In depth checks are part of the ex-ante controls and the internal control system and detected errors are corrected before the final payments. In addition to ex-ante controls, the grant agreements financed through the ESI required the beneficiaries to submit, together with the cost claim, an audit certificate by an independent certified auditor on the eligibility of the financial statements for all grants over EUR 750 000. The certificate includes the compliance with the public procurement procedure. Procurement procedures and the corresponding documentation are checked on a sample basis during ex-post audits. Verifying the compliance with the procurement procedures is included in the audit methodology of these financial audits.

#### Performance audits

The ECA published its Special Report 02/2021: *EU humanitarian aid for education: helps children in need, but should be longer-term and reach more girls* in January 2021. DG ECHO is currently implementing actions to address the recommendations, most notably on providing more support for girls in education projects, focussing on longer-term funding for education in protracted crises and improving the cost analysis in the selection and monitoring of education projects. The implementation timeline is set to end of June 2022.

In the second half of 2021, the ECA conducted a follow-up audit on their Special Report 35/2018: *Transparency of EU funds implemented by NGOs*. DG ECHO was in the lead of two recommendations which have been assessed in ECA's preliminary conclusions as fully and timely implemented. First, the conditions for EU financial support provided to third parties have been defined in the new Model Grant Agreement (MGA) in line with the recommendation. Second, the traceability of funds has been improving with the introduction of the new single MGA and the information on entities actually implementing the actions is published.

### **Complementary Pillar Assessment of entities led by DG ECHO - Status**

After the Commission Decision of 17.4.2019 on establishing new terms of reference for the pillar assessment methodology and its formal implementation, DG ECHO has taken action, in coordination with DG BUDG and DG INTPA, to ensure the proper completion of the complementary pillar assessment.

The complementary pillar assessment needs to be completed for all International Organizations and UN entities for three new pillars (pillar 7 – Exclusion from access to funding, pillar 8 – Publication of

information on recipients, and pillar 9 – Protection of personal data) that were not covered under the previous pillar assessment exercise.

DG ECHO is in lead for 11 organizations for the performance of the complementary pillar assessment. Out of these organizations, there are nine UN entities (FAO, IOM, UNICEF, UNHABITAT, UNHCR, UNPAHO, UNRWA, WFP and WHO) and two international organizations (ICRC and IFRC).

**State of play of complementary pillar assessment of all UN entities/ICRC/IFRC where DG ECHO is in lead (on 22 March 2022):**

<b>Entities/Acronym</b>	<b>Kick-off meeting</b>	<b>Fieldwork</b>	<b>Exit meeting</b>	<b>Draft report</b>	<b>Final report</b>
ICRC	ECHO was not invited	October	13/12/2021	20-12-2021	10-02-2022
IFRC	ECHO was not invited	September	28-09-2021	08-11-2021	08-12-2021
FAO	20-01-2022	Planned by end of February/early March	Expected end of March	Expected mid-April	Expected mid-May
IOM	02-12-2021	Testing the week of 13/12	14-01-2022	14-02-2022	Expected end of March
UN HABITAT	14-01-2022	Until the end of February	Expected end of March	Expected mid-April	Expected mid-May
UNHCR	10-12-2021	Started the week of 13/12	15-02-2022	18/02/2022	Expected mid-April
UNICEF	23-11-2021	The week of 13/12	17-01-2022	17-02-2022	Expected mid-April
UNPAHO	12-01-2022	Planned by end of February/early March	Expected end of March	Expected mid-April	Expected mid-May
UNRWA	22-12-2021	End of January/early February	16-02-2022	Expected by the end of February 2022	Expected mid-April
WFP	16-11-2021	End of November till mid-December 2021	20-01-2022	4/3/2022	Expected mid-April

WHO	03-12-2021	First 2 weeks of December 2021	21-01-2022	11/3/202	Expected mid/end April of
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**Table Y - Overview of DG ECHO estimated cost of controls at Commission (EC) level:**

