



Strategic Plan 2020-2024

DG REGIONAL AND URBAN POLICY

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INTRODUCTION

As set out in the communication ‘Governance in the European Commission’¹, the strategic planning and programming cycle is the Commission’s performance management framework. Its purpose is to help ensure that the Commission achieves its objectives in an efficient and effective manner.

The starting point for the 2020-2024 cycle is the agenda of President von der Leyen, as set out in her political guidelines and further developed in the mission letters sent to all Members of the Commission. The Strategic Plan translates these priorities into concrete and operational strategies that will shape REGIO’s work for the duration of the mandate of this Commission. The strategy is expressed through general objectives (the headline ambitions) and specific objectives (reflecting the specific contribution of the service).

In the political guidelines and mission letters, President von der Leyen has also placed strong emphasis on modernising the way the Commission works, for example through digitalisation, collaborative methods and an increased focus on the sustainability of our activities. The Strategic Plan therefore covers not only the Commission’s strategy for delivering on the political priorities, but also for modernising the way the Commission administration functions and improving efficiency.

As outlined in the mission letter of Elisa Ferreira, Commissioner for Cohesion and Reforms, REGIO will over the next five years need to ensure in particular that Europe invests and supports the regions and the people most affected by the twin digital and climate transitions, leaving no one behind, as we move forward together. This is of particular importance in the context of the EU recovery plan, through which solidarity, cohesion and convergence must drive Europe’s recovery. The following are the key priorities over the next 5 years:

- The **legislative framework** for Cohesion Policy Funds for the next long-term budget **2021-2027** should allow that the future policy is modern, simple to use and that the new programmes lead to more future-oriented high-quality investment, supporting long-term recovery from the COVID-19 crisis and the green and digital transitions;
- Close cooperation with the Member States will continue to ensure that they make full and **effective use of the funds** of the 2014-2020 period including the possibilities offered under the **Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU)**, and ensure that there are appropriate controls on expenditure;
- A reinforced **Just Transition Fund** should offer tailored support for the most affected, for instance those in industrial, coal and energy-intensive regions;

¹ [C\(2018\) 7703 final](#)

- **Complementarity of regional policy** investments and **structural reforms** should be ensured; including coordination with the Recovery and Resilience Facility and the Technical Support Instrument;
- A specific focus will be put on the **sustainable development** of Europe's cities and urban areas in the framework of the Urban Agenda for the EU;
- Contribute to the long-term vision on **rural areas** and ensure the Treaty provisions for the **outermost regions** are fully exploited and the strategic partnership with these regions is implemented across all EU policies.

PART 1. Delivering on the Commission's priorities

Mission statement

Our Motto: Helping EU regions grow together

Our Vision: Our vision is one of European regions and cities embracing together the Green and Digital transitions; to ensure lasting improvements in the economy and quality of life for everybody, leaving no one and no region behind. Achieving this vision is particularly challenging in the context of the Covid-19 crisis that will likely lead to an asymmetric recovery between and within Member States with the prospect of rising economic and social disparities within the Union.

Our Principles and Values: Openness, integrity, objectivity, transparency and accountability are our core values. We are committed to the highest standards and the best results.

Who we are: We are some 700 professionals from all over the European Union who understand the diverse challenges faced by EU countries and their regions. We use our wide range of expertise to help partners target investments that deliver for and with the people, equipping them on the best possible way in the twin green and digital transition we all need to achieve. We aim to become a knowledge base within the European Commission, adequately placed to inform policy making and implementation with regional data and intelligence.

How we work: We engage with EU member countries, regions, citizens and other stakeholders to assess needs, finance investments and evaluate the results from a long-term EU perspective. Together, we ensure that the money is well invested. We take pride in what we do and strive to make a difference.

Operating context

Directorate General Regional and Urban Policy (REGIO) reports to Commissioner Ferreira, responsible for Cohesion and Reforms.

REGIO activities are defined by the Treaties on the European Union and on the Functioning of the European Union (TFEU). Article 174 of the Treaty provides that, in order to strengthen its economic, social and territorial cohesion, the Union is to aim at reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions, and that particular attention is to be paid to rural areas, areas affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps.

REGIO delivers its objectives through management of programmes financed under the European Regional Development Fund (ERDF) and the Cohesion Fund (CF). The implementation of these funds allows fulfilling the long-term objectives of strengthening economic and social cohesion in the EU. Thanks to the policy's specific features (e.g. alignment of investment to EU-wide priorities, concentration of resources on less developed and transition regions, multiannual programming, place-based approach, multi-level governance, interregional cooperation), the supported investments bring strong European added value, while respecting subsidiarity.

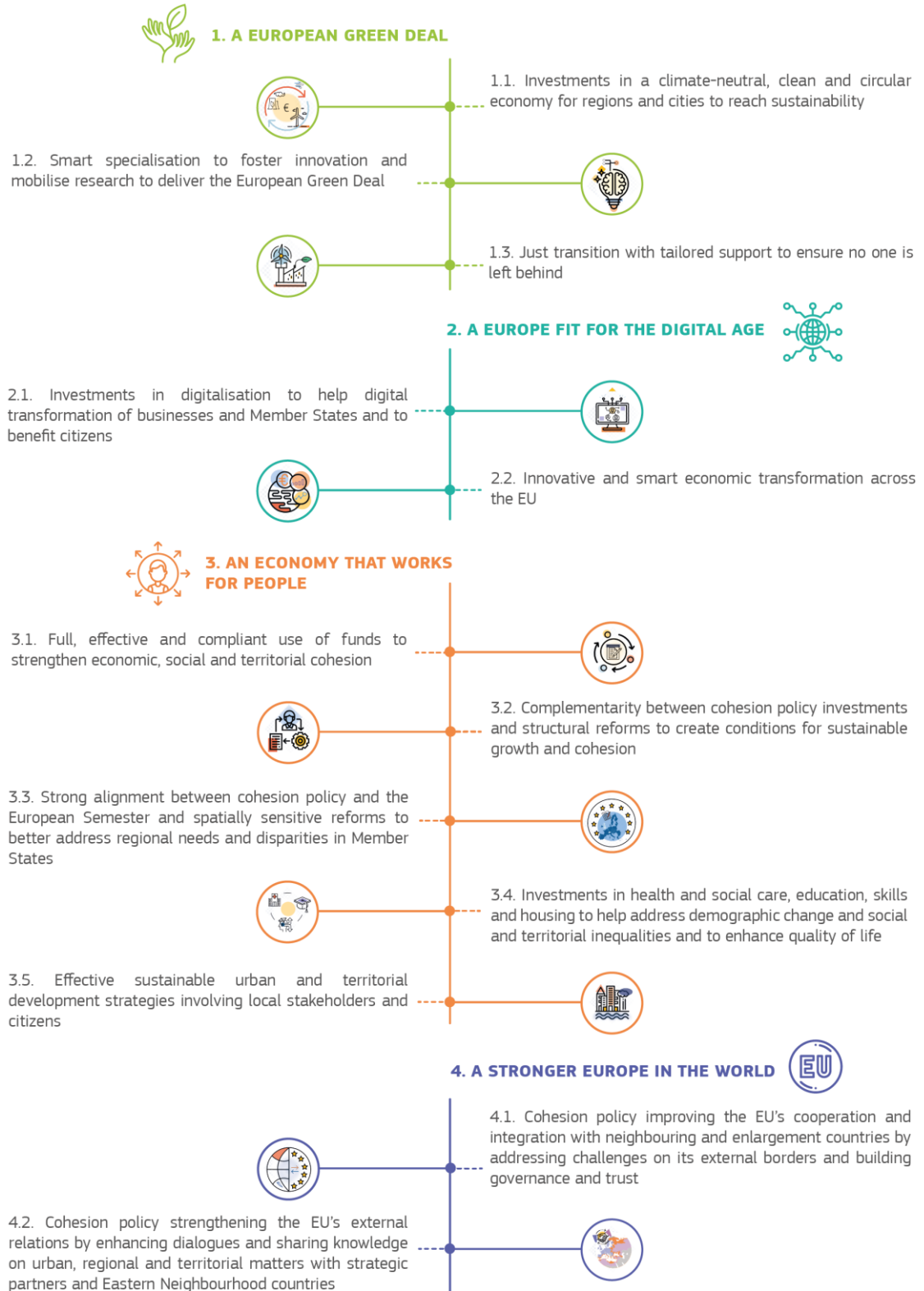
REGIO is also managing the cross-border components of Instrument for Pre-accession Assistance (IPA), ensuring EU financial and technical support for reforms in 'enlargement countries'; the cross-border components of the European Neighbourhood Instrument (ENI) facilitating continuous cross-border cooperation with neighbouring countries and the European Union Solidarity Fund (EUSF), granting financial assistance to Member States and accession countries, mainly in the event of major natural disasters and Urban Innovative Actions, aimed at identifying and testing new solutions through pilot projects in cities. From 1 January 2021, REGIO will also manage the Just Transition Fund (JTF), the third pillar of the Just Transition Mechanism (JTM) – public loan facility and a new interregional innovation investment instrument.

The policy is implemented under different management modes:

- Shared management (ERDF and CF; EUSF; IPA-CBC, ENI-CBC; JTF): the co-legislators fix the legal framework and overall funding and determine the allocations by Member States and category of region. The Commission adopts programmes and cooperates with Member State administrations in charge of the programmes' implementation including the selection of operations, audit and control and achievement of objectives.
- Indirect management (Urban Innovative Actions): only limited budget is channelled through this mode.
- Direct management (technical assistance; 3rd pillar of JTM, investments under InvestEU - Member State's compartment, interregional innovation investment instrument): a limited share of funding is implemented under direct management.

Strategy

REGIO will contribute in particular to the following four general objectives of the von der Leyen Commission with targeted actions regrouped along 12 specific objectives:



Overall, REGIO aims to safeguard better regulation aspects in all regulatory proposals. From this perspective, REGIO will look at ways to ensure that the regulations are targeted, easy to comply with and do not add unnecessary regulatory burden. In addition, in line with the mission letter of Commissioner Ferreira, REGIO will ensure that every legislative proposal creating new burdens also relieves people and businesses of an equivalent existing burden at EU level in the same policy area.

More specifically, the preparation of the new set of legislative proposals for the post-2027 cohesion policy will require by 2024 preparing impact assessments, holding public consultations, conducting analytical studies supporting policy options and ex-post evaluations of the 2014-2020 programming period and mid-term evaluations of the 2021-2027 programming period. In all these tasks REGIO will follow the better regulation guidelines.

General objective 1: A European Green Deal

REGIO provides the biggest EU investment support for Europe's ambitious energy and climate policies, supporting regions and cities in their path to reach the targets of climate neutrality by 2050 and contributing to a socially fair transition. The 2021-2027 programmes will massively invest into the low carbon economy, environment and climate change adaptation. ERDF and CF will thus make a substantial contribution to delivering the ambitions of the European Green Deal. In the framework of the EU Recovery Plan, green investments will contribute to our competitive sustainability. The Just Transition Mechanism (JTM) is a key tool to ensure that the transition towards a climate-neutral economy happens in a fair way, leaving no one behind.



For each of the below specific objectives, please refer to the performance tables at Annex for result indicators measuring the progress in achieving the objective.



Specific objective 1.1: Investments in a climate-neutral, clean and circular economy for regions and cities to reach sustainability

On 11 December 2019, the Commission adopted the **European Green Deal**,

Europe’s new growth strategy fit for reaching climate neutrality by 2050. In addition, it formulates strengthened ambitions on the circular economy, the restoration of nature and a clean environment. The EU Recovery Plan will provide additional funding for the most important sectors assisting the crisis repair actions that will be necessary to lay the basis for a green, and resilient recovery. The investment priorities will need to be revised to tackle these new challenges. In addition, the allocation for the Just Transition Fund will be increased. REGIO will encourage Member States to prepare and address the resilient recovery by related investments into green economy and just transition.

Our funds will make a key contribution to delivering the European Green Deal. The **ERDF** and the **Cohesion Fund** will be key to **the EU Budget’s climate contribution**, by aiming to spend at least 30% and 37% respectively on climate-related investments, amounting to almost EUR 85 billion. In addition, at least EUR 20 billion will be invested in improving the quality of the environment.

For this, it will be important to ensure a sufficient level of ‘policy objective 2’² type of investments during programming, such as more energy efficiency in buildings, renewable energy, circular economy, biodiversity and others. But also other investments need to contribute to the European Green Deal’s objectives, including innovation in the circular economy, sustainable transport (including sustainable urban mobility). It will be essential to decarbonise the transport sector through investment in sustainable transport. In addition, with the planned adoption of a Commission Communication on a ‘Renovation Wave’, the role of Cohesion policy in supporting energy efficiency in buildings will be further reinforced.

