



Annual Activity Report 2021

Annexes

EUROPEAN EDUCATION AND CULTURE
EXECUTIVE AGENCY

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

I declare that in accordance with the Commission's communication on the internal control framework ⁽¹⁾, I have reported my advice and recommendations on the overall state of internal control in the Executive Agency to the Director.

I hereby certify that the information provided in Section 2 of the present Annual Activity Report and in its annexes is, to the best of my knowledge, accurate and complete.

(e-signed)

Marco Carnaccini

"I hereby certify that the information provided in Section 1 of the present Annual Activity Report and in its annexes is, to the best of my knowledge, accurate and complete."

(e-signed)

Sophie Beernaerts

"I hereby certify that the information provided in Section 1 of the present Annual Activity Report and in its annexes is, to the best of my knowledge, accurate and complete."

(e-signed)

Alessandra Luchetti

⁽¹⁾ C(2017)2373 of 19.04.2017.

ANNEX 2: Performance tables

The late adoption of the new programmes caused a delay in their implementation, which could not be fully recovered within 2021. It will be recovered in 2022. As a result, for a number of performance indicators (e.g. calls, evaluation sessions, agreements/contracts, etc.) the target set in the annual work plan – which anticipated a well-timed legislative process – could not be met.

Sources for the data are: [Funding & tenders opportunities portal](#) / CPS, corporate data warehouse and project lifecycle management tools, EACEA.

Erasmus+

General Objective 5: Promoting our European way of life

Specific objective 5.2: With the support of the Erasmus+ programme, promote learning mobility of individuals, as well as cooperation, inclusion, excellence, creativity and innovation at the level of organisations and policies in the field of Education and Training

From 2020-2024 Strategic Plan of DG EAC

Main outputs in 2021:

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Operational effectiveness (selection)	11 calls for proposals published (open/restricted)	100%	100%
	4 calls for tenders published	100%	25%
	2 Eurydice reports published	100%	100%
	23 evaluation sessions launched (grants)	100%	100%
	4 evaluation sessions launched (service contracts)	100%	25%
	Implementation rate for estimated number of grant agreements (670)	>85%	<85%
	Implementation rate for estimated number of service contracts (5)	>85%	<85%
Quality assurance of the results of the calls for proposals	% of budget absorption for the call	100%	92%
	% of re-evaluated proposals	Max. 1% of evaluated proposals	0.1%
	% of complaints concerning the evaluation results that lead to a change of decision	Max. 2% of received complaints	0%

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Operational effectiveness (monitoring)	Pre-finance payments (in value) executed	>31% of commitments	12%
	% of payments (in number) executed on time	>95%	91% due to a few payments delayed because of unavailability of payment credits at the beginning of the year
Quality assurance of the results of the projects (legacy)	The monitoring plan for all projects is approved and aligned with the risk level and adjusted	100%	100%
Communication actions	Min. one call information activity for each call (information meetings/days, videos, webinars)	100%	91% - 2 calls not having organised such activity: For 1 call the time between publication and deadline was too short to organise an activity For another call there was only a debriefing with experts
	Publication of Eurydice thematic newsletters	4 thematic newsletters	4 thematic newsletters

General Objective 5: Promoting our European way of life

Specific objective 5.3: With the support of the Erasmus+ programme, promote non-formal learning mobility and active participation among young people, as well as cooperation, inclusion, creativity and innovation at the level of organisations and policies in the field of Youth

From 2020-2024 Strategic Plan of DG EAC

Main outputs in 2021:

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Operational effectiveness (selection)	4 calls for proposals published (open/restricted)	100%	100%
	1 call for tenders published	100%	0%
	7 evaluation sessions launched (grants)	100%	100%