**NB. The absolute values are presented in million EUR.**

ECHO	Ex ante controls***			Ex post controls			Total	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Relevant Control System (RCS) / Other as defined in Annex 6 of the AAR*	EC total costs	related payments Made	Ratio (%)** (a)/(b)	EC total costs	total value verified and/or audited	Ratio (%) (d)/(e)	EC total estimated cost of controls (a)+(d)	Ratio (%)** (g)/(b)
Indirect Management	3,099,738.00 €	1,520,337,728.05 €	0.20%	261,951.00 €	69,010,939.00 €	0.38%	3,361,689.00 €	0.22%
Direct Management	2,615,902.00 €	1,206,000,844.00 €	0.22%	758,888.00 €	79,116,134.50 €	0.96%	3,374,790.00 €	0.28%
Horizontal	350,695.00 €	- €	0.00%	986,280.00 €	- €	0.00%	1,336,975.00 €	0.00%
<b>OVERALL total estimated cost of control at EC level for expenditure</b>	<b>6,066,335.00 €</b>	<b>2,726,338,572.05 €</b>	<b>0.22%</b>	<b>2,007,119.00 €</b>	<b>148,127,073.50 €</b>	<b>1.35%</b>	<b>8,073,454.00 €</b>	<b>0.30%</b>

## **ANNEX 8: Specific annexes related to "Assessment of the effectiveness of the internal control systems"**

### **Overview**

DG ECHO's internal control systems build on, and complies with, the Commission's Internal Control Framework. An annual assessment exercise is foreseen in the context of the Annual Activity Report.<sup>29</sup> The assessment was conducted between November 2021 and February 2022. It considered the results of the evaluation of the internal control monitoring criteria, the risk management exercise and IAS and ECA audits, and analysis of the registers for deviations, OLAF reports and AOSD reports.

### **Outcome of the assessment**

The assessment identified parts of the internal controls systems which can be identified as well-functioning and robust, and improvements were made in comparison with the previous year:

- DG ECHO has proven to limit the negative impact of unforeseen crises, such as the COVID-19 pandemic, on the delivery of its main objectives.
- HR trainings on ethics were resumed and the weaknesses of the previous years were addressed.
- Strong focus on procedures was maintained – DG ECHO adopted its Internal Control Strategy, put in place a newly establish Guidance on Deviations, revised existing manuals and guidelines (e.g. Financial circuits)
- Special attention was paid to raising of awareness of staff of the Internal Control, Risk Management, Anti-Fraud, Safeguarding (3 sessions for headquarters in 2021 and sessions for Field Offices are foreseen in 2022).
- External and Internal communication strategy and work are successful.

The assessment also highlighted areas with minor deficiencies and issues for consideration which do not put into risk the effectiveness of the overall control system of DG ECHO:

Principle 1030 The principle is present and functioning well, but some improvements are needed. Two of the Internal Control Monitoring Criteria (IMC) indicators could not reach their targets in 2021.

- The target for ICMC related to value of grants audited against total amount paid in year N-1 was not reached (, Target +/- 15%, Result 2021: 11,66 %), however, this criterion is being used for the first time and was based on application of the new 2021-2022 Audit strategy which applies from April 2021, i.e. to audits initiated in 2021.
  - The majority of audits included in the calculation of the error rate are audits initiated in 2020 where the percentage of grant transactions tested was set at lower level than set out in the 2021-2027 Audit Strategy;

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<sup>29</sup> Article 74(9) of the Financial Regulation.

<sup>30</sup> Principle 10: The Commission selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels.

- For the audits initiated in 2021 included in the error rate calculation the percentage of grant transactions tested set at 60 % was not achieved due to a huge number of bulk transactions (transactions with huge number of small amounts) in the expenditure declared by partners, which effectively decreases the overall coverage.
- The ICMC related to humanitarian aid grants monitored in the field – target not reached (Target: 95%, Result 2021: 92%)
- In 2021, access issues and Covid-19 continued to affect this indicator and the result is slightly lower than the target value. Mitigating measures will continue to be carried out, such as desk or remote monitoring of projects, monthly questionnaires to operational units on field monitoring and regular reminders from DG ECHO Directorate E.

Principle 12<sup>31</sup>:The principle is present and functioning well, but some improvements are needed.