Supporting future-oriented, **quality investment** will be important, to avoid investments with lock-in effects (e.g. waste incineration, fossil fuels) and better capturing environmental sustainability.

The comprehensive range of investments made by the ERDF and Cohesion Fund in policy objective 2 will contribute directly to several **UN Sustainable Developments Goals**:



² Cohesion policy proposal for 2021-27 legislative framework provides for 5 policy areas, through which the support from the funds is provided. Policy objective 2: ‘a greener, low-carbon Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate adaptation and risk prevention and management’



Specific objective 1.2: Smart specialisation to foster innovation and mobilise research to deliver the European Green Deal

The **development and deployment of new technologies** are critical to achieve the objectives of the European Green Deal. This requires innovation to support the greening of the economy and the development of sustainable products and solutions throughout value chains. Support under smart specialisation under policy objective 1³ will help develop and test technologies in the private and public sector that contribute to carbon-neutrality, circularity and reduction of pollution.

Building up capacities in the development and provision of green innovative technologies, technology uptake, testing new innovative solutions in the areas of circular economy, climate and energy will be key. The transition to a carbon neutral economy needs new solutions – adapted to regional contexts as varied as urban, rural, remote or insular - in order to avoid locking the economy into unsustainable paths. This will also help to create new business opportunities in line with the new growth strategy proposed by the European Green Deal.

Investments made by the ERDF under this specific objective will contribute to the following **UN Sustainable Developments goals:**



Specific objective 1.3: Just transition with tailored support to ensure no one is left behind

The European Green Deal's Investment Plan - the **Sustainable Europe Investment Plan** - will mobilise public investment and help to unlock private funds through EU financial instruments, notably InvestEU, which would lead to at least EUR 1 trillion of investments over the next decade. This includes the Just Transition Mechanism, which will combine public and private money with the ambition to reach an investment volume of EUR 130-150 billion over the next seven years – reflecting the Council's stance on the financial

³ Policy objective 1 : 'a smarter Europe by promoting innovative and smart economic transformation'

aspects following the European Council in July. The Just Transition Mechanism consists of three pillars:

- the Just Transition Fund implemented under shared management (within cohesion policy) with a reinforced budget, European Semester country reports providing analysis and recommendations
- a dedicated scheme under InvestEU resources and
- a public sector loan facility in partnership with the European Investment Bank.

Additional public and private resources will be unlocked through a consistent regulatory framework, in particular sectoral State aid rules, which will create opportunities to facilitate the use of national funds for projects consistent with just transition goals.

While all regions and sectors will need to contribute to the transition, the scale of the challenge is not the same. To help the most vulnerable regions deal with socio-economic impacts of the transition, the Just Transition Mechanism will provide **tailored financial and practical support** to generate the necessary investments in those areas.

In the light of the coronavirus crisis, the need for a sustainable, green recovery has become even more pressing. In the framework of the EU Recovery Plan, it is proposed to reinforce the Just Transition Fund to assist Member States in accelerating the transition towards climate neutrality. The European Council of July agreed on an overall budget of EUR 17.5 billion for this Fund – an agreement with the Parliament on this issue should be reached in the autumn.

REGIO has a particular role to play in managing transition in Member States and regions. The **Just Transition Fund** aims at alleviating the social and economic impacts of the transition. Ensuring the adoption of **high quality Territorial Just Transition Plans** - outlining the transition process and the social, economic and environmental challenges linked to the phasing out or decarbonisation of certain activities - will be essential. REGIO is playing a leading role in setting up and running the **Just Transition Platform** providing a single access point, comprehensive technical and advisory support and project and expert databases.

REGIO will also oversee the grant element of the **public sector loan facility** in partnership with the European Investment Bank. The facility will include EUR 1.5 billion in grants from the EU resources and up to EUR 10 billion in loans from the European Investment Bank's own resources. The facility aims to mobilise between EUR 25 and EUR 30 billion of investments for helping territories and regions most affected by the transition to a climate-neutral economy.

Cities will also have an important role to play in delivering the Green Deal. Investing in integrated sustainable urban development strategies through cohesion policy programmes will be essential.

Investments made under this specific objective will contribute to the following **UN Sustainable Developments Goals:**

 SDG 7 - Affordable and clean energy	 SDG 9 - Industry, innovation and infrastructure	 SDG 13 - Climate action
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 **EXTERNAL COMMUNICATION ACTIONS**



To support the delivery of the European Green Deal, a number of communication actions are planned. **European Week of Regions and Cities** is the green, gender-balanced, largest EU annual event for cohesion policy stakeholders. It fosters exchange of good practices, especially on green subjects. **‘EU delivers in the regions’** consists of a series of ultra-local campaigns, co-created with regional authorities, around familiar, emblematic projects that solicit local identity and pride in local codes.

General objective 2: A Europe Fit for the Digital Age

DG REGIO PLAYS A ROLE IN 5 AREAS



Digitalisation and broadband support



Research and innovation



SME's support



Removing cross border barriers to single market



Skills

Digitalisation has a recognised impact on the economy and society as it improves quality of life, boosts access to knowledge and other services. Digital technologies are changing our lives, the way we work, shop, communicate.

New business models and employment patterns are emerging thanks to the digital transformation. Digital technologies are enabling smaller, innovative and dynamic businesses to develop and bring faster to market innovative products and services that were impossible to think before. Digitalisation involves a transformation of business models.

Broadband roll-out increases the competitiveness of companies and makes innovative digital start-ups possible. It is necessary for social inclusion, education and better public services and territorial continuity

(by connecting remote parts of the EU such as the outermost regions). The strategic vision of cohesion policy is to contribute to the gigabit society targets for 2025.

For each of the below specific objectives, please refer to the performance tables at Annex for result indicators measuring the progress in achieving the objective.



Specific objective 2.1: Investments in digitalisation to help with digital transformation of businesses and Member States and to benefit citizens

Digitalisation is an innovation enabler which cuts across all areas, the digital transformation of society and economy can bring benefits to all citizens and businesses. The impact of digitalisation is territory sensitive and if implemented properly, has the potential to reduce disparities across regions and Member States. Digital technologies are key ingredients for innovations that can help us to find solutions to societal challenges, from health to farming, from security to manufacturing.

More than 90% of SMEs in Europe feel as though they are lagging behind in digital innovation, particularly in rural or remote areas without access to high-speed broadband. Too few SMEs embrace advanced and additive manufacturing, artificial intelligence and augmented reality and master new service offerings, especially in traditional manufacturing sectors. The overall challenges of the digital transformation and its impact on businesses and work should be taken into account when selecting the individual actions to support.

Public administrations can be part of the global trends by providing high quality digital services as well as by supporting the demand for innovation and new technologies.

Regional policy will help make sure that nobody is left behind as Europe is made fit for the digital age by improving the strategic policy frameworks for digital investments and enhancing the administrative capacities of national and regional authorities to prepare and manage broadband deployment.

The focus of ERDF broadband investments will be to deliver "Very High Connectivity" (VHC) networks, in particular the set-up of VHC wholesale open access networks in "white" and "grey" areas based on the broadband state aid guide. This includes the entire electronic communication network, Backbone/Backhaul and also access networks for the purpose of electronic communications services to households, enterprises and other ICT users. While the Commission does not prescribe any specific type of technology, VHC networks will typically require the roll out of optical fibre. Other technologies, notably fixed wireless and the next generation of wireless networks (5G), could also be supported when they offer users a connectivity of similar characteristics.

Those regions should be targeted where the current broadband coverage rate is low and speeds are significantly lower than required for the gigabit society mentioned above, i.e. where the density of population is low, in remote and rural areas.

The main point of departure will be the national or regional Broadband Plans in line with the European Electronic Communications Code and in view of the EU State aid rules. This is an enabling condition for the 2021-2027 ERDF programmes' digital connectivity investments. The network of the Broadband Competence Offices supports broadband deployment across the EU.

Investments made by the ERDF in policy objective 1 and 3⁴, particularly in relation to digitizing society and building high speed digital networks, will contribute to the following **UN Sustainable Developments Goal:**



 **Specific objective 2.2: Innovative and smart economic transformation across the EU**

Three-quarters of the cohesion policy investment is earmarked to prepare regions for modernisation of their economies by embracing digitalisation, technological and social innovation, decarbonisation and the circular economy for the benefit of all, so that no region is left behind. Furthermore, many European regions are still facing the challenge of the twin transition from their past industrial legacy to the digital, modern economy. With

⁴ Policy objective 3: 'a more connected Europe by enhancing mobility and regional ICT connectivity'

thematic concentration we continue to ensure that cohesion policy is focused on what is crucial for boosting innovation-led growth, competitiveness and for structural adjustments to globalisation challenges and technological change, while avoiding fragmentation of resources. EU regions need to be able to compete with more advanced and emerging economies in the fast changing economic and social environment and be resilient to exceptional economic circumstances such as that caused by COVID-19.

Policy objective 1 provides for a range of tools in the area of research and SME support.

- **Promotion of innovation** is a central feature in the cohesion policy programmes. Smart specialisation strategies mobilise the innovation potential of all EU regions. Via smart specialisation, regions can find their own ways to innovation-led growth trajectories, including non-tech innovation potentials and supporting incremental innovation adding up to the region's competitiveness. It is key to enhance and improve well performing innovation systems for efficient innovative and smart economic transformation. The diffusion of top R&D results across economic sectors and EU borders is key for the EU economy. Linking research, business and civil society should help to drive a more effective innovation policy and quickly exploit research outputs. For this the interregional innovation investments, as outlined in our post-2020 legislative proposal, should further help with development of European value chains as well as linking up more advanced regions with less developed ones.
- **SMEs** represent 99.8% of all businesses operating in the EU. Cohesion policy funds are aimed at supporting the life cycle of enterprises in order to increase their productivity and competitiveness. In parallel, the business environment should be improved by simplifying the regulatory requirements and facilitating access to funding. An innovation-friendly environment for business needs to be supported fostering the transfer of knowledge and innovation, the development of clusters and cooperation with knowledge institutions, and across borders and sectors.

A new Industrial Strategy for Europe and an SME strategy will strengthen the industrial and innovation capacities, while the Digital Services Act will reinforce the single market for digital services and help provide smaller businesses with the legal clarity and level playing field they need.

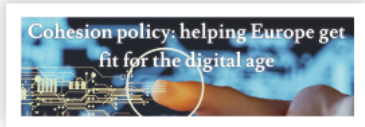
- Development of **skills** is needed for smart specialization, industrial transition and entrepreneurship. Many tasks and forms of work are deployment of new technologies. Skills gaps and mismatch hinder productivity, technological diffusion and growth and affect Member States' resilience to economic shocks. Skills development should be considered as integral part of developing and implementing national and regional smart specialisation strategies.

Investments made by the ERDF in relation to research and technological development, innovation and SMEs support, will contribute to the **UN Sustainable Developments Goal**.





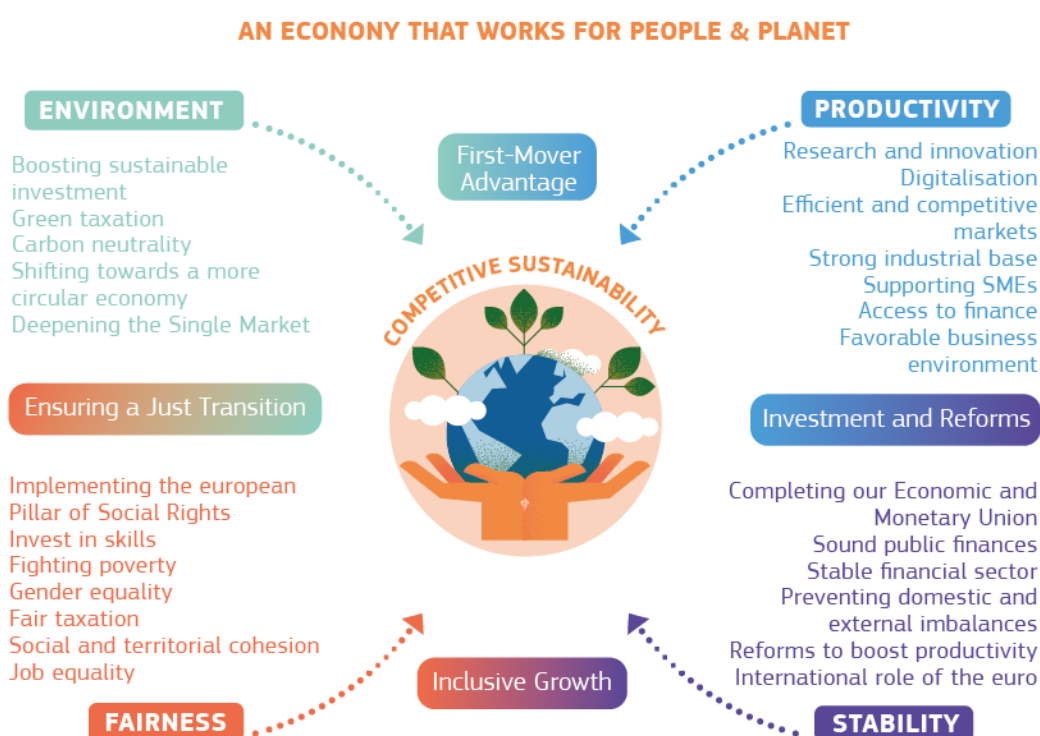
EXTERNAL COMMUNICATION ACTIONS



The delivery of the general objective 'A Europe fit for the Digital Age' will be supported by a number of communication activities. The ESIF [Open Data Platform](#), as the default source of information of implementation of European Structural and Investment Funds, gives access to and visualises a wealth of information measured and reported by the Member States. The [Info regio website](#) displays the latest information on the regional and urban policy.