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
	2 evaluation sessions launched (service contracts)	100%	0%
	Implementation rate for estimated number of grant agreements (145)	>85%	>85%
	Implementation rate for estimated number of service contracts (2)	>85%	<85%
Quality assurance of the results of the calls for proposals	% of budget absorption for the call	100%	100%
	% of re-evaluated proposals	Max. 1% of evaluated proposals	0%
	% of complaints concerning the evaluation results that lead to a change of decision	Max. 2% of received complaints	0%
Operational effectiveness (monitoring)	Pre-finance payments (in value) executed	>28% of commitments	16%
	% of payments (in number) executed on time	>95%	95%
Quality assurance of the results of the projects (legacy)	The monitoring plan for all projects is approved and aligned with the risk level and adjusted	100%	100%
Communication actions	Min. one call information activity for each call (information meetings/days, videos, webinars)	100%	57% - 3 calls not having organised such activity: For 1 call the time between publication and deadline was too short to organise an activity For the other 2 calls, the applicants are designated bodies – info sessions given only for eGrants

General Objective 5: Promoting our European way of life

Specific objective 5.5: With the support of the Erasmus+ programme, promote learning mobility of sport coaches and staff, as well as cooperation, inclusion, creativity and innovation at the level of organisations and sport policies

From 2020-2024 Strategic Plan of DG EAC

Main outputs in 2021:

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Operational effectiveness (selection)	2 calls for proposals published (open/restricted)	100%	100%
	5 evaluation sessions launched (grants)	100%	100%
	Implementation rate for estimated number of grant agreements (317)	>85%	<85%
Quality assurance of the results of the calls for proposals	% of budget absorption for the call	100%	96%
	% of re-evaluated proposals	Max. 1% of evaluated proposals	0%
	% of complaints concerning the evaluation results that lead to a change of decision	Max. 2% of received complaints	0%
Operational effectiveness (monitoring)	Pre-finance payments (in value) executed	>9% of commitments	9%
	% of payments (in number) executed on time	>95%	88% due to a few payments delayed because of unavailability of payment credits at the beginning of the year
Quality assurance of the results of the projects (legacy)	The monitoring plan for all projects is approved and aligned with the risk level and adjusted	100%	100%
Communication actions	Min. one call information activity for each call (information meetings/days, videos, webinars)	100%	80% - 1 call not having organised such activity instead organised only debriefings sessions with experts

Specific objectives

- Building investigative capacity to better fight doping in sport in Europe
- Grassroots sports programmes and infrastructure innovation
- Sport as a tool for integration and social inclusion of refugees

From Decision C(2021) 1658 of 17 March 2021 for the implementation of pilot projects and preparatory actions in the area of education, youth, sport and culture

Main outputs in 2021:

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Operational effectiveness (selection)	3 calls for proposals published (open/restricted)	100%	100%
	3 evaluation sessions launched (grants)	100%	67%
	Implementation rate for estimated number of grant agreements (15)	>85%	<85%
Quality assurance of the results of the calls for proposals	% of budget absorption for the call	100%	N/A (selections not finalised)
	% of re-evaluated proposals	Max. 1% of evaluated proposals	0%
	% of complaints concerning the evaluation results that lead to a change of decision	Max. 2% of received complaints	0%
Operational effectiveness (monitoring)	Pre-finance payments (in value) executed	>70% of commitments	0%
	% of payments (in number) executed on time	>95%	100%
Quality assurance of the results of the projects (legacy)	The monitoring plan for all projects is approved and aligned with the risk level and adjusted	100%	N/A
Communication actions	Min. one call information activity for each call (information meetings/days, videos, webinars)	100%	100%

Creative Europe

General Objective 5: Promoting our European way of life

Specific objective 5.6: With the support of the Creative Europe programme, strengthen Europe's commitment to preserve and promote our cultural heritage

From 2020-2024 Strategic Plan of DG EAC

Main outputs in 2021:

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Operational effectiveness (selection)	8 calls for proposals published (open/restricted)	100%	100%
	9 evaluation sessions launched (grants)	100%	100%
	Implementation rate for estimated number of grant agreements (270)	>85%	<85%
Quality assurance of the results of the calls for proposals	% of budget absorption for the call	100%	100%
	% of re-evaluated proposals	Max. 1% of evaluated proposals	0.3%
	% of complaints concerning the evaluation results that lead to a change of decision	Max. 2% of received complaints	8.3% (representing 1 out of 12 complaints)
Operational effectiveness (monitoring)	Pre-finance payments (in value) executed	>14% of commitments	11%
	% of payments (in number) executed on time	>95%	96%
Quality assurance of the results of the projects (legacy)	The monitoring plan for all projects is approved and aligned with the risk level and adjusted	100%	100%
Communication actions	Min. one call information activity for each call (information meetings/days, videos, webinars)	100%	100%

General Objective 2: A Europe fit for the Digital Age**Specific objective 6:** A modern, open pluralistic society in the digital age where online disinformation is countered and diverse cultural content is available to all Europeans

From 2020-2024 Strategic Plan of DG CNECT

Main outputs in 2021:

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Operational effectiveness (selection)	15 calls for proposals published (open/restricted)	100%	87%
	1 call for tenders published	100%	100%
	15 evaluation sessions launched (grants)	100%	73%
	1 evaluation session launched (service contracts)	100%	100%
	Implementation rate for estimated number of grant agreements (752)	>85%	<85%
	Implementation rate for estimated number of service contracts (4)	>85%	<85%
Quality assurance of the results of the calls for proposals	% of budget absorption for the call	100%	100%
	% of re-evaluated proposals	Max. 1% of evaluated proposals	0%
	% of complaints concerning the evaluation results that lead to a change of decision	Max. 2% of received complaints	0%
Operational effectiveness (monitoring)	Pre-finance payments (in value) executed	>28% of commitments	17%
	% of payments (in number) executed on time	>95%	98%
Quality assurance of the results of the projects (legacy)	The monitoring plan for all projects is approved and aligned with the risk level and adjusted	100%	100%
Communication actions	Min. one call information activity for each call (information meetings/days, videos, webinars)	100%	92% as for 1 call the applicants are designated bodies and no such activity was organised

Citizens, Equality, Rights and Values

General Objective 6: A new push for European Democracy

Specific objective 3: Improved framework to protect democracy in the European Union

From 2020-2024 Strategic Plan of DG JUST

Main outputs in 2021:

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Operational effectiveness (selection)	5 calls for proposals published (open/restricted)	100%	100%
	7 evaluation sessions launched (grants)	100%	86%
	Implementation rate for estimated number of grant agreements (412)	>85%	<85%
Quality assurance of the results of the calls for proposals	% of budget absorption for the call	100%	92%
	% of re-evaluated proposals	Max. 1% of evaluated proposals	0%
	% of complaints concerning the evaluation results that lead to a change of decision	Max. 2% of received complaints	0%
Operational effectiveness (monitoring)	Pre-finance payments (in value) executed	>28% of commitments	1%
	% of payments (in number) executed on time	>95%	98%
Quality assurance of the results of the projects (legacy)	The monitoring plan for all projects is approved and aligned with the risk level and adjusted	100%	100%
Communication actions	Min. one call information activity for each call (information meetings/days, videos, webinars)	100%	100%

European Solidarity Corps

General Objective 5: Promoting our European way of life

Specific objective 5.4: With the support of the European Solidarity Corps, enhance the engagement of young people and organisations in accessible and high-quality solidarity activities as a means to contribute to strengthening cohesion, solidarity and democracy in the Union and abroad, addressing societal and humanitarian challenges on the ground, with particular effort to promote social inclusion

From 2020-2024 Strategic Plan of DG EAC

Main outputs in 2021:

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Operational effectiveness (selection)	2 call for tenders published	100%	50%
	2 evaluation session launched (grants)	100%	100%
	2 evaluation session launched (service contracts)	100%	0%
	Implementation rate for estimated number of grant agreements (50+250 quality label accreditations)	>85%	<85% + 120 quality label accreditations
	Implementation rate for estimated number of service contracts (2)	>85%	>85%
Quality assurance of the results of the calls for proposals	% of budget absorption for the call	100%	N/A (not selection finalised)
	% of re-evaluated proposals	Max. 1% of evaluated proposals	0%
	% of complaints concerning the evaluation results that lead to a change of decision	Max. 2% of received complaints	0%
Operational effectiveness	Pre-finance payments (in value) executed	>1% of commitments	0%