- The target of a new criterion related to the staff knowledge about the procedure on deviations was not fully achieved. (Target: 80%, Result 2021: 55%). Considering that this was the first year of applying this criterion, without diminishing the importance of the procedure, the non-achievement of the target is not considered as a major weakness.
- Moreover, in 2021, seven non-compliance events were reported. Four of them were related to Article 111.2 of the Financial Regulation. Improvements are needed to address this repetitive issue.

Mitigating measures put in place in 2021 include awareness sessions on the procedures in question – 3 awareness sessions were organised where more than half of DG ECHO staff participated. A new guidance note was prepared, and DG ECHO intranet was revamped. Further efforts will continue in 2022.

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<sup>31</sup> Principle 12: The Commission deploys control activities through corporate policies that establish what is expected and in procedures that put policies into action.

## ANNEX 9: Specific annexes related to "Control results" and "Assurance: Reservations"

### 1) Annex related to "Control results" - Table X: Estimated risk at payment and at closure

Table X : Estimated risk at payment and at closure									
DG ECHO	'payments made' (2021;MEUR)	minus new prefinancing [plus retentions made] (in 2021;MEUR)	plus cleared prefinancing [minus retentions released and deductions of expenditure made by MS] (in 2021;MEUR)	'relevant expenditure' (for 2021;MEUR)	Detected error rate or equivalent estimates	estimated risk at payment (2021;MEUR)	Adjusted Average Recoveries and Corrections (adjusted ARC, %)	estimated future corrections [and deductions] (for 2021;MEUR)	estimated risk at Closure (2021;MEUR)
-1	-2	-3	-4	-5	-6	-7	-8	-9	-10
Indirect Management	1 520.34	-1 284.77	1 875.96	2 111.53	0.03% - 0.03%	0.55 - 0.55	0.02% - 0.02%	0.41 - 0.41	0.14 - 0.14
Direct Management	1 206.00	- 822.23	596.45	980.23	1.55% - 1.55%	15.21 - 15.21	1.16% - 1.16%	11.36 - 11.36	3.84 - 3.84
<b>DG total</b>	<b>2 726.34</b>	<b>-2 107.00</b>	<b>2 472.42</b>	<b>3 091.76</b>		<b>15.75 - 15.75</b>	<b>0.38% - 0.38%</b>	<b>11.77 - 11.77</b>	<b>3.98 - 3.98</b>
					<b>Overall risk at payment in %</b>	<b>0.51% - 0.51%</b> (7) / (5)		<b>Overall risk at closure in %</b>	<b>0.13% - 0.13%</b> (10) / (5)



**Additional information to be provided by the DGs managing EDF and contributing to and/or managing EUTF**

ECHO	'payments made' (2021,MEUR)	minus new prefinancing (in 2021,MEUR)	plus cleared prefinancing (in 2021,MEUR)	'relevant expenditure' (for 2021,MEUR)	Average Error Rate (weighted AER, %)	estimated risk at payment (2021,MEUR)	Adjusted Average Recoveries and Corrections (adjusted ARC, %)	estimated future corrections [and deductions] (for 2021,MEUR)	estimated risk at Closure (2021,MEUR)
-1	-2	-3	-4	-5	-6	-7	-8	-9	-10
<b>Total EDF</b>	<b>8.44</b>	<b>0.91</b>	<b>34.48</b>	<b>42.01</b>					
Total EC Budget	2 737.90	2 106.09	2 437.94	3 069.75					
of which Bekou	0.00	0.00	0.00	0.00					
of which Africa	20.00	0.00	0.00	20.00					
of which Colombia	0.00	0.00	0.00	0.00					
of which Syrian Crisis (Madad)	0.00	0.00	0.00	0.00					
<b>Net EC Budget (excluding EUTF)</b>	<b>2 717.90</b>	<b>2 106.09</b>	<b>2 437.94</b>	<b>3 049.75</b>					
Total EDF budget	8.44	0.91	34.48	42.01					
of which Bekou	0.00	0.00	0.00	0.00					
of which Africa	0.00	0.00	0.00	0.00					
of which Colombia	0.00	0.00	0.00	0.00					
of which Syrian Crisis	0.00	0.00	0.00	0.00					
<b>Total EC Budget excluding EUTF</b>	<b>8.44</b>	<b>0.91</b>	<b>34.48</b>	<b>42.01</b>					
T003 : Bekou	0.00	0.00	0.00	0.00					
T005 : Africa	0.00	0.00	0.00	0.00					
T006 : Colombia TF	0.00	0.00	0.00	0.00					
T004 : Syrian Crisis (Madad)	0.00	0.00	0.00	0.00					
<b>Total EU Trust Funds</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>					
<b>Total = sub-total (a) + sub-total (b)</b>	<b>2 726.34</b>	<b>2 107.00</b>	<b>2 472.42</b>	<b>3 091.76</b>					