General objective 3: An economy that works for people

REGIO will contribute to building a future-ready economy that works for people and delivers stability, jobs, growth and investment. Regional policy represents almost a quarter of the total EU budget. The European Regional Development Fund and Cohesion Fund play a crucial role in supporting social and territorial cohesion in Member States and regions which represents a particular challenge in the current context and aftermath of the Covid-19 crisis. The funds together with the Just Transition Fund will play a key role in the context of economic recovery and ensuring the conditions for long-term sustainable development and the digital and green transformations of our world. It is important to ensure the full use of the available funding instruments under both programming periods. REGIO stands ready to support Member States in their efforts by providing technical support and measures aimed at administrative capacity building.



As outlined in the Annual Sustainable Growth Strategy 2020⁵, environmental sustainability, productivity gains, fairness and macro-economic stability will be the four dimensions of our economic policy in the years to come. These dimensions, which are closely interrelated and mutually reinforcing, should guide structural reforms, investments and responsible fiscal policies across all Member States.

The EU must remain an engine of cohesion. Challenges to cohesion across and within Member States have increased in the aftermath of the economic and financial crisis of 2008-2009, inequalities in income and access to basic services have grown within the

⁵ COM/2019/650 final

Member States. Regional economic and social disparities in Europe continue to pose a challenge exacerbated by the Covid-19 outbreak which will likely lead to an asymmetric recovery. Combined action and commitment of all European actors will be very important.

Opportunities need to be created for those not directly benefiting from market openings and technological change. REGIO will work towards contributing to delivering on the principles of the European Pillar of Social Rights. Connectivity of regions and accessibility to mobility and public services are crucial both for cohesion and productivity and will be supported by appropriate investment. This is particularly important in remote and insular parts of the EU such as the outermost regions.

The Sustainable Development Goals will be at the centre of EU's policymaking and action. Integrating the objectives of the SDGs in the European Semester, with a specific focus on the economic and employment aspects, provides a unique opportunity to put people, their health and the planet at the centre stage of economic policy.

For each of the below specific objectives, please refer to the performance tables at Annex for result indicators measuring the progress in achieving the objective.



Specific objective 3.1: Full, effective and compliant use of funds to strengthen economic, social and territorial cohesion

Implementation and delivery of our funds and programmes is at the core of REGIO's business. Ensuring quality investment and compliant delivery will be essential. A lot has been done to make cohesion policy more modern and effective for the 2014-20 period. This included: targeting resources on growth sectors; setting preconditions to make investment more effective; more financial instruments and performance orientation.

Cohesion policy proved that it can be very responsive to crisis situations. The **Coronavirus Response Investment Initiatives (CRII and CRII plus)** provided an immediate crisis response, mobilising all existing EU budget resources to provide financial support to Member States making sure the money is spent in the areas of greatest need: the health sector, support for SMEs, and the labour market and simplifying implementation.

The **Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU)** presented in the framework of the EU Recovery plan continues and extends assistance provided through the Coronavirus Response Investment Initiatives via crisis repair measures. It also supports the green and digital transitions. This represents a substantial top-up of the budget 2014-2020 programmes which requires rapid implementation. The scope of the EU **Solidarity Fund** has also been enlarged to support public health emergencies.

REGIO will continue to work very closely with Member States to: 1) help them deal with the immediate fallout of the Covid-19 crisis by reprogramming remaining 2014-2020 funds and amending relevant programmes, also to integrate REACT-EU, 2) to design the 2021-2027 programmes, including regarding the JTF, to ensure these long-term investment programmes are in place fast and support recovery and long-term growth.

For the next five years REGIO will build on a renewed push to accelerate implementation at the political level, highlighting the need to fight gold-plating and use simplification measures, set up a new forum for exchanges on implementation issues between practitioners and continue providing competence support as regards administrative capacity building and e-cohesion.

Following the recommendations of the High Level Group, important **simplifications** were introduced to the current regulatory framework through the Omnibus regulation and then for the proposed 2021-2027, for example in areas such as financial instruments, application of simplified cost options simplification legislation. REGIO will continue to make further use of the Simplified Cost Options network. REGIO has also proposed simplifications for the 2021-2027 period building on the experience with anticipating and managing delays in programmes. Our priority is to preserve the ambition outlined in the Commission proposal, in particular when it comes to: thematic concentration, increased national co-financing, timely implementation (progressive reverting to an n+2 de-commitment rule); carrying-over current programme authorities (no designation); streamlining enabling conditions; lighter and more strategic programming and reporting; simplification of audits and control requirements. Member States must also take responsibility. REGIO's aim is to have the legislative package adopted as soon as possible enabling a fast start of the new programmes.

Preparation of the new programmes was launched with the Member States. This process is critical in designing the best frameworks for investments for the next decade in particular with a view to previously observed strong path dependencies. The Commission expressed its views on the investment needs per Member State and the relevant policy responses in the 2019 European Semester Country Reports, focusing among other objectives on the reduction of territorial disparities. The dialogue with Member States started, with the view to allow for fast adoption of the programming documents shortly after the new legislation is in place. In negotiating the new programmes, bottom up and place-based approach in **programming** is essential for defining the real needs and for the local ownership of the investment priorities (as shown by pilot projects such as Catching-up Regions initiative).

Involvement of social, economic, regional and local partners is part of the DNA of cohesion policy, as manifested through the **partnership principle**. Whereas the partnership principle is well codified, the reality on the ground shows a more mixed picture and renewed efforts are necessary to secure its more efficient implementation and enforcement. Therefore, both during the programming and implementation phase, it is crucial to verify the correct application of this principle in a tangible way, including through engaging citizens, to achieve wide ownership and ensure that wide expertise and know-how is considered in decision-making and implementation.

In line with Commission's focus on performance, for 2014-2020, DG REGIO has adopted a legislative framework for a **performance oriented cohesion policy**. For 2021-2027, DG REGIO will strengthen this approach by introducing a consolidated set of performance indicators common at EU level. These indicators will reflect the direct achievements of cohesion investments, therefore enhancing the Commission's possibility to evaluate and communicate on achievements of cohesion policy across the Union.

The use of **financial instruments/ Invest EU** should be further promoted, notably as it increases the efficiency and quality of public expenditure and allows to leverage additional public and private investment to deliver on the cohesion objectives. Overall the increased use of financial instruments will ease access to finance for SMEs in particular those affected by the Covid-19 crisis. Technical assistance will also be provided to help Member States in the uptake of these instruments, especially through fi-compass. Synergies between the funds under shared management and InvestEU will be exploited so as to better deliver the EU priority “Economy that works for people”.

Cohesion policy is the key investment tool of the EU and arguably the **most visible EU policy** for citizens on the ground. REGIO will continue to showcase the achievements of the policy through dedicated communication activities as well as through the on-line Open Data platform offering unprecedented transparency and providing a comparison tool enabling analysis and research.

Ensuring compliance with applicable rules by the Member States’ authorities under shared management and as a consequence the legality and regularity of reimbursed expenditure remains a continuous target for REGIO. In addition, the new rules on conflict of interest need to be applied faithfully by the Member States and REGIO will carry out further audits, when it identifies risks in this regard.

Finally REGIO applies a **zero tolerance to fraud and corruption** and will take the necessary measures each time a case is detected through audits or reported by whistle blowers or media, as such fraud or corruption cases provoke reputational damages and undermine the confidence of citizens in the management of EU funds and the EU in general.



Specific objective 3.2: Complementarity between cohesion policy investments and structural reforms to create conditions for sustainable growth and cohesion

Structural reform will be high on the agenda for the five years to come. Cohesion policy over the years has offered expertise in transition, structural transformation and policy implementation at local level, in cities and in remote areas. REGIO has been viewed by other international institutions (e.g. the World Bank) as a framework setter, setting standards for national policies. It has also helped remove barriers to investments through setting the right conditions for growth and job creation. Introduced for the 2014-2020 period, the ‘**ex-ante conditionalities**’ incentivised the start of important legislative, institutional and policy reforms in a very short amount of time. These conditions proved to put in place the necessary strategic plans, enforced horizontal principles, rules or standards, which were essential in ensuring effectiveness and efficiency of the co-financed projects. For the up-coming period, the set of 4 horizontal and 16 thematic ‘**enabling conditions**’ replaces, streamlines and develops further the legal framework of 2014-2020. Enabling conditions are linked to specific objectives and thus more focused on the goals of the fund concerned. In order to maintain a favourable investment framework, they should remain continuously fulfilled and monitored by Member States throughout the whole

programming period. There will be continued possibility to use technical assistance to help put in place the necessary framework conditions.

Effective structural reform requires a coherent approach between the interventions co-financed by cohesion policy and other EU instruments such as the **Recovery and Resilience Facility**, providing large scale financial support for public investments and reforms that make Member States economies more resilient and better prepared for the future, and the **Technical Support Instrument**, which will provide tailor made expertise on the ground supporting the Member States' institutional and administrative capacity to develop and implement growth enhancing reforms.

REGIO has in this regard started work to identify key reforms in Member States that are essential to improve the overall framework for successful cohesion policy investments. The list of such reforms per Member State was shared with DG REFORM in view of highlighting strategic priority areas for support as from 2021 under the Technical Support Instrument with individual Member States.

REGIO has actively contributed to the identification of reform and investment priorities in the Commission country briefs elaborated in the context of the forthcoming Reform and Recovery Plans (RRPs) of the Member States and to the RRP template and guidance, prepared by TF RECOVER.

REGIO is also engaging with DGs REFORM and TF RECOVER to ensure that structural reforms have a spatial dimension.



Specific objective 3.3: Strong alignment between cohesion policy and the European Semester and ensuring spatially sensitive reforms to better address regional needs and disparities in Member States

The President in her “Agenda for Europe” committed to refocus the European Semester to “integrate the United Nations Sustainable Development Goals”. With its focus on fairness, competitiveness and sustainability, cohesion policy is the main investment tool to promote and achieve these goals in the Union. There is no other DG with experience of implementing such a wide variety of goals, including: reducing inequalities and creating opportunities for citizens wherever they live; supporting industrial policy and reforms; investment in the circular economy, energy transition and climate adaptation.

In 2019, REGIO has coordinated the drafting of a new investment guidance, as Annexes to the European Semester Country Reports, exclusively devoted to investment priorities to be supported by the Cohesion policy funds for the 2021-2027 period, with the input of DG EMPL, as regards the ESF+. This guidance resulted from a thorough sectoral and geographical analysis, provide the basis for the dialogue between Member States and the Commission services in view of the future programming of Cohesion policy funds.

REGIO will continue to provide extensive contributions to the various documents, both general and country specific, of the European Semester. REGIO's contribution to the Country Reports had been reinforced through extended regional dimensions, where relevant and

analysis of the investment needs. The 2020 country reports provide analysis on the challenges and needs related to the transition to carbon neutral economy as well as guidance for the use of the Just Transition Fund.

The strengthened role of REGIO in the European semester process (core group) reinforces the role of cohesion policy within the Union's economic governance. REGIO will continue to contribute to the reflection on identifying quantitative headline targets for the next Semester cycle, which is expected to be revamped to take into account the work streams related to the RRF. REGIO will also provide input to the future cycles of the European Semester on analysis of regional trends, investment tracking at regional level and geo-located data. This will require developing the necessary in-house capacity to screen the composition of public investment, possibly green investment and have the necessary measurements at regional level. Through its knowledge and intelligence, REGIO will also seek to influence other determinants of cohesion within the European Semester outside its direct policy remit. This will include ensuring that reforms implemented are **spatially sensitive**.