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
(monitoring)	% of payments (in number) executed on time	>95%	74% due to a verification of the status of some participating organisations in EU Aid volunteers legacy projects and that few payments lacked payment credits to be executed at the end of the year
Quality assurance of the results of the projects (legacy)	The monitoring plan for all projects is approved and aligned with the risk level and adjusted	100%	100%
Communication actions	Min. one call information activity for each call (information meetings/days, videos, webinars)	100%	100%

ANNEX 3: Draft annual accounts and financial reports

Financial Management Area: BGUE

Annex 3 Financial Reports - EACEA - Financial Year 2021

Table 1 : Commitments

Table 2 : Payments

Table 3 : Commitments to be settled

Table 4 : Balance Sheet

Table 5 : Statement of Financial Performance

Table 5 Bis: Off Balance Sheet

Table 6 : Average Payment Times

Table 7 : Income

Table 8 : Recovery of undue Payments

Table 9 : Ageing Balance of Recovery Orders

Table 10 : Waivers of Recovery Orders

Table 11 : Negotiated Procedures

Table 12 : Summary of Procedures

Table 13 : Building Contracts

Table 14 : Contracts declared Secret

Table 15 : FPA duration exceeds 4 years

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2021 (in Mio €) for EACEA					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
Title 07 Investing in People, Social Cohesion and Values					
07	07 03	Erasmus	442.45	421.97	0.95
	07 04	European Solidarity Corps	12.94	12.74	0.98
	07 05	Creative Europe	276.54	273.69	0.99
	07 06	Rights and Values	36.12	36.06	1.00
	07 20	Pilot projects, preparatory actions, prerogatives and other actions	5.51	5.51	1.00
Total Title 07			773.55	749.97	0.97
Title 14 External Action					
14	14 02	Neighbourhood, Development and International Cooperation Instrument (NDICI)	49.99	41.36	0.83
Total Title 14			49.99	41.36	0.83
Title 15 Pre-accession Assistance					
15	15 02	Instrument for Pre-accession Assistance (IPA III)	10.47	9.93	0.95
Total Title 15			10.47	9.93	0.95
Total Excluding NGEU			834.01	801.25	0.96
Total DG EACEA			834.01	801.25	0.96

* Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous commitment appropriations for the