## Notes to the table X

(1) Relevant Control Systems differentiated per relevant portfolio segments and at a level which is lower than the DG total

(2) Payments made or equivalent, e.g. expenditure registered in the Commission's accounting system, accepted expenditure or cleared pre-financing. In any case, this means after the preventive (ex-ante) control measures have already been implemented earlier in the cycle.

In all cases of Co-Delegations (Internal Rules Article 3), "payments made" are reported by the Delegated DGs. For Cross-SubDelegations (Internal Rules Article 12), the reporting remains with the Delegating DGs.

(3) New pre-financing actually paid by out by the department itself during the financial year (i.e. excluding any pre-financing received as a transfer from another department). as per note 2.5.1 to the Commission annual accounts thus excluding "Other advances to Member States" which are covered on a purely payment-made basis (note 2.5.2). Pre-financing paid/cleared" are always covered by the Delegated DGs, even for Cross-SubDelegations.

(4) Pre-financing actually cleared during the financial year (i.e. their 'delta' in the Financial Year 'actuals', not their 'cut-off' based estimated 'consumption').

(5) For the purpose of equivalence with the ECA's scope of the EC funds with potential exposure to legality & regularity errors (see the ECA's Annual Report methodological Annex 1.1), our concept of "relevant expenditure" includes the payments made, subtracts the new pre-financing paid out, and adds the pre-financing actually cleared during the FY. This is a separate and 'hybrid' concept, intentionally combining elements from the budgetary accounting and from the general ledger accounting.

(6) In this column, DG ECHO discloses the Average (detected) Error Rate (2019-2021)

(8) The calculation is based on the cumulative (2015-2021) recovery rate of DG ECHO corrected based on internal checks.

## ANNEX 10: Reporting – human resources, digital transformation and information management and sound environmental management

### Human Resource management

**Objective:** DG ECHO employs a competent and engaged workforce and contributes to gender equality at all levels of management to effectively deliver on the Commission's priorities and core business

**Indicator 1:** Number and percentage of first female appointments to middle management positions

**Source of data:** SEC(2020)146

Baseline (2019)	Target (2022) + (2024)	Latest known results (2021)
53%, 9 out of 17)	2022: 1 female appointment target set for 2022 was met in 2020. 2024: still to be defined	47%, 9 out of 19 1 female appointment in 2021 was met already in 2020. 1 in total since target set

**Indicator 2:** DG ECHO staff engagement index

**Source of data:** Commission staff surveys 2018 and 2021

Baseline (2018)	Target (2024)	Latest known results (2021)
67%	At least 72% and maintain above the Commission average (72% in 2021)	71% compared to the Commission average of 72%

### Main outputs in 2021:

Description	Indicator	Target	Latest known results
Activities to encourage female representation in middle and senior management positions	Female representation percentage in middle management (for first appointments - mandatory targets set until 2022 <sup>21</sup> ) and in senior management: Percentage of female representation in middle management (baseline on 01/12/2019 - 9 women out of 17 – 53%)	At least one additional female middle manager to be appointed by 2021: The 50% target of female representation in middle management set for 2022 was met in 2020	DG ECHO met its target of 1 additional appointment of female middle manager in July 2020. At the end of 2021, 1 additional first female appointment has been made. DG ECHO had 9 female middle managers out of 19 occupied posts (47%) at the end of 2021.
A continued follow-up of the result of the 2018 staff survey and the implementation of the action plan	Achievement rate of the benchmarks on the Action Plan following the 2018 staff survey	DG ECHO's aim is to implement all actions identified in the Action Plan following the 2018 staff survey (COVID-19 permitting).	DG ECHO implemented all actions identified in the Action Plan in September 2021. Some actions will remain ongoing, as the Action plan is a living document.
	Implementation of the Management Charter	At least twice a year the implementation of the management charter will be discussed in the coordination meeting with senior and middle management.	The implementation of the Management Charter was discussed with DG ECHO Senior and Middle Managers at Extended Management Meetings. This Charter will be further updated in 2022.