Specific objective 3.4: Investments in health and social care, education, skills, and housing to help address demographic change and social and territorial inequalities and to enhance quality of life

Europe has a unique social market economy that allows us to combine social fairness, elimination of social and territorial inequalities, sustainability and economic growth. This helps drive our competitive and just sustainability and responds to the need that no one is left behind. The ambition of President von der Leyen is to reconcile the social and the market in today's modern economy building further on the European Pillar of Social Rights by strengthening the investment in people.

Cohesion policy will have in the 2021-27 period a dedicated policy objective entitled "A more social Europe by implementing the European Pillar of Social Rights". It provides an overall framework for investments in areas such as, health and social care, education and training, skills and employability, business and innovation and housing. EU funding adds value by ensuring that policies and reforms of public services are tailored to the needs of specific disadvantaged target groups and individuals (such as people with a migrant background, people with disabilities or young people) and that horizontal principles, such as non-discrimination, are respected. It builds on investments in these areas from ERDF in the past programming periods. ERDF is investing (in 2014-2020) about EUR 5.6 billion in health infrastructure and health-related ICT with the aim to build efficient, sustainable and accessible health systems across Europe. In many cases, this requires a strong focus on transformation of health systems, where infrastructure development plays a crucial role. Given the remaining needs and structural weaknesses in the health sector revealed by the Corona crisis, health investments will need to continue in the post-2020 period.

Demographic change and its impacts are a key priority for the new Commission. It impacts many policy areas, including social and employment policies, economic and public finance,

public health and education, regional and agricultural policy, requiring close cooperation across policy-portfolios. REGIO is closely involved, e.g. by providing regional analysis, in the work led by VP Šuica as regards analysing the impact of demographic change on areas and regions disproportionately affected.

Many areas in Europe, often at sub-regional level, face serious challenges with acute social and economic consequences. Some areas face sharp population decline, while others will experience rapid population growth. Cohesion policy will continue to design tailored measures and support regions to tackle their specific demographic and territorial challenges. Investments can include health and long-term care, upskilling and reskilling of the workforce, improving access to basic services for vulnerable groups and improving social and digital infrastructure.



Specific objective 3.5: Effective sustainable urban and territorial development strategies involving local stakeholders and citizens

The legislative proposal for future cohesion policy comes forward with a new, policy objective 5⁶ dedicated to **integrated urban and territorial development**. This objective is a reflection of our conviction that local authorities and stakeholders should be directly involved in the design of local development. It provides European territories and local actors with enhanced opportunities to address their diverse challenges and to tap into their development potentials.

The urban dimension of Cohesion Policy will be strengthened in the 2021-27 period, with 6% of the European Regional Development Fund dedicated to sustainable urban development strategies supported either under Policy Objective 5 or under other Policy Objectives through territorial tools (Integrated territorial investments, community-led local development).

There is also a new **European Urban Initiative** to support cities to innovate, access knowledge and understand policy, and support networking and capacity building. The initiative establishes a new coherent offer of services to all cities.

DG REGIO also facilitates the implementation of the **Urban Agenda for the EU** launched by the Pact of Amsterdam in May 2016 by EU Ministers responsible for urban matters through supporting the work of thematic partnerships. The Urban Agenda for the EU is an intergovernmental initiative, a multi-level working method and institutional innovation promoting cooperation between Member States, cities, the European Commission and other stakeholders in seeking solutions to urban challenges.

The renewed intergovernmental **Territorial Agenda** and **Leipzig Charter on Sustainable European Cities** are planned to be adopted at a ministerial conference scheduled for 30/11-1/12/2020 in Leipzig during the German Presidency of the EU.

The timing of adoption and content of these two policy initiatives is highly relevant for cohesion policy as it coincides with the post-2020 programming exercise. These

⁶ Policy objective 5: a Europe closer to citizens by fostering the sustainable and integrated development of urban, rural and coastal areas and local initiatives

intergovernmental initiatives mirror the principles and concepts recognised by the cohesion policy such as sustainable urban development, multi-level governance, integrated approach, functional areas, and provide for an additional rationale for a stronger uptake of territorial instruments, place based policy response to urban and territorial challenges, local authorities' and citizens' involvement in the cohesion policy programmes being prepared by Member States.

REGIO will be supporting territorial, economic and social cohesion in Europe also through the implementation of the four **macro regional strategies** (MRS), i.e. the EU Strategies for the Baltic Sea Region, for the Danube Region, for the Adriatic and Ionian Regions and for the Alpine Region. These strategies provide integrated frameworks to address together across borders common challenges faced by a defined geographical area. These strategies cover a wide range of different EU policies and aim to coordinate the efforts of various actors at all governance levels to promote a more balanced development of the macro region.

REGIO's dedicated work in favour of **cross-border regions** will continue with the delivery of the actions outlined the 2017 Communication "Boosting growth and Cohesion in EU Border Regions". Besides improving the legislative framework for financial support to border regions under "Interreg", REGIO will continue to deepen the work of its Border Focal Point established in 2018 to coordinate the actions listed in the Border Regions Communication. More specifically, measures will be taken to tackle cross border legal and administrative obstacles in certain sectors such as education, employment, public services, etc. The overall aim is to increase access to services for border businesses and citizens across the EU, making sure no-one is left behind in regions which are often peripheral. A **progress report** on the implementation of the Border Regions Communication will be prepared to align actions with the priorities of the von der Leyen Commission and to take stock of the impact of the COVID-19 pandemic on border communities.

REGIO will foster the implementation of the **Strategic Partnership with the Outermost Regions** - the 2017 Communication 'A stronger and renewed strategic partnership with the EU's outermost regions', and of Article 349 TFEU (which provides for tailor made support to these regions, including in the application of EU law and access to EU programmes. In this context, REGIO will continue mainstreaming the outermost regions' specificities across EU policies. In line with the conclusions of the March 2020 implementation report, efforts to implement the strategic partnership will focus on climate change, biodiversity, circular economy, renewable energy, connectivity and blue economy.

Similarly, the long-term vision for **rural areas** is where REGIO can make an important contribution in cooperation with DG AGRI. Balanced development of all areas, including rural areas, is a key objective for cohesion policy. It is also essential for ensuring well-functioning societies and for nurturing, protecting and strengthening our democracy.

REGIO will also have a key role to play to enhance the **territorial dimension of other EU thematic policies**. This will require better reconciling thematic and place-based policy approaches and making a more frequent use of territorial impact assessments.



EXTERNAL COMMUNICATION ACTIONS



To deliver the general objective 'An Economy that Works for People' a number of **communication activities** will be organised. The Communication campaign **#EU in my region** aims to increase the visibility of EU-funded projects across Europe, in close partnership with managing authorities and project beneficiaries. 'EU in My Region' (umbrella campaign) is going to encompass actions from the existing REGIO communication campaigns. Europe's yearly award to EU-funded projects '**RegioStars**' demonstrates excellence and new approaches in regional development.

In the framework of **partnership with media/academia**, grants are provided for the implementation of information measures promoting cohesion policy, in full editorial independence. The programme '**Youth4Regions**' is helping journalism students and young journalists to discover what the EU is doing in their region.

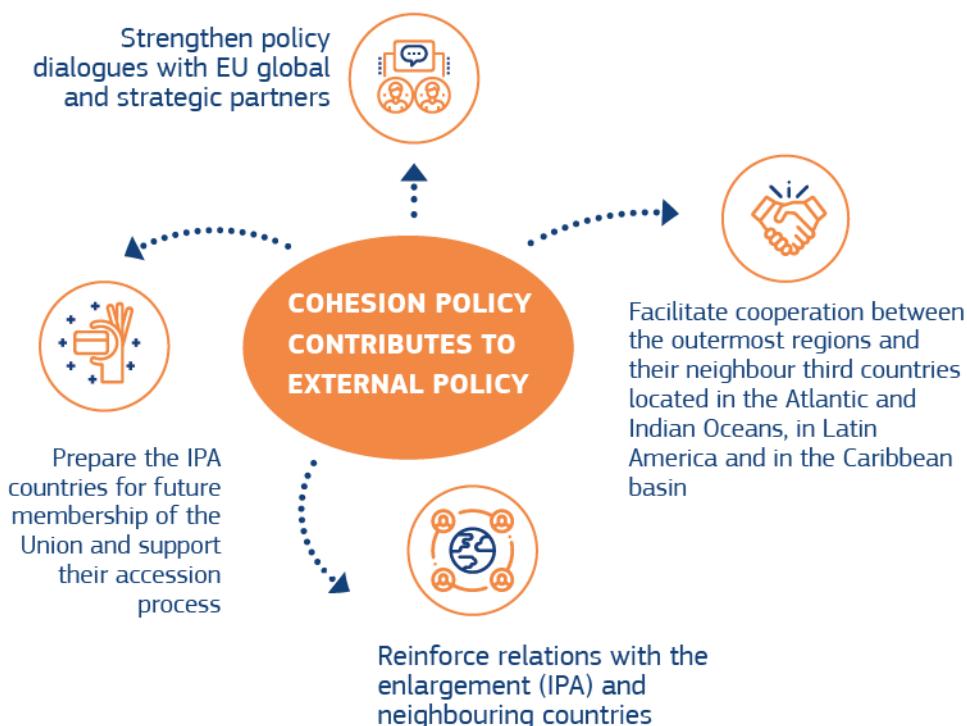
In the framework of implementation of the funds, the Commission organises annual review meetings with programme managing authorities, similarly also macro-regional strategies annual fora or annual Interreg events.

General objective 4: A Stronger Europe in the World

In her political guidelines, President von der Leyen emphasises the need for a stronger Europe in the world. The concept of a “geopolitical Commission” will help to achieve this goal by better aligning the internal and external policies of the European Union.

The objective of REGIO’s action at multilateral level and in third countries is to contribute to the strategic objectives and priorities of the Commission and EU external relations by strengthening its role through urban policy dialogues and cooperation with EU global and strategic partners, enlargement (IPA) and neighbouring countries while supporting EU regions and cities.

More specifically, REGIO activities and cooperation programmes aim to:



- **Reinforce relations with the enlargement (IPA) and neighbouring countries**, and regional organisations by ensuring their active involvement in mainstream and territorial cooperation programmes, and macro-regional strategies and by enhancing people-to-people and grass root apolitical cooperation with partner countries and Russia.
- **Prepare the IPA countries** for future membership of the Union and support their accession process, contributing to the headline ambitions for Europe (Green Deal, Stronger Europe in the World) in the Western Balkans and Turkey through post 2020 policy clusters like “Resources, agriculture and cohesion”, “Competitiveness and inclusive growth” and “Green agenda and sustainable connectivity”.
- **Facilitate cooperation between the outermost regions and their neighbouring third countries** located in the Atlantic and Indian Oceans, in Latin America and in the Caribbean basin in line with the Communication on a strategic partnership with the EU’s outermost regions’. The Communication envisages scaling up co-operation e.g.

through partnership agreements (EU post Cotonou negotiating mandate highlights outermost regions' needs) and territorial co-operation programmes (aligning external and cohesion instruments).

- **Strengthen policy dialogues with EU global and strategic partners.** Enhancing the role of REGIO as the coordinator for regional and urban related multilateral, regional and bilateral policies at EU level while contributing at the same time to developing the EU regional and urban policy agenda based on international objectives and experience, providing EU cities and regions with networking opportunities worldwide.

For each of the below specific objectives, please refer to the performance tables at Annex for result indicators measuring the progress in achieving the objective.



Specific objective 4.1: Cohesion policy improving the EU's cooperation and integration with neighbouring and enlargement countries by addressing challenges on its external borders and building governance and trust

External Interreg programmes along EU's external land and sea borders are a unique form of cooperation between EU Member States and enlargement countries and neighbouring countries, the outermost regions and their surroundings and play accordingly a specific role as part of the EU's foreign policy toolbox (mainly in the EU's Global Strategy, the EU's Enlargement Policy including EU-Turkey relations and the EU's Neighbourhood Policy including EU-Russia relations).

REGIO continues to play an important role in the EU **enlargement process** which was extended to Albania and North Macedonia and supports the negotiations on regional policy and structural instruments. REGIO is expected to contribute to the EU enlargement process by working in close relation with DG NEAR to familiarise candidate countries with the set of cohesion policy proposed simplifications and be a significant facilitator in some 2021-2027 IPA III policy clusters like 'Resources, agriculture and cohesion', 'Competitiveness and inclusive growth' as well as 'Green agenda and sustainable connectivity'.