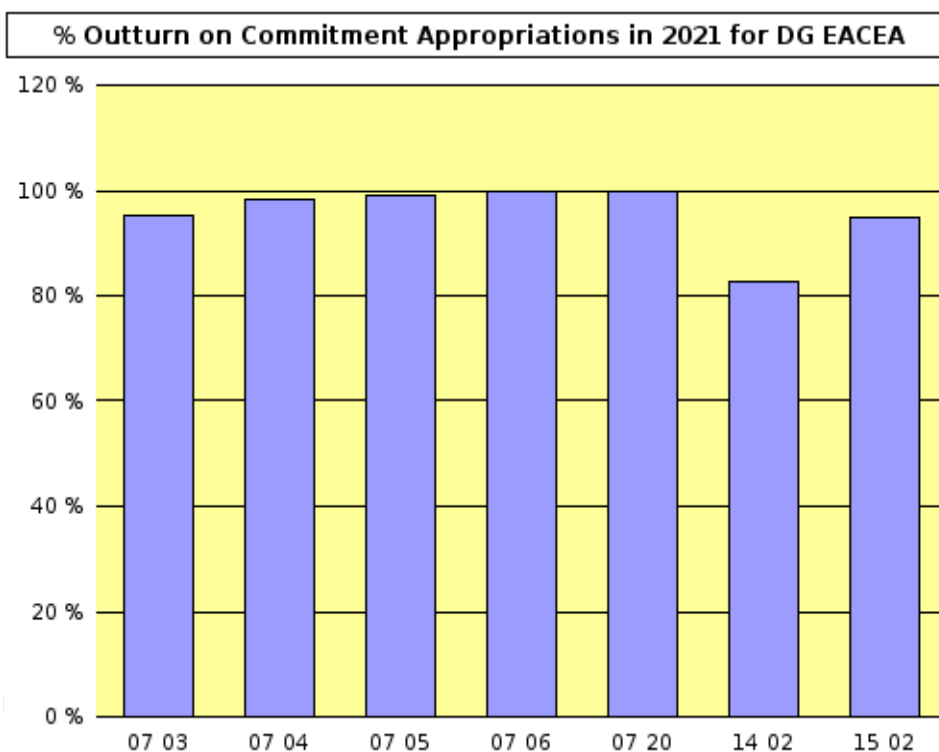


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS in 2021 (in Mio €) for EACEA					
			Payment appropriations authorised	Payments made	%
			1	2	3=2/1
Title 07 Investing in People, Social Cohesion and Values					
07	07 03	Erasmus	284.57	258.89	90.97 %
	07 04	European Solidarity Corps	8.63	8.43	97.68 %
	07 05	Creative Europe	120.60	114.48	94.92 %
	07 06	Rights and Values	14.77	14.61	98.91 %
	07 20	Pilot projects, preparatory actions, prerogatives and other actions	0.04	0.04	100.00 %
Total Title 07			428.62	396.45	92.49%
Title 14 External Action					
14	14 02	Neighbourhood, Development and International Cooperation Instrument (NDICI)	108.28	84.06	77.63 %
Total Title 14			108.28	84.06	77.63%
Title 15 Pre-accession Assistance					
15	15 02	Instrument for Pre-accession Assistance (IPA III)	15.89	15.43	97.08 %
Total Title 15			15.89	15.43	97.08%
Total Excluding NGEU			552.79	495.94	89.71%
Total DG EACEA			552.79	495.94	89.71 %