	Staff engagement index baseline 2018 staff survey 67%	Due to the COVID-19 pandemic the target will be to keep the same percentage of the baseline.	Results of the 2021 Staff survey demonstrate that efforts of the management to implement the Action Plan established as a result of the 2018 Staff survey, paid off. DG ECHO's staff engagement rate in 2021 is 71% (+4% compared to 2018 results) and it is very close to the EC average (72%).
Activities to improve the integration of newcomers	Number of sessions for newcomers	At least 2 newcomers' sessions to be organised in 2021	2 Newcomers sessions organised in May and September 2021. One virtual coffee with the Director-General took place in September 2021. Senior managers welcome newcomers within their directorates.
	Newcomers welcome package	Finalisation of the newcomers' package done in 2020. To be fully implemented in 2021	Fully implemented. All newcomers receive an email on the arrival date, including the newcomers' package.

## Digital Transformation and information management

**Objective:** DG ECHO is using innovative, trusted digital solutions for better policy-shaping, information management and administrative processes to forge a truly digitally transformed, user-focused and datadriven Commission

**Indicator 1:** Degree of implementation of the digital strategy principles

**Source of data:** Calculated based on internal knowledge and GOVIS

<b>Baseline</b> (2019)	<b>Target</b>	<b>Latest known results</b> (2021)
11 principles as defined in the European Commission digital strategy	<ul style="list-style-type: none"> <li>- Apply the “digital by default” principle, by delivering robust digital services to the stakeholders.</li> <li>- Apply the “once-only” principle, by implementing interfaces with the main corporate systems.</li> <li>- Apply the “security”, “privacy” and “cross-border” principles, by scoping and addressing the risks of the ECHOField infrastructure in particular, in close collaboration with CERT-EU on cyber security.- Apply the “openness” and “transparency” principles by sharing data with Member States’ administrations through the EDRIS application and the IATI initiative, and publishing its open data on the open data portal of the OP.</li> <li>- Apply the “interoperability” principle by favouring reusability and avoiding replicating developments, by using corporate building blocks like EU Login and corporate Information Systems like ABAC, ARES, BASIS etc. •</li> <li>- Ensure the “user-centricity” and “agile” principles by involving users through user working groups at the early stage of the development, while respecting the IT Governance established processes. •</li> <li>- Ensure the “data driven” principle, also by digitising as much as possible the processes handling documents.</li> </ul>	Principles are all applied when relevant for a project in the limit of budget availability, human resources and defined priorities.
Modernisation plan is drafted based on the needs expressed by the members of the IT Governance Structures and the corresponding agreed priorities	Availability and management of data from various sources (internal, external, coming from various systems) in a consolidated manner, targeting various audiences, and allowing for in-depth analysis and evidence-driven policy and implementation	Development of the EVA CID report to facilitate the HIP budget allocation. In that context, several external (World bank, UN, JRC...) and internal data sources have been consolidated and made available to the users.  Launch of the data repository project for civil protection data.

<b>Baseline</b> (2019)	<b>Target</b>	<b>Latest known results</b> (2021)
HOPE/APPEL: 59% CECIS: 45% INFOR: 36%	HOPE/APPEL: 91% CECIS: 91% INFOR: 37%	HOPE/APPEL: 61% CECIS: 40% (initial assessment has been revised in July with new guidance provided by DIGIT) INFOR: 42%
<b>Indicator 2:</b> Percentage of DG ECHO key data assets for which corporate principles for data governance have been implemented <b>Source of data:</b>		
<b>Baseline</b> (2019)	<b>Target</b>	<b>Latest known results</b> (2021)
25% (data owners and data steward are identified for the 4 key data assets identified)	80%	35%
<b>Indicator 3:</b> Percentage of staff attending awareness raising activities on data protection compliance <b>Source of data:</b>		
<b>Baseline</b> (2020)	<b>Target</b>	<b>Latest known results</b> (2021)
5% (deliver tailored trainings and awareness raising activities among ECHO staff on data protection)	100%	11,64%