As of 2020, on top of IPA CBC, REGIO is also in charge of "ENI CBC" with neighbourhood countries ("**Interreg NEXT**" in the future). Such cooperation addresses the socio-economic challenges of often remote and less developed areas on EU external borders, but it also enhances the area of good neighbourliness, strengthens capacities of regional and local authorities of the partner countries and enables grass root apolitical cooperation in areas which would have difficulties to cooperate otherwise (e.g. between Israelis and Palestinians).

Three macro-regional strategies (Baltic Sea EUSBSR, Danube: EUSDDR, Adriatic/Ionian: EUSAIR) address particularly the common challenges faced by several MS and third countries (almost all enlargement (IPA) countries and a substantial part of the territories of some ENI CBC) located in the same geographical area, which thereby can benefit from strengthened cooperation contributing to the achievement of economic, social and territorial cohesion.

This wide scale of CBC and transnational cooperation will be further developed in line with the **new EU enlargement methodology**⁷, in which EUSAIR and EUSDR might allow sector by sector integration in EU Policies supported by investments contributing to the headline ambitions for Europe. They will also help increasing multi-level regional cooperation, resolving bilateral issues, bringing stability and fostering EU integration. The recent inclusion of North Macedonia into the EUSAIR is a strong political signal in this context.

REGIO also supports the **cooperation between the EU outermost regions and their neighbours**, in line with the strategic partnership with the EU's outermost regions', in particular, through a closer alignment of rules of the relevant funding instruments and possible setting-up of joint programmes.

Finally, the external Interreg programmes will nonetheless try as well to help mitigating the health and the socio-economic impacts of the COVID-19 crisis and draw lessons from the current crises to increase preparedness of MS and partner countries for future global challenges. These programmes could allow for joint stock of equipment, pooling of healthcare, transport of sick people, joint health services with doctors that have patients on both sides of the border, joint health infrastructures and detection centres, produce protective equipment, joint service in case of quarantine (e.g. provision of food) or trainings for staff.



Specific objective 4.2: Cohesion policy strengthening the EU's external relations by enhancing dialogues and sharing knowledge on urban, regional and territorial matters with global and strategic partners and Eastern Neighbourhood countries

There are increasing demands from international multilateral institutions and strategic partners and key player countries to share experience in the area of cohesion policy, notably on urban and regional development. By taking forward these demands, cohesion policy contributes to EU external relations (soft diplomacy) achieving policy benefits by projecting the EU model of sustainable and inclusive development at regional, territorial and urban level, as reflected in the respective multilateral conclusions, agreements with strategic partners, dialogues, strategies and cooperation agendas

REGIO is shaping global thinking when it comes to mastering sustainable urban development, as it is the case with the **UN New Urban Agenda**. REGIO is now also piloting the EU-India Smart and Sustainable Urbanisation Partnership and the establishment of an **Urban Action Plan for the Union for the Mediterranean**.

REGIO is also contributing to attaining the **UN Sustainable Development Goals** and promoting European policy priorities like the Green Deal, sustainable urban development or smart specialisation in its dialogue and cooperation (IUC programme, pilot projects) with strategic partners (China, Japan, India, US, Canada, Latin America, Eastern Neighbourhood

⁷ [\(COM\(2020\) 57 final\)](#)

etc.) while supporting the localisation of SDGs at urban and territorial level, in line with the new post 2020 cohesion policy objectives.

 **EXTERNAL COMMUNICATION ACTIONS**



THE OUTERMOST REGIONS
EUROPEAN LANDS IN THE WORLD
A PRIVILEGED, BENEFICIAL AND STRENGTHENED TERRITORY









COOPERATION ACROSS BORDERS
Because neighbours matter

To deliver the general objective 'A Stronger Europe in the World', a number of **communication activities** will be organised. REGIO organises press trips for journalists to attend the fora of the macro-regional strategies.

Communications actions related to EU outermost regions and their neighbours are also regularly organised.

Key performance indicators

The following key performance indicators were selected from the list of result indicators corresponding to specific objectives as provided in part 1 and the list of key indicators related to modernisation of administration in part 2 (see Annex: Performance tables). They reflect the core aspects of a service's performance.

KEY PERFORMANCE INDICATORS		
	Proportion of climate related spending over total ERDF/CF budget	Result indicator 1.1.2
	Number of enterprises receiving support	Result indicator 2.2.1
	Population covered by improved health services	Result indicator 3.4.2
	Broadband access	Result indicator 2.1.2
	Estimated risk at closure	Sound financial management indicator
	2021-2027 project selection rate	Result indicator 3.1.1

PART 2. Modernising the administration

In line with the political guidelines of President von der Leyen, REGIO will strive to modernise its way of working and to make the most efficient and effective use of resources in the following 5 key areas:

- **Human resources management:** local HR Strategy will be developed on the basis of the corporate HR Strategy to address key human resource issues such as diversity and inclusion, talent management, learning and development, health and wellbeing.
- **Sound financial management:** In order to meet high standards of accountability and transparency, REGIO puts in place a robust system of rules and controls governing the best use of resources of the EU budget in line with the principle of sound financial management and ensuring compliance with the requirements of legality and regularity.
- **Fraud risk management:** in line with its Joint Anti-Fraud Strategy, REGIO will aim at preventing, detecting, correcting and follow-up on fraud, corruption and other intentional irregularities in order to protect EU's financial interests.
- **Digital transformation and information management:** REGIO will strive to improve the way data, information and knowledge are managed; harnessing the opportunities brought about by digital solutions; and achieving full compliance with data protection obligations.
- **Sound environmental management:** REGIO will continue its efforts to reduce its environmental impact.

As a modern public administration, the Commission implements an **internal control framework** inspired by the highest international standards. The Commission's system covers all the principles of internal control identified in the Committee of Sponsoring Organizations of the Treadway Commission 2013 Internal Control framework, including financial control, risk management, human resource management, communication and the safeguarding and protection of information. REGIO has established an internal control system tailored to its particular characteristics and circumstances and regularly assesses its implementation and overall functioning. This assessment is based on indicators, the most strategic of which are listed in this section of the strategic plan.

A. Human resources management



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

In the context of reduced human resources and increased need for internal redeployment, REGIO concentrates resources on the delivery of the Commission's priorities and on the core business of the DG.

For adequate HR planning and allocation, REGIO uses the workforce planning methodology, the training plan and the competency gap analysis to improve the matching of skills with the needs of the DG and identify areas where skills should be developed.

Decisions on the allocation of resources are taken by the HR Strategic Committee, composed of the Director-General, the Deputy Director-General and the Resource Director. Recruitment decisions are of strategic importance for the DG. Recruitment of administrators is subject to a multi-layer process where the final stage being an interview with the High Level Panel composed of senior managers.

The HR planning exercise for 2019 confirmed that the overwhelming majority of resources are allocated to the delivery of the DG's annual priorities. A review of human resources was performed twice during 2019 and will be repeated in 2020 to consider the staff needs for the new Commission priorities (e.g. the Just Transition Fund, the third pillar of the JTM) and in the context of supporting for instance Member States' recovery efforts from the corona virus crisis.

In order to ensure the effective management of human resources and to optimise the capacity to deliver on priorities in this strategic plan, REGIO will develop a local HR strategy with a medium to long-term outlook (3–5 years) consistent with the overall corporate HR strategy. The strategy will tackle the main issues to be addressed at the DG level, such as skills and staffing needed to achieve the new business goals of the DG, talent management, learning and development, diversity and inclusion, health and wellbeing.

The objective of the training plan is to ensure that the staff has the necessary skills and competences required at DG level to implement the priorities of the DG and of the Commission. Next training plans will be prepared in the way to link the learning needs to the DG management plan to ensure a better alignment of the HR strategy with the business strategy of the DG.

The annual mobility exercise will be carried out to help colleagues occupying the same post for more than 5 years to find new job opportunities in order to acquire new skills and competences.

In the 2018 the staff satisfaction survey, the DG scored worse than the Commission's average in managing the workload and ensuring better life-work balance of staff. A subsequent internal reflection took stock of the results and 19 actions were proposed in the development plan endorsed by the Board in June 2019.

Particular attention will have to be paid to the workload of staff due to the decrease of human resources and increased business priorities. The use of REGIO available job quotas was optimised, different options to increase the productivity were explored and training activities related to resilience, health & well-being have been offered to staff. But the newly emerged political priorities will confront REGIO with important human resources challenges, trying to manage an increased workload and at the same time lessen the pressure on staff.

B. Sound financial management



Objective: The authorising officer by delegation has reasonable assurance that resources have been used in accordance with the principles of sound financial management, and that cost-effective controls are in place which give the necessary guarantees concerning the legality and regularity of underlying transactions

The assurance model for the funds spent under shared management is built on annual accounts and annual assurance packages, including annual audit opinions and residual total error rates confirming legality and regularity of the underlying expenditure and the reliability of performance data. Assurance is based on a number of different layers of systematic controls and audits in the Member States at the level of the programmes (national/regional managing and their intermediate bodies and audit authorities) as well as at the European level internal controls and own risk-based audits carried out by REGIO.

The objective is to reach a residual total error rate below 2% for each programme and accounting year, i.e. through controls and corrections applied in first instance by programme authorities and by REGIO launching additional financial corrections where there is still a need to reduce the residual error rate for a programme to 2%. The Commission shall also apply net financial corrections should serious deficiencies be identified by its audit Directorates (or the European Court of Auditors), and which were not identified, reported and corrected by the Member State authorities when submitting the corresponding accounts.

As for funds managed through direct management REGIO will continue to audit a sample of grants to ensure the legality and regularity of the expenditure.

Finally, as for the Urban Innovative action instrument, falling under indirect management, a close monitoring of the programme authorities based on the implementation reports and accounts will be maintained. An audit will be carried out at closure.

In addition, REGIO aims at implementing high standard of assurance together with greatest possible simplification and proportionality to alleviate the burden of controls for programme authorities and beneficiaries in line with the objectives of the new multi-annual financial framework for 2021-2027.

And finally, to ensure the achievement of policy and management objectives, the Commission has adopted a set of internal control principles, based on international good practice.

C. Fraud risk management



Objective: The risk of fraud is minimised through the application of effective anti-fraud measures by programme authorities and the implementation of the Commission Anti-Fraud Strategy (CASF) and REGIO's Joint Anti-fraud strategy aim at the prevention, detection and correction of

fraud.

Following up on measures already taken since 2014 by REGIO to support the implementation of provisions embedded in cohesion policy legislative framework to establish effective anti-fraud measures by managing authorities, REGIO together with EMPL and MARE and in close cooperation with OLAF adopted in December 2019 an updated Joint Anti-Fraud Strategy for the period 2020 – 2025 (Ares(2019)7845154). This Anti-Fraud Strategy sets out a series of capacity building measures including fraud prevention actions, such as support to establish and update of risk assessments, anti-fraud policies and more systematic use of data-mining IT tools, to be implemented by or in cooperation with the programme authorities, and internally, in close cooperation with OLAF.

D. Digital transformation and information management



Objective: REGIO is using innovative, trusted digital solutions for better policy-shaping, information management and administrative processes to forge a truly digitally transformed, user-focused and data-driven Commission.

Digital transformation

Over the next five-year period, the primary focus of REGIO IT unit is to ensure that the systems, processes, reporting and data tools are efficiently supporting the 2021-2027 programmes, while ensuring business continuity on current systems.

In order to achieve this goal, REGIO will go through a **modernisation of its IT portfolio**, thanks to a set of innovative actions in response to EC Digital strategy⁸, EC strategy on data, information and knowledge management⁹ and EC data protection obligations¹⁰.

The priority actions for 2020-2024 are:

- The implementation of new multi-DG systems for managing the programming period 2021-2027 for shared management DGs¹¹ (see indicator 1): [Compass Corporate](#), [SFC2021](#), [Reporting/Data warehouse](#);
- The decommission of legacy systems¹² with the assumption of having equivalents in terms of reusable components/corporate solutions (e.g. e-Procurement, etc.);
- Local actions to promote collaborative working within the DG in accordance with [2020 strategic priorities for Knowledge management](#);

The **Implementation of the DataStrategy@EC**¹³ and **Data Action Plan**¹⁴. REGIO has contributed to the action plan of the DataStrategy@EC, notably by establishing the

⁸ EC Digital Strategy: A digitally transformed, user-focused and data-driven Commission - [C\(2018\) 7118 final](#)

⁹ Data, information and knowledge management at the European Commission - [C\(2016\) 6626](#)

¹⁰ Data protection obligations on the Commission under [Regulation \(EU\) 1725/2018](#)

¹¹ The "Shared Management" family encompasses the following DGs: REGIO, AGRI, EMPL, MARE & HOME

¹² WFS, SysFin, AGMS, REGIOVISTA, SFC2007-BO and SysAudit

inventory of its main data assets. It will continue in the future, focusing on the following priorities:

- Fostering the transparency and accessibility to internal data sources, by opening up data sources for sharing and reuse;
- Exploit geo-spatial information, including satellite images;
- Implementation of the data governance framework (see Indicator 2), which sets out clear institutional and personal roles, their responsibilities and interdependencies. This already exists within the IT organigram of REGIO but we will ensure that the current framework complies with the principles outlined in the data governance and data policies document;
- Implementation of the guiding principles of data management, data interoperability, data quality, as well as data protection and information security outlined in the data governance and data policies document. Together with the Data Protection Officer (DPO), REGIO's LISO will participate to the implementation of the data protection rules (see Indicator 3), which also will be taken into account in the framework of IT security plans' updates using the new ITSRM methodology.