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

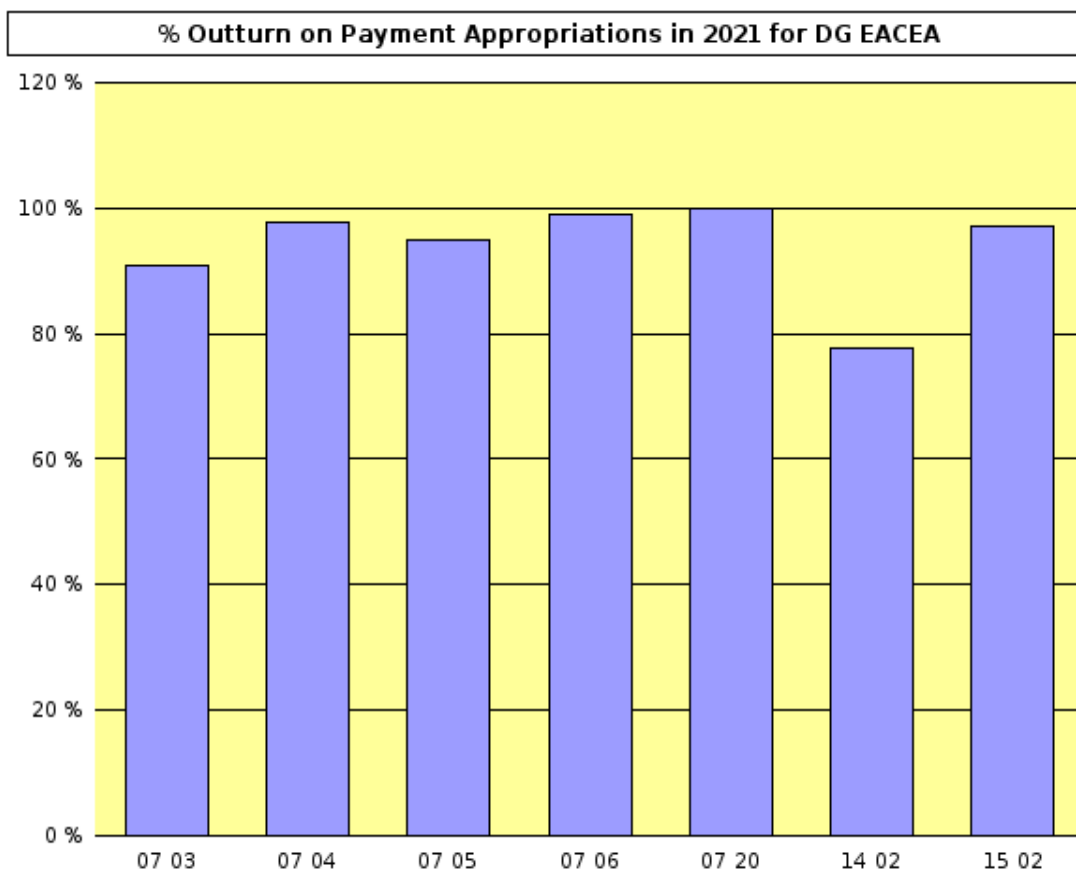


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for EACEA									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
07	07 03	Erasmus	421.97	58.56	363.41	86.12%	469.12	832.53	676.79
	07 04	European Solidarity Corps	12.74	0.52	12.21	95.89%	16.08	28.29	27.72
	07 05	Creative Europe	273.69	41.43	232.26	84.86%	134.82	367.08	216.55
	07 06	Rights and Values	36.06	0.72	35.35	98.01%	19.62	54.96	34.07
	07 20	Pilot projects, preparatory actions, prerogatives and other actions	5.51	0.04	5.47	99.27%	0.00	5.47	0.00
Total Title 07			749.97	101.27	648.70	86.50%	639.64	1,288.33	955.14
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for EACEA									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
14	14 02	Neighbourhood, Development and International Cooperation Instrument (NDICI)	41.36	0.68	40.68	98.36%	237.62	278.30	322.22
Total Title 14			41.36	0.68	40.68	98.36%	237.62	278.30	322.22
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for EACEA									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
15	15 02	Instrument for Pre-accession Assistance (IPA III)	9.93	0.01	9.92	99.93%	34.01	43.93	51.05
Total Title 15			9.93	0.01	9.92	99.93%	34.01	43.93	51.05
Total Excluding NGEU			801.25	101.95	699.30	87.28%	911.27	1,610.57	1,328.41
Total for DG EACEA			801.2534967	101.95	699.30	87.28 %	911.27	1,610.57	1,328.41