### Main outputs in 2021:

<b>Description</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results</b>
Staff has easier access to information and statistical data	Further development of the 'data warehouse' in order to include more reporting elements (back-end and front-end)	Produce new reports, update data universes accordingly	Contribution to the automation of the OECD reporting contribution Generalisation of QlikSense for the majority of DG ECHO reporting Finalisation of the rationalisation of DG ECHO datwarehouse and phasing out of all old universes
Staff has access to streamlined data per country or crisis	Progressive enrichment of the reporting infrastructure originating from various sources including external ones	New dashboard to assist the funding allocation process(country dashboard, crisis dashboard)	Introduction of FIT reports and dashboards

Description	Indicator	Target	Latest known results
Staff is aware of the existing reporting capabilities	Information sessions, support and trainings are provided	Periodic awareness sessions and hand on training to the different target audiences	Presentation of new FIT dashboards; Training sessions on the use of the tool; General sessions on the QlikSense dashboard offering; Individual hands on session on request
Staff at HQ and in the Field Offices collaborate online	Exploit the Microsoft 365 pilot possibilities in particular the communication and collaboration functionalities	Staff both in Brussels and the field is collaborating using Teams and SharePoint	Continuous evolution of the field sharepoint environment and extensive use of Teams between the field and the HQ.
EU Member States can import their IATI files in EDRIS and avoid double encoding	Release the IATI import functionality for the end of the year; Publish guidelines on minimum content and value lists to be used for using the service.	by end 2021: At least 4 Member States using the functionality; Guidelines available;	1 Member State fully integrated; 3 Member States in the process of integration
Staff at HQ can easily file and register documents in ARES without leaving HOPE/APPEL	Number of major processes automated	70% of processes not necessitating a blue ink signature	Read mode enabled; Write mode under prototyping but on hold due to priority changes
Staff at HQ and Field levels is aware of the security context, especially in High Risk Countries and Areas	Further development of the Security Awareness Information Dashboard (SecAID) and continued development of a new Mission Security Clearance Tool (MSCT) through the development of a business case	SecAID dashboard gives security trends on Countries and Areas where ECHO is operating and performing field missions, based on objective information coming from different sources  MSCT is a digital platform that allows a dynamic management of a mission to a high risk country, and facilitates the preparation, the performance and the monitoring of the mission, both for ECHO colleagues on mission and ECHO Security Sector  Business case and project charter validated	First SecAID prototype delivered by JRC end of June. Further development is on-going with JRC under Administrative Agreement 2021-2022 WP 9  MSCT Business Case to be finalised and tabled in front of ITCB (DG DIGIT) end of Q1/beginning of Q2 2022 before moving to next phase (Project Charter./Project Plan). Major risk is budget as no dedicated envelop has been secured so far in A3 Security budget plan 2022
Improve data protection awareness amongst DG ECHO staff	Percentage of staff attending awareness raising activities on data protection compliance	By end of 2021: 100% of data protection's team members; 25% of staff; 35% of senior and middle management	100% of the data protection's team members; 11,64% of ECHO staff
Updated ECHO Intranet's pages on Data Protection	Legal and procedural developments from Data Protection Officer uploaded to ECHO intranet	31.12.2021	100 % (both ECHO Intranets : My DG ECHO IntraComm and ECHOField)

**Objective:** DG ECHO takes full account of its environmental impact in all its actions and actively promotes measures to reduce the related day-to-day impact of the administration and its work

**Main outputs in 2021:**

Description	Indicator	Target	Latest known results
Reduce paper use by developing paperless working methods.	By inciting staff to print less, bring their laptop in meetings, etc. In the future, promote training to staff on the use of SharePoint	End 2021	0,11 T per person in 2020
Participate in EMAS actions and campaigns, e.g. EU Mobility Week and VeloMai (in October this year due to Covid-19 crisis)	By promoting the sustainable mobility/cycling courses offered by OIB Mobility, via EU Learn and EMAS campaigns. Also by sharing good practices on ECHO INTRANET page to sensibilise colleagues to promote a better environment (less waste etc.)	End 2021	Plogging activity organised in April 2021 with ECHO colleagues. EMAS campaigns (mobility week and less waste workshops) shared with colleagues interested in participating.