REGIO will continue its active participation in the corporate IT governance¹⁵, either by continuing to be a permanent member of the ITCB or by ensuring a high-level involvement in case another DG would be appointed to represent the “shared management” family.

In addition, REGIO is an active member of the Information Management Steering Board and its preparatory body IMT (Information management team).

The IT unit may have to overcome additional challenges brought by the reduction in 2020 by 5% of the intra-muros consultants, possibly followed by additional annual reduction target. DG HR will clarify in 2020 the contours of the expected measures, after which the impact on REGIO IT work plan will be assessed.

Sharing of information and knowledge

RegioWiki constitutes a key enabler for strategic business processes, collaboration and knowledge sharing, such as the automation of country-specific briefings, the co-creation of strategic briefings for the Commissioner and the briefing handbook. Since its opening to all Commission DGs in 2018, this platform counts more than 700 users in DG REGIO and a growing number of more than 5,000 users throughout the whole Commission.

Capitalising on the existing knowledge and sharing culture and on the RegioWiki experience, the envisaged actions for 2020-2024 are the following:

1. Continuing the strengthening and enrichment of RegioWiki knowledge focusing on automation, re-use and aggregation of existing data where possible (the structure will be updated to match the business needs of programming period 2021-2027);

¹³ DataStrategy@EC – [Ares\(2018\) 2075673](#)

¹⁴ 2020-2021 work programme for Data, information and knowledge management at the EC - [Ares\(2019\)6848885](#)

¹⁵ The Governance Package adopted by the College on 21/11/2018 - [C\(2018\) 7706](#)

2. Offering additional knowledge management service by providing guidance on different tools' capabilities, including testing office 365 and watching closely its knowledge management module 'Cortex';
3. Maximising data use for better policy-making and to reinforce transparency, by exploring a linked data and semantic web approach, based on the outcome of a pilot project named “Kohesio”, run in cooperation with DIGIT and CNECT.

User-centricity and business needs will drive the priorities for enriching the RegioWiki content. For example, the structure of country briefing fiches will be adapted to better respond to end-users' needs. As a consequence, and thanks to the rich country knowledge already shared in RegioWiki, DG REGIO will naturally contribute to the corporate priority for 2020-2021 on “Enhancing Country Knowledge”¹⁶.

Sound environmental management



Objective: REGIO 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.

To contribute to these corporate, EU and global efforts, and to meet the Paris objectives, REGIO has developed a **strategy to reduce its carbon footprint**. The strategy was developed in an inclusive manner, building on ideas from many REGIO staff, thanks to the REGIO Green Ambassadors initiative¹⁷ launched in July 2019 inviting REGIO staff to submit innovative ideas that would make REGIO a greener DG.

Greener flagship conferences/events

Drawing on best practice developed in REGIO, our flagship conferences/events aim to become **paperless and plastic-free events** and to minimise their environmental impact. In line with EMAS, event organisers and partners are encouraged to use environmentally friendly materials before and during the event, respecting the paperless and plastic-free guidance. Drawing on the lessons learnt during the forced confinement and teleworking period imposed the COVID-19 crisis, including the unexpectedly acceleration of digitalisation of our ways of doing and interacting, REGIO will further develop the digitalisation of its **events**. This way, we will at the same time reduce carbon emissions and ensure greater dissemination / resonance and wider participation, addressing the increasing and recurrent request of participants in our events to be able to systematically benefit from a live transmission with the possibility to interact with a wider audience often physically distant.

Missions/Transport

¹⁶ [Work programme on data, knowledge and information management 2020-2021](#)

¹⁷ The REGIO Green Ambassadors initiative won one of the 6 prizes of the EC EMAS Awards 2019 in the “most innovative local waste reduction best practices” category.

REGIO will contain the amount of missions carried out, wherever possible, by replacing them where relevant and possible by **video-conferencing**. Several rooms in REGIO have been equipped with videoconferencing tools and guidance to use them have been developed. DG REGIO will further promote the use of **public transport** or **soft mobility** rather than individual cars to reach events within Brussels and consider public transport for collective events (teambuilding, etc. outside Brussels). DG REGIO will further **promote telework** in order to reduce emissions from staff's commuting and also to support work-life balance.

Resources and waste

Bottled still water will be no longer served in REGIO internal meetings organised in rooms equipped with water fountain, favouring instead tap water or water from the **water fountains**. Water fountains have been installed in all REGIO big meeting rooms (for more than 20 people) and all staff received a reusable mug and a glass bottle easing to have a refill of water, coffee or tea without resorting to single use containers. The use of **emails** should be further reduced by promoting SharePoint or Wiki instead. **Printing** could be further reduced by using electronic devices at meetings. Documents should be printed only when necessary. All documents are saved electronically, when possible, paper copies are not kept anymore. **Electronic publications** should be the default. REGIO will shift to exclusively electronic signatures and also pursue a fully **paperless** approach for those procurement and grants procedures for which corporate IT tools are already available. In addition, the central procurement team in REGIO will promote and encourage the application of **the Green Public Procurement principles** in all tender specifications, selection and award criteria. All exchanges with Member States regarding shared management programmes, which are the bulk of REGIO's activities, are already carried out in a paperless mode through a server called SFC. Individual bins in staff's offices have been replaced by **waste sorting stations**, reducing our waste substantially and improving the waste sorting quality¹⁸.

¹⁸ Together with other few DGs, DG REGIO was crowned for having completed the most innovative waste reduction actions. Our building BU-1/5/9 (ENV and REGIO) received the award for the most performant buildings in terms of waste reduction.

ANNEX: Performance tables

Part 1: Delivering on Commission priorities

General objective 1: European Green Deal		
Impact indicator 1: Greenhouse gas emissions		
<p>Explanation: This indicator measures man-made emissions of the so-called 'Kyoto basket' of greenhouse gases, which are integrated into a single indicator expressed in units of CO₂ equivalents using each gas' global warming potential. It shows changes in percent of the emissions compared to 1990 levels</p> <p>Source of the data: European Environmental Agency (Eurostat online data code: sdg_13_10)</p>		
Baseline (2018)	Interim milestone (2020)	Target (2030)
-20.7%	-20%	-55%
Impact indicator 2: Share of renewable energy in gross final energy consumption		
<p>Explanation: Renewable energy generation is given as the share of renewable energy consumption in gross final energy consumption. The gross final energy consumption is the energy used by end consumers (final energy consumption) plus grid losses and self-consumption of power plants</p> <p>Source of the data: Eurostat (Eurostat online data code: sdg_07_40)</p>		
Baseline (2018)	Interim milestone (2020)	Target (2030)
18.88%	20%	32%
Impact indicator 3: Size of the green economy		
<p>Explanation: The environmental goods and services sector comprises parts of the economy that generate environmental products, i.e. those produced for environmental protection or resource management. Gross value-added represents the contribution made by the production of environmental goods and services to the gross domestic product in million euros. Employment is measured by the full-time equivalent employment engaged in the production of output of environmental goods and services as defined above</p> <p>Source of the data: Eurostat (Eurostat online data code: env_ac_egss3)</p>		
Baseline (2017)	Interim milestone (2022)	Target (2024)
Gross value-added: €286 940 million	Increase	Increase
Full-time equivalent employment: 4 152 000	Increase	Increase
Impact indicator 4: Recycling rate of plastic packaging waste		
<p>Explanation: The indicator is defined as the share of plastic packaging waste recycled into plastic material, in all generated plastic packaging waste. Plastic packaging waste covers wasted material that was used for the containment, protection, handling, delivery and presentation of goods, from raw materials to processed goods, from the producer to the user or the consumer, excluding production residues</p> <p>Source of the data: Eurostat (Eurostat online data code: CEI_WM020)</p>		
Baseline	Interim milestone	Target

(2017)	(2022)	(2025)
41.2%	Increase	50%
Impact indicator 5: Climate mainstreaming in the EU budget (proportion of climate related spending)		
Explanation: Proportion of climate related spending (mainstreaming) in the EU budget		
Source of the data: European Commission Draft Budget Reports		
Baseline (2019)	Interim milestone (2022)	Target (2024)
21%	25%	25%

Specific objective 1.1: Investments in climate		Related to spending programme(s): ERDF/CF
Result indicator 1.1.1: Additional waste recycling capacity		
Explanation: REGIO Common indicator C017 - Additional solid waste recycling capacity (tonnes/yr.)		
Source of data: https://cohesiondata.ec.europa.eu/		
Baseline (2018) ¹⁹	Interim milestone (2022)	Target (2024) ²⁰
755,405	Increase	4,573,000
Result indicator 1.1.2: Proportion of climate related spending over total ERDF/CF budget		
Explanation: Proportion of cohesion policy dedicated to climate change (in %). Climate change related expenditure on the basis of current regulation		
Source of data: REGIO Climate tracking (Strategic report, Annex 3)		
Baseline (2019)	Interim milestone (2022)	Target (2024)
19.2%	Increase	20%
Result indicator 1.1.3: Total length of reconstructed or upgraded railway lines		
Explanation: REGIO Common indicator C012 - Total length of reconstructed or upgraded railway line (in km)		
Source of data: https://cohesiondata.ec.europa.eu/		
Baseline (2018)	Interim milestone (2022)	Target (2024)
938	Increase	6,100
Result indicator 1.1.4: Additional capacity of renewable energy production		
Explanation: REGIO Common indicator C030 - Additional capacity of renewable energy production (MW)		

¹⁹ In the following pages, all Baselines for common indicators (COXX) are the latest available (2018) figures.

²⁰ While we mention a target date of 2024 (the end of the current strategic plan), please note that in the following pages, all targets for common indicators (COXX) are set for programmes of the 2014-2020 programming period, the delivery of which will extend to 2023. Consequently, these targets are formally 2023 targets. The figures are rounded.

Source of data: https://cohesiondata.ec.europa.eu/		
Baseline (2018)	Interim milestone (2022)	Target (2024)
1,016	Increase	7,100
Result indicator 1.1.5: Number of households with improved energy consumption classification		
Explanation: REGIO Common indicator CO31 - Number of households with improved energy consumption classification (households)		
Source of data: https://cohesiondata.ec.europa.eu/		
Baseline (2018)	Interim milestone (2022)	Target (2024)
173,688	Increase	700,300

Specific objective 1.2: Mobilising research and innovation	Related to spending programme(s): ERDF/CF	
Result indicator 1.2.1: Amount of research and innovation investments in low carbon economy and climate change		
Explanation: Amount invested into research and innovation infrastructure, processes, technology transfer and cooperation in enterprises focusing on the low carbon economy and on resilience to climate change		
Source of data: Study on prioritisation in Smart Specialisation Strategies in the EU (once available)		
Baseline 2020	Interim milestone 2022	Target 2024
0	increase	To be defined following the finalisation of the study

Specific objective 1.3: Just transition	Related to spending programme(s): ERDF/CF	
Result indicator 1.3.1: Implementation of Just Transition Plans		
Explanation: Implementation of the JTF will be measured through commitments made by affected regions and Member States as of 2021		
Source of data: SFC		
Baseline 2020	Interim milestone 2022	Target 2024
0	increase	EUR 20 billion
Result indicator 1.3.2: Estimated GHG emissions from activities listed in Annex I to the Directive 2003/87/EC in supported enterprises		
Explanation: REGIO (JTF) Common indicator RCR 29. The GHG emissions.		
Source of data: https://cohesiondata.ec.europa.eu/ (will only be available as of 2021)		
Baseline 2020	Interim milestone	Target 2024

	2022	
0	decrease	Only available once programmes submitted
Result indicator 1.3.3: Just Transition Fund project selection		
Explanation: % financial resources allocated to selected projects (project pipeline)		
Source of data: SFC (financial data transmitted by Member states to the Commission)		
Baseline	Interim milestone	Target
2020	2022	2024
0	increase	30%

General objective 2: A Europe fit for the Digital Age

Impact indicator 1: Enterprises with a broadband access of at least 100 Mbps

Explanation: The indicator measures the percentage of enterprises (with 10 or more persons employed) with a maximum contracted download speed of the fastest internet connection of at least 100 Mbps