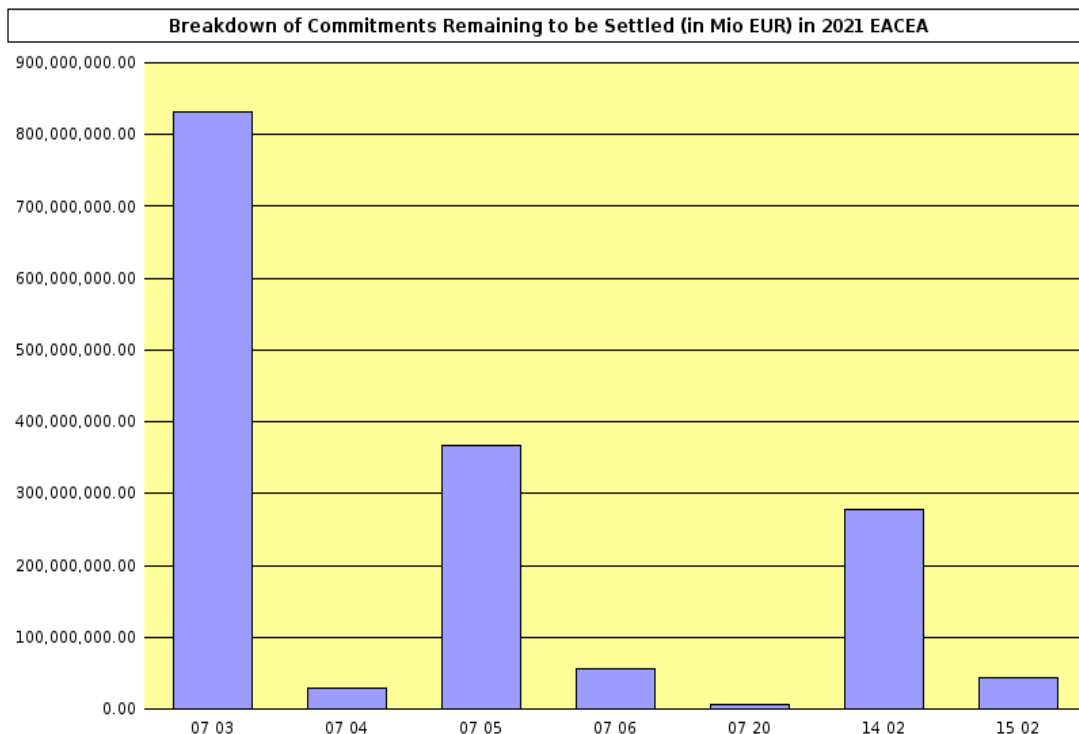


TABLE 4 : BALANCE SHEET for EACEA

BALANCE SHEET	2021	2020
A.I. NON CURRENT ASSETS	74.995.619,06	170.967.613,07
A.I.5. Non-Current Pre-Financing	74.995.619,06	170.967.613,07
A.II. CURRENT ASSETS	305.724.608,08	431.037.228,29
A.II.2. Current Pre-Financing	287.940.194,96	412.916.823,36
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	17.784.413,12	18.120.404,93
A.II.6. Cash and Cash Equivalents	0,00	0,00
ASSETS	380.720.227,14	602.004.841,36
P.II. CURRENT LIABILITIES	-145.075.475,56	-121.984.213,53
P.II.4. Current Payables	-20.333.598,99	-13.072.773,33
P.II.5. Current Accrued Charges & Defrd Income	-124.741.876,57	-108.911.440,20
LIABILITIES	-145.075.475,56	-121.984.213,53
NET ASSETS (ASSETS less LIABILITIES)	235.644.751,58	480.020.627,83
P.III.2. Accumulated Surplus/Deficit	5.066.681.991,58	4.404.093.520,00
Non-allocated central (surplus)/deficit*	-5.302.326.743,16	-4.884.114.147,83
TOTAL DG EACEA	0,00	0,00

TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE for EACEA

STATEMENT OF FINANCIAL PERFORMANCE	2021	2020
II.1 REVENUES	-1.789.890,42	-2.029.248,32
II.1.1. NON-EXCHANGE REVENUES	-2.888.817,30	-2.149.248,32
II.1.1.6. RECOVERY OF EXPENSES	-2.888.817,30	-2.149.248,32
II.1.2. EXCHANGE REVENUES	1.098.926,88	120.000,00
II.1.2.1. FINANCIAL INCOME	-4.357,19	
II.1.2.2. OTHER EXCHANGE REVENUE	1.103.284,07	120.000,00
II.2. EXPENSES	727.175.391,66	664.617.719,90
II.2. EXPENSES	727.175.391,66	664.617.719,90
II.2.10. OTHER EXPENSES	642.761,33	754.203,80
II.2.2. EXP IMPLM BY COMMISS&EX.AGENC. (DM)	726.477.357,01	663.836.686,13
II.2.8. FINANCE COSTS	55.273,32	26.829,97
STATEMENT OF FINANCIAL PERFORMANCE	725.385.501,24	662.588.471,58

TABLE 5bis : OFF BALANCE SHEET for EACEA

OFF BALANCE	2021	2020
OB.1. Contingent Assets	6,367,753.55	9,280,186.87
GR for pre-financing	6,367,753.55	9,280,186.87
OB.2. Contingent Liabilities	-211,416.00	
OB.2.7. CL Legal cases OTHER	-211,416.00	
OB.3. Other Significant Disclosures	-1,465,787,175.96	-1,206,671,894.09
OB.3.2. Comm against app. not yet consumed	-1,465,787,175.96	-1,206,671,894.09
OB.4. Balancing Accounts	1,459,630,838.41	1,197,391,707.22
OB.4. Balancing Accounts	1,459,630,838.41	1,197,391,707.22
OFF BALANCE	0	0