**Mandatory indicators**

**Indicator 1a:** Final energy use in buildings (MWh/p)

Final energy use in buildings (KWh/m<sup>2</sup>)

Baseline (2014-2020)	Target	Latest known results (2019)
-5.2 -5.2	-16 in 2023 (compare to 2014) 7 in 2023 (compare to 2014)	2826 (MWh/p) in 2019 for ECHO 369 (KWh/m <sup>2</sup> ) in 2019 for ECHO

**Indicator 1c:** Non-renewable buildings energy use (%)

Baseline (2014-2020)	Target	Latest known results (2021)
-3.3	<b>2 in 2023 (compare to 2014)</b>	No data for L86. However, a heat pump exists and can generate non-renewable energy for ECHO.

**Indicator 1d:** Water use (m<sup>3</sup>/p) and Water use (litres/m<sup>2</sup>)

Baseline (2014-2020)	Target	Latest known results (2020)
-5.4 -4.8	-15 in 2023 (compare to 2014) 3 in 2023 (compare to 2014)	3.138 m <sup>3</sup> , which is 6,64m <sup>3</sup> per person for ECHO.



<b>Indicator 1e: Office paper (Sheets/person/day)</b>		
<b>Baseline (2014-2020)</b>	<b>Target</b>	<b>Latest known results (please indicate the year)</b>
-34	-44 in 2023 (compare to 2014)	8 in 2020 for all the Commission buildings in Brussels
<b>Indicator 2a: Buildings emissions (Tonnes CO2e/p) and Buildings emissions (kgCO2e/m2)</b>		
<b>Baseline (2014-2022)</b>	<b>Target</b>	<b>Latest known results (2019)</b>
-5.1 -5.2	-29 in 2023 (compare to 2014) -11 in 2023 (compare to 2014)	<b>61 (KgCO2e/m<sup>2</sup>) in ECHO.</b>
<b>Indicator 2c: Commission vehicle fleet emissions (gCO2e/km, manufacturer)</b>		
<b>Baseline (2014-2022)</b>	<b>Target</b>	<b>Latest known results (2019)</b>
-14	-42 in 2023 (compare to 2014)	131 in 2019 for all the Commission buildings in Brussels.
<b>Indicator 3a: Non-hazardous waste (Tonnes/ person)</b>		
<b>Baseline (2014-2022)</b>	<b>Target</b>	<b>Latest known results (2020)</b>
-9.7	-22 in 2023 (compare to 2014)	49 tonnes in 2020, which is 0,11t/person for ECHO.
<b>Indicator 3c: Unseparated waste (%) and Unseparated waste (Tonnes/person)</b>		
<b>Baseline (2014-2022)</b>	<b>Target</b>	<b>Latest know results (2020)</b>
-6.0 N/A	<b>-3 in 2023 (compare to 2014)</b> <b>-17 in 2023 (compare to 2014)</b>	83% of the waste produced in EC buildings in Brussels in 2020.

## ANNEX 11: Implementation through national or international public-sector bodies and bodies governed by private law with a public sector mission