Source of the data: Eurostat (Eurostat online data code: [isoc_ci_it_en2](#))

Baseline (2019)	Interim milestone (2022)	Target (2024)
23%	Increase	Increase

Impact indicator 2: Aggregate score in the Digital Economy and Society Index (DESI)

Explanation: DESI is a composite index that summarises relevant indicators on Europe's digital performance and tracks the evolution of EU Member States in digital competitiveness. Higher values indicate a better performance

Source of the data: [DESI](#)

Methodology for calculating the indicator: The DESI index is calculated as the weighted average of the five main DESI dimensions: 1 Connectivity (25%), 2 Human Capital (25%), 3 Use of Internet (15%), 4 Integration of Digital Technology (20%) and 5 Digital Public Services (15%)

Baseline (2019)	Interim milestone (2022)	Target (2024)
52.45	Increase	Increase

Impact indicator 3: Enterprises selling online

Explanation: The indicator measures the percentage of enterprises (with 10 or more persons employed) with at least 1% of their turnover generated through e-sales

Source of the data: Eurostat (Eurostat online data code: [isoc_ec_eseln2](#))

Baseline (2019)	Interim milestone (2022)	Target (2024)
17%	Increase	Increase

Impact indicator 4: Gross domestic expenditure on research and development

Explanation: This indicator measures gross domestic expenditure on research and development (R&D) as a percentage of GDP - the R&D intensity. The Frascati Manual defines R&D as creative and systematic work undertaken in order to increase the stock of knowledge - including knowledge of humankind, culture and society - and to devise new applications of available knowledge

Source of the data: Eurostat (Eurostat online data code: [sdg_09_10](#))

Interim milestone (2018)	Target (2020)	Interim milestone (2024)
2.19%	3.00%	Increase

Impact indicator 5: Innovative SMEs

Explanation: Percentage of small and medium-sized enterprises (SMEs) who introduced at least one product innovation or process innovation either new to the enterprise or new to their market. A product innovation is the market introduction of a new or significantly improved good or service with respect to its capabilities, user friendliness, components or sub-systems. A process innovation is the implementation of a new or significantly improved production process, distribution method, or supporting activity. SMEs are defined as including all

enterprises with 10 to 249 employees

Source: [European Innovation Scoreboard 2019](#)

Baseline (2016)	Interim milestone (2022)	Target (2024)
34%	Increase	Increase

Specific objective 2.1: Digital transformation

Related to spending programme(s): ERDF/CF

Result indicator 2.1.1: Business digitalisation

Explanation: % of enterprises using electronic information sharing, social media, big data, cloud

Source of data: Eurostat²¹

Baseline (2017)	Interim milestone (2022)	Target (2024)
21%	Increase	30%

Result indicator 2.1.2: Broadband access

Explanation: REGIO Common indicator CO10 - Additional households with broadband access of at least 30Mbps (households)

Source of data: <https://cohesiondata.ec.europa.eu/>

Baseline (2018)	Interim milestone (2022)	Target (2024)
2,989,418	Increase	10,800,000

Result indicator 2.1.3: Expenditure on digitalisation

Explanation: Dedicated funds to Thematic Objective 2 (TO2) under the 2014-2020 (Baseline) plus future MFF (Target) budget

Source of data: <https://cohesiondata.ec.europa.eu/>

Baseline (2019)	Interim milestone (2022)	Target (2024)
EUR 2.936 billion ²²	Increase	EUR 11 (+ 50 billion) ²³

Specific objective 2.2: Innovative and smart transformation

Related to spending programme(s): ERDF/CF

Result indicator 2.2.1: Number of enterprises receiving support

Explanation: Common indicator CO01 - Number of enterprises receiving support (enterprises)

Source of data: <https://cohesiondata.ec.europa.eu/>

Baseline	Interim milestone	Target
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²¹ https://ec.europa.eu/eurostat/statistics-explained/index.php/Digital_economy_and_society_statistics_-_enterprises

²² Spent under Information & Communication Technologies (Thematic Objective 2) for the 2014-2020 programming period at end 2019.

²³ 2014-2020 (+ 2021-2027 provisional amount (to be confirmed with the new MFF))

(2018)	(2022)	(2024)
414,302	Increase	1,100,000
Result indicator 2.2.2: Number of enterprises supported to introduce new to the market product		
Explanation: REGIO Common indicator C028 - Number of enterprises supported to introduce new to the market product (enterprises)		
Source of data: https://cohesiondata.ec.europa.eu/		
Baseline (2018)	Interim milestone (2022)	Target (2024)
11,827	Increase	28,300
Result indicator 2.2.3: Number of new researchers in supported enterprises		
Explanation: REGIO Common indicator C024 - Number of new researchers in supported enterprises (researchers)		
Source of data: https://cohesiondata.ec.europa.eu/		
Baseline (2018)	Interim milestone (2022)	Target (2024)
5,342	increase	28,500
Result indicator 2.2.4: Employment increase in supported enterprises		
Explanation: REGIO Common indicator C008 - New direct jobs (direct employment increase in supported enterprises)		
Source of data: https://cohesiondata.ec.europa.eu/		
Baseline 2020	Interim milestone 2022	Target 2024
108,654 ²⁴	increase	400,000

²⁴ 211,792 – 117,494 (Spanish value) = 94,298 is the disaggregated value for “Enhancing the competitiveness of small and medium-sized enterprises”

General objective 3: An economy that works for people

Impact indicator 1: GDP per capita growth

Explanation: This indicator measures the annual percentage growth rate of gross domestic product (GDP) per capita based on constant local currency. GDP per capita is the GDP divided by the midyear population. GDP at purchaser's prices is the sum of gross value added by all resident producers in the economy plus any product taxes and minus any subsidies not included in the value of the products. It is calculated without making deductions for depreciation of fabricated assets or for depletion and degradation of natural resources

Source of the data: Eurostat (Eurostat online data code: [TECO0115](#))

Baseline (2019)	Interim milestone (2022)	Target (2024)
1.4%	Increase	Increase

Impact indicator 2: Human resources in science and technology

Explanation: This indicator shows human resources in science and technology as a share of the active population aged 25 to 64 in percent. Human resources in science and technology are people with a tertiary education in and/or employed in science and technology

Source of the data: Eurostat (Eurostat online data code: [sdg_09_21](#) and [tsc00025](#)), based on the EU Labour Force Survey²⁵)

Baseline (2018)	Interim milestone (2022)	Target (2024)
46.9%	Increase	Increase

Specific objective 3.1: Full, effective and compliant use of funds

Related to spending programme(s): ERDF/CF

Result indicator 3.1.1: 2021-2027 project selection rate

Explanation: 2021-2027 project selection rate (in %), calculated based on the total eligible cost of selected projects as share of the total planned amount (public cost is used where relevant) – reported by MS for ERDF, CF and IPAE priorities, with a cut-off date for the data submitted: end of the year.

Source of data: The financial data transmitted by MS to the Commission via SFC

Baseline (2020)	Interim milestone (2022)	Target (2024)
0%	At least 10%	45%

Result indicator 3.1.2: Amount invested into financial instruments, including Invest EU

Explanation: Amount invested in EUR into final recipients and spent for management costs and fees as well as the amounts contributed to InvestEU Member States compartment

Source of data: SFC and Annual implementation report

Baseline (1/1/2020)	Interim milestone (2022)	Target (2024)
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²⁵ New indicator for the 2020 EU SDG monitoring report. It will be published in Eurobase with code [sdg_09_21](#) once the 2020 edition of the EU SDG monitoring report is released.

EUR 5.3 billion	EUR 12 billion	EUR 18 billion
Result indicator 3.1.3: Uptake of roadmaps for administrative capacity building in Member States		
Explanation: Number of Member States where roadmaps for administrative capacity have been developed		
Source of data: Partnership Agreements, Programmes, Annual implementation reports		
Baseline (2020)	Interim milestone (2022)	Target (2024)
5 Member States	12 Member States	15 Member States
Result indicator 3.1.4: Number of simplified cost option methodologies in place in the Member States		
Explanation: Mapping of SCOs in place in the EU done in 2019.		
Source of data: Programmes and information from Member States		
Baseline (2019)	Interim milestone (2022)	Target (2024)
388	600	800

Specific objective 3.2: Complementarity with structural reforms	Related to spending programme(s): ERDF/CF	
Result indicator 3.2.1: Achieve complementarity between cohesion policy investments through technical assistance for furthering structural reforms		
Explanation: Review of 100% of all Member State requests under the Technical Support Instrument that are relevant for implementation of cohesion policy by the set deadline.		
Source of data: JIRA database		
Baseline (2020)	Interim milestone (2022)	Target (2024)
100% of relevant requests reviewed for the 2020 budget	100% of relevant requests reviewed for the 2021 and 2022 budgets	100% of relevant requests reviewed for the 2021-2024 budgets

Specific objective 3.3: European Semester	Related to spending programme(s): ERDF/CF	
Result indicator 3.3.1: Uptake of REGIO contributions to country reports		
Explanation: Country Reports addressing regional disparities and including analysis of investments at regional level: number of CR		
Source of data: https://cohesiondata.ec.europa.eu/		
Baseline (2020)	Interim milestone (2022)	Target (2024)
26/28	24/27	24/27

Specific objective 3.4: Demographic and social challenges	Related to spending
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programme(s): ERDF		
Result indicator 3.4.1: Capacity of supported childcare or education infrastructure		
Explanation: REGIO Common indicator C035 - Capacity of supported childcare or education infrastructure		
Source of data: https://cohesiondata.ec.europa.eu/		
Baseline (2018)	Interim milestone (2022)	Target (2024)
6,799,156	Increase	6,900,000
Result indicator 3.4.2: Population covered by improved health services		
Explanation: REGIO Common indicator C036 - Population covered by improved health services		
Source of data: https://cohesiondata.ec.europa.eu/		
Baseline (2020)	Interim milestone (2022)	Target (2024)
27,458,607	Increase	54,700,000

Specific objective 3.5: Urban and territorial development		Related to spending programme(s): ERDF/CF
Result indicator 3.5.1: Population living in areas with integrated urban development strategies		
Explanation: REGIO Common indicator C037 - Population living in areas with integrated urban development strategies		
Source of data: https://cohesiondata.ec.europa.eu/		
Baseline (2018)	Interim milestone (2022)	Target (2024)
16,017,698	Increase	38,900,000
Result indicator 3.5.2: Participants in cross-border labour mobility		
Explanation: REGIO Common indicator C043 - Number of participants in cross-border mobility initiatives		
Source of data: https://cohesiondata.ec.europa.eu/		
Baseline (2018)	Interim milestone (2022)	Target (2024)
55,960	Increase	237,000

General objective 4: A stronger Europe in the world

Impact indicator 1: Readiness of enlargement countries on economic criteria

Explanation: This indicator aims at showing where the enlargement countries stand in terms of their preparations for meeting key areas of the two economic accession criteria, namely the existence of a functioning market economy and the capacity to cope with competitive pressures and market forces within the EU. It is given as an overall sum of enlargement countries. It is measured on a scale from 1 to 5.

Source of the data: European Commission

Methodology for calculating the indicator: In each of the areas, the state of play (i.e. the readiness) is assessed according to the following five-tier standard assessment scale:

1. Early stage
2. Some level of preparation
3. Moderately prepared
4. Good level of preparation
5. Well advanced

Baseline (2019)	Interim milestone (2022)	Target (2024)
2.64	Increase	Increase

Impact indicator 2: Readiness of enlargement countries on political criteria

Explanation: This indicator shows where the enlargement countries stand in terms of their preparations for meeting key areas of the political accession criteria, namely the functioning of the judiciary, fight against corruption, fight against organised crime, freedom of expression and public administration reform. It is given as an overall sum of enlargement countries. It is measured on a scale from 1 to 5

Source of the data: European Commission

Methodology for calculating the indicator: In each of the areas, the state of play (i.e. the readiness) is assessed according to the following five-tier standard assessment scale:

1. Early stage
2. Some level of preparation
3. Moderately prepared
4. Good level of preparation
5. Well advanced

Baseline (2019)	Interim milestone (2022)	Target (2024)
1.99	Increase	Increase

Impact indicator 3: Governance in neighbourhood

Explanation: The following three indicators are measured for the eastern and southern neighbourhood countries. They are measured on a scale from 0 to 100

- **Voice and accountability** captures perceptions of the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media
- **Government effectiveness** captures perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies
- **Political stability and absence of violence / terrorism** captures perceptions of the likelihood of political instability and / or politically-motivated violence, including terrorism

Source of the data: The World Bank's [Worldwide Governance Indicators \(WGI\) project](#) compile and summarise information from over 30 existing data sources that report the views and experiences of citizens, entrepreneurs, and experts in the public, private and NGO sectors from around the world, on the quality of various aspects of governance

Baseline (2017)	Interim milestone (2022)	Target (2024)
Voice and accountability: <i>Eastern neighbourhood: 33.09</i> <i>Southern neighbourhood: 27.98</i>	Increase	Increase
Government effectiveness: <i>Eastern neighbourhood: 46.32</i> <i>Southern neighbourhood: 37.98</i>	Increase	Increase
Political stability and absence of violence / terrorism: <i>Eastern neighbourhood: 27.06</i> <i>Southern neighbourhood: 13.43</i>	Stabilise	Increase

Specific objective 4.1: Neighbouring and enlargement		Related to spending programme(s): IPA/ENI
<p>Result indicator 4.1.1: Composite indicator on the readiness of enlargement countries on ‘Resources, agriculture and cohesion’, ‘Competitiveness and inclusive growth’ and “Green agenda and sustainable connectivity” clusters of the political accession criteria.</p> <p>Explanation: State of play (i.e. the readiness) is assessed according to five-tier standard assessment scale²⁶.</p> <p>Source of data: Annual enlargement country reports – European Commission</p>		
Baseline (2020)	Interim milestone (2022)	Target (2024)
4 cases of early stage of preparation	3 cases of early stage of preparation	calculated majority of candidate countries and potential candidates are moderately prepared
<p>Result indicator 4.1.2: Faster adoption and implementation of the Uptake of investments in territorial cooperation programmes on EU external borders with third neighbouring countries, in the framework of the European Neighbourhood Policy and EU-Russia relations</p> <p>Explanation: The indicator will measure the levels of cooperation between the relevant authorities in the EU MS and non-EU partner countries of the Eastern and Southern Neighbourhood and the Russian Federation.²⁷</p> <p>Source of data: REGIO database (SFC)</p>		
Baseline (2020)	Interim milestone (2022)	Target (2024)
Number of Interreg NEXT programmes 2021-2027 adopted	50% of the foreseen programmes adopted	100% of the programmes adopted are under implementation

Specific objective 4.2: Cohesion policy’s role in external relations		Related to spending programme(s):
<p>Result indicator 4.2.1: Number of strategies and agreements with strategic partners or world regions, containing a component for regional and urban policy, coordinating and steering relevant EU initiatives on regional and urban policy with strategic partners</p> <p>Explanation: Inclusion of specific provisions on regional and urban policy cooperation in Strategic Partnership, Association and Cooperation Agreements with strategic partners, in EU strategies, policy documents (as Action Plans, Cooperation Agendas with strategic partners, Summit Conclusions or Policy Dialogues Conclusions), coordination of EU partnerships on urban policy as the EU-India Smart and Sustainable Urbanisation</p>		

²⁶ Early stage – Some level of preparation – Moderately prepared – Good level of preparation – Well Advanced. This composite indicator is based on a careful analysis of the situation under each of the areas. Particular emphasis is given to the importance of implementation and track records of concrete results in each area. Accordingly, these aspects are given more weight than legal alignment and institutional framework in the overall assessment.

²⁷ The cooperation is measured through the pace of the adoption and implementation of the multiannual cooperation programmes for 2021-2027 period. The success in the adoption and implementation of these programmes indicates the levels of the capacities and mutual trust and understanding between both the central authorities mostly in charge of the joint programming and programmes’ management, as well as by the regional and local level beneficiaries bound to jointly develop and implement the projects, contributing to the objectives defined by each programme.

Partnership		
Source of data: Legal texts, strategic policy documents, minutes, joint statements or conclusions of regional and urban policy dialogues		
Baseline (2020)	Interim milestone (2022)	Target (2024)
Chile, Colombia, Peru, Argentina) and 1 regional organisation (SICA) Specific provisions in EU-Japan SPA, EU-India Urbanisation Partnership, EU-China Joint Statement EU Latin America Strategy Regional and urban policy dialogues established with 9 strategic partners (Japan, China, India, Mexico, Brazil,	Successful conclusion of negotiations articles on regional and urban policy in EU-Chile Association Agreement, EU-MERCOSUR Association Agreement, EU-Mexico Modernised Agreement	Achieved
	Regional and urban policy dialogues with operational conclusions with at least 5 of the 9 partners	Regional and urban policy dialogues with all partners
	Inclusion of regional and urban policy provisions in Summit joint statements and new EU strategies and cooperation agendas with India, China, Japan and Latin America	Regional and urban policy cooperation strengthened and highlighted in subsequent high-level events (Summits) and operational documents (action plans, cooperation agendas)
Result indicator 4.2.2: Number of cooperation programmes, projects, initiatives, studies and networks with strategic partners		
Explanation: Implementation of cooperation programmes and projects involving EU regions and cities with non-EU regions and cities, joint research and studies on common challenges		
Source of data: Related projects' reports and studies		
Baseline (2020)	Interim milestone (2022)	Target (2024)
Finalisation of the first phase of the International Urban Cooperation programme (IUC) funded by the PI	IURC: Second phase of IUC effectively launched, 100 cities (50 from EU) and 60 regions (30 from EU) selected and started to cooperate.	IURC programme successfully implemented, thematic networks established on topics of EU interest, action plans developed by participating cities, knowledge sharing platform completed
	Pilot project (EP): Four thematic city networks established including selection of 32 cities (at least 16 from EU)	Pilot project successfully implemented, thematic networks established
	Studies on demographic change	Final reports delivered, including at least 5

	and territorial development (with Japanese partners) and on smart specialisation (with Chinese partners) carried out.	case studies and a final event for each study.
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Part 2: Modernising the administration

Human resources management

Objective: REGIO 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 (female representation in management) 1.12.2019 33%	Target (2024) ²⁸ First female appointments target: 3 out of 6 (50%) new appointments to middle management between 2020-2022
Indicator 2: REGIO staff engagement index	
Source of data: Commission staff survey	
Baseline 2014 66 % (EC average 65.3 %)	Target (2024) Further increase the index results

Sound financial management

Objective: The authorising officer by delegation has reasonable assurance that resources have been used in accordance with the principles of sound financial management, and that cost-effective controls are in place which give the necessary guarantees concerning the legality and regularity of underlying transactions

Indicator: Estimated risk at closure	
Source of data: Member States'/programmes' Annual Control Reports, EC audits, ECA audits and the conclusions presented in the AAR (table 10 B of REGIO AAR annexes).	
Baseline (2019) 1.1%	Target (2024) < 2% of relevant expenditure
Indicator: Reliance on the management and control systems (systems which are functioning	

²⁸ The target will be revised and extended for the period 2023-2024 by January 2023.

adequately²⁹⁾

Source of date: Member States'/programmes' Annual Control Reports, EC audits, ECA audits and the conclusions presented in the AAR (table 10 B of REGIO AAR annexes).

Baseline	Target
(2019)	(2024)
77%	90%

Fraud risk management

Objective: The risk of fraud is minimised through the application of effective anti-fraud measures and the implementation of the Commission Anti-Fraud Strategy³⁰ aimed at the prevention, detection and correction³¹ of fraud

Indicator: Implementation of the actions included in REGIO's anti-fraud strategy over the whole strategic plan lifecycle (2020-2024)

Source of data: REGIO's annual activity report, REGIO's anti-fraud strategy, OLAF reporting

Baseline	Target
(2019)	(2024)
100% action points of the 2015 Joint Anti-Fraud Strategy implemented	100% of action points implemented in time

Digital transformation and information management

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

Indicator 1: Degree of implementation of the digital strategy principles by the most important IT solutions

Source of data: Compass Corporate Steering board, SFC IT Steering Committee

Baseline	Interim milestone	Target
2018-2019	2020-2022	2024
Compass Corporate: Formal validation by ITCB of Compass Corporate, as the corporate reusable workflow solution enabling the Shared management DGs to operate the next programming period (2021-2027) processes - Business case document eventually approved in April 2018	Make Compass Corporate ready for the start-up of the programming period 2021-2027	Compass Corporate stable and implement with all expected features and processes according to the Business Processes Team (BPT) roadmap
SFC2021: ITCB green light for a	Make SFC2021 ready for the start-up of the programming period 2021-	Get SFC2021 stable and filled with required

²⁹ Systems which work well (category 1) or which work but for which some improvements are needed (category 2)

³⁰ Communication from the Commission 'Commission Anti-Fraud Strategy: enhanced action to protect the EU budget', COM(2019) 176 of

²⁹ April 2019 – 'the CAFS Communication' – and the accompanying action plan, SWD(2019) 170 – 'the CAFS Action Plan'.

³¹ Correction of fraud is an umbrella term, which notably refers to the recovery of amounts unduly spent and to administrative sanctions.

<p>solution encompassing a system supporting financial management (Back-office), covering all official exchanges of information between Managing Authorities and the Shared management DGs (Front-office) and providing Business reporting (Data warehouse), for the programming period 2021-2027 Business case document approved in October 2019</p>	<p>2027</p> <ul style="list-style-type: none"> - Make reports available for the start-up of the programming period 2021-2027 - Provide reports with real-time data - Improve user interface and set up new full-fledge dashboards for 2021-2027 programming period - Deliver impact study on the usage of Data analytics' new technologies (AI data prediction and Block chain) 	<p>features and processes in alignment with the business processes roadmap</p> <p>Adapt Business reporting to the new programming period needs in alignment with the EC data strategy</p>
<p>Average score on the implementation of the 11 core principles³² defined by the EC Digital Strategy:</p> <ul style="list-style-type: none"> - Compass Corporate: 1.8 - SFC2021: 1.9 - Business reporting: 1.6 	<p>Average score of implementation:</p> <ul style="list-style-type: none"> - Compass Corporate: 1.8 - SFC2021: 1.9 - Business reporting: 1.8 	<p>Average score of implementation:</p> <ul style="list-style-type: none"> - Compass Corporate: 2 - SFC2021: 2 - Business reporting: 2
<p>Open Data: All relevant data for the periods 2007-2013 and 2014-2020 is published in the ESIF Open Data platform</p>	<p>The Open Data platform is extended to cover the 2021-2027 period from the very beginning</p>	<p>The platform contains all relevant data related to shared management</p>
<p>RegioWiki: A single platform is available</p>	<p>Extended to cover 2021-2027</p>	<p>Maintained or integrated with corporate initiatives</p>
<p>Kohesio: Pilot project for linking and using project related data from 2014-2020 is initiated</p>	<p>Technical and organisational issues are successfully solved on the basis of the pilot with six member states</p>	<p>All project related data from 2014-2020 and 2021-2027 is available on the platform</p>
<p>Indicator 2: Percentage of REGIO key data assets for which corporate principles for data governance have been implemented</p> <p>Source of data: REGIO Communication unit</p>		
<p>Baseline 2019</p> <ul style="list-style-type: none"> - Set up of a network of local data correspondents - Delivery of specifications for corporate data roles and responsibilities, and a proposal for data policies - Stocktake of ongoing data governance and data policy 	<p>Interim milestone 2021-2022</p> <ul style="list-style-type: none"> - Progress on implementing data governance roles and responsibilities in all DGs and services - Draw up practical guidelines for priority areas for data policies - Explore the relationship between data protection and transparency obligations 	<p>Target 2024</p> <p>Support the Commission's transformation into a data-driven organisation by introducing roles and responsibilities, common principles, guidelines and working practices at corporate level</p>

³² From 2021, services are required to provide a state-of-play on the implementation of the 11 core principles defined by the EC Digital Strategy for the top 3 most expensive IT solutions that they own. For each of these solutions, this will be expressed as an average of the scores reflecting the degree of implementation of each of the 11 principles ("2-well"/"1-partially"/"0-not implemented"). The assessment will be performed by the IT Investments Team, in close collaboration with the supplier unit on the basis of a dedicated handbook and, if necessary, complementary interviews with the IT unit.

initiatives	- Make any necessary changes and updates to the IT systems used for storing, managing and disseminating data assets	
50% of REGIO key data assets	60% of REGIO key data assets	80% of REGIO key data assets
Indicator 3: Percentage of staff targeted by awareness raising activities on data protection compliance		
Source of data: REGIO Data Protection Coordinator (DPC)		
Baseline 2019	Interim milestone 2020-202	Target 2024
100% of staff, according to the reply to the questionnaire of the DPO on the implementation of the Data Protection Action Plan of the Commission ³³ on November 2019	100% of staff, continue with regular awareness raising actions (newcomers, My Regio communications, reminders to all staff, updates of Regio Wiki)	100% of staff

³³ DG REGIO: reply to questionnaire on compliance with data protection action plan [Ares\(2019\)7248989](#)