Programme	Partner	Annual Budgetary Amount Entrusted (EUR)	No. of EU-funded projects	Duration (months)	Justification for recourse to indirect management	Justification for the selection of the particular body	Summary description of the tasks entrusted
HUMANITARIAN AID	WORLD FOOD PROGRAM	307,359,088	51	12-24	Humanitarian Aid mandate of the organisation	Selection criteria	Food assistance to crisis-affected people in multiple countries
HUMANITARIAN AID	UNITED NATIONS CHILDREN'S FUND	195,970,965	50	3-24	Humanitarian Aid mandate of the organisation	Selection criteria	Providing humanitarian and developmental aid to children in multiple countries
HUMANITARIAN AID	UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES	110,240,000	33	12-24	Humanitarian Aid mandate of the organisation	Selection criteria	Protecting refugees, forcibly displaced communities and stateless people, and assisting in their voluntary repatriation, local integration or resettlement to a third country
HUMANITARIAN AID	INTERNATIONAL ORGANIZATION FOR MIGRATION	68,553,255	27	4-18	Humanitarian Aid mandate of the organisation	Selection criteria	Camp Coordination and Management, WASH, assistance to displaced people and to those affected by climatic catastrophes in multiple countries
HUMANITARIAN AID	WORLD HEALTH ORGANIZATION	64,645,000	21	9-24	Humanitarian Aid mandate of the organisation	Selection criteria	Healthcare and basic necessities provision to crisis-affected people in multiple countries
HUMANITARIAN AID	FOOD AND AGRICULTURE ORGANIZATION	27,630,000	7	12-15	Humanitarian Aid mandate of the organisation	Selection criteria	Food Security in Humanitarian crises zones in multiple countries
HUMANITARIAN AID	UNITED NATIONS POPULATION FUND	27,050,000	8	8-12	Humanitarian Aid mandate of the organisation	Selection criteria	Gender-based violence, Reproductive health care for women and youth in Turkey, S. Sudan, Iraq, Syria
HUMANITARIAN AID	OFFICE FOR THE COORDINATION OF HUMANITARIAN AFFAIRS	14,450,000	25	6-12	Humanitarian Aid mandate of the organisation	Selection criteria	Global coordination of humanitarian action in multiple countries
HUMANITARIAN AID	UNITED NATIONS RELIEF AND WORKS AGENCY FOR PALESTINE REFUGEES IN NEAR EAST	8,000,000	3	9-15	Humanitarian Aid mandate of the organisation	Selection criteria	Protection of Palestine Refugees Affected by Armed Conflict and Forced Displacement in the West Bank
HUMANITARIAN AID	UNITED NATIONS DEVELOPMENT PROGRAMME	7,199,999	7	6-15	Humanitarian Aid mandate of the organisation	Selection criteria	Operations and Compliance Unit

Programme	Partner	Annual Budgetary Amount Entrusted (EUR)	No. of EU-funded projects	Duration (months)	Justification for recourse to indirect management	Justification for the selection of the particular body	Summary description of the tasks entrusted
HUMANITARIAN AID	PAN AMERICAN HEALTH ORGANIZATION	4,600,000	4	12-18	Humanitarian Aid mandate of the organisation	Selection criteria	Improve health and living standards of the people of the Americas
HUMANITARIAN AID	UNDP Multi Partner Trust Fund Office	3,000,000	1	12	Humanitarian Aid mandate of the organisation	Selection criteria	Promote social cohesion between politically divided communities and to pave the way for recovery
HUMANITARIAN AID	UNITED NATIONS OFFICE FOR PROJECT SERVICES	2,400,000	2	18-24	Humanitarian Aid mandate of the organisation	Selection criteria	Provide infrastructure, procurement and project management services
HUMANITARIAN AID	UNITED NATIONS MINE ACTION SERVICE	1,000,000	1	12	Humanitarian Aid mandate of the organisation	Selection criteria	Eliminate the threat posed by mines, explosive remnants of war and improvised explosive devices
HUMANITARIAN AID	OFFICE FOR DISASTER RISK REDUCTION	900,000	2	18	Humanitarian Aid mandate of the organisation	Selection criteria	Strengthening disaster risk resilience through enhanced coordination mechanisms
HUMANITARIAN AID	INTERNATIONAL COMMITTEE OF THE RED CROSS	132,230,634	30	6-18	Humanitarian Aid mandate of the organisation	Selection criteria	Emergency response to crisis-affected people in multiple countries
HUMANITARIAN AID	INTERNATIONAL FEDERATION OF THE RED CROSS	31,880,000	10	6-12	Humanitarian Aid mandate of the organisation	Selection criteria	Emergency response to crisis-affected people in multiple countries

**ANNEX 12: EAMR of the Union Delegations (not applicable)**

**ANNEX 13: Decentralised agencies and/or EU Trust Funds (not applicable)**