TABLE 6: AVERAGE PAYMENT TIMES in 2021 for EACEA

Legal Times								
Maximum Payment Time (Days)	Total Nbr of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)	Late Payments Amount
30	1468	1421	96.80 %	10.095	47	3.20 %	82.72340426	6817592.2
45	1				1	100.00 %	1035	667.67
48	1	1	100.00 %	48				0
54	1	1	100.00 %	49				0
60	2651	2461	92.83 %	32.58797	190	7.17 %	118.5421053	8948123.69
90	36	28	77.78 %	31.39286	8	22.22 %	97	242032.02

Total Number of Payments	4158	3912	94.08 %		246	5.92 %		16008415.58
Average Net Payment Time	29.75998076			24.41718			114.7235772	
Average Gross Payment Time	38.47715248			32.72904			129.8861789	

Suspensions							
Average Report Approval Suspension	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended	% of Total Amount	Total Paid Amount
				4158			495,920,612.92

Late Interest paid in 2021			
DG	GL Account	Description	Amount (Eur)
EACEA	65010000	Interest expense on late payment of charges	526.56
EACEA	65010100	Interest on late payment of charges New FR	54 746.76
			55 273.32

TABLE 7 : SITUATION ON REVENUE AND INCOME in 2021 for EACEA								
Chapter		Revenue and income recognized			Revenue and income cashed from			Outstanding balance
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	
		1	2	3=1+2	4	5	6=4+5	
40	Revenue from investments and accounts	4,357.19	206.69	4,563.88	4,357.19	0.00	4,357.19	206.69
61	Cohesion, resilience and values	13,669,113.98	0.00	13,669,113.98	10,127,735.51	0.00	10,127,735.51	3,541,378.47
67	Completion for outstanding recovery orders prior to 2021	748,163.05	18,230,719.06	18,978,882.11	285,542.75	4,456,820.67	4,742,363.42	14,236,518.69
Total DG EACEA		14,421,634.22	18,230,925.75	32,652,559.97	10,417,635.45	4,456,820.67	14,874,456.12	17,778,103.85

**TABLE 8 : RECOVERY OF PAYMENTS in EACEA
(Number of Recovery Contexts and corresponding Transaction Amount)**

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

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

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2021 for EACEA

	Number at 01/01/2021	Number at 31/12/2021	Evolution	Open Amount (Eur) at 01/01/2021	Open Amount (Eur) at 31/12/2021	Evolution
2001	2	1	-50.00 %	20,833.32	8,660.55	-58.43 %
2003	1		-100.00 %	7,437.10		-100.00 %
2004	3		-100.00 %	82,250.40		-100.00 %
2005	1	1	0.00 %	55,000.00	51,093.08	-7.10 %
2006	3	3	0.00 %	431,709.83	420,646.93	-2.56 %
2007	3	2	-33.33 %	133,628.96	116,333.36	-12.94 %
2008	4	3	-25.00 %	443,084.00	426,046.61	-3.85 %
2009	6	2	-66.67 %	361,299.81	177,359.81	-50.91 %
2010	8	7	-12.50 %	1,062,147.67	1,057,094.52	-0.48 %
2011	5	3	-40.00 %	155,315.88	141,030.73	-9.20 %
2012	8	8	0.00 %	173,600.97	170,600.97	-1.73 %
2013	19	12	-36.84 %	417,882.92	348,521.50	-16.60 %
2014	16	15	-6.25 %	2,795,562.82	2,785,962.82	-0.34 %
2015	24	21	-12.50 %	1,788,430.62	1,737,597.13	-2.84 %
2016	16	15	-6.25 %	274,125.68	235,082.49	-14.24 %
2017	25	21	-16.00 %	1,917,875.51	1,750,775.72	-8.71 %
2018	20	13	-35.00 %	2,607,560.59	1,723,198.04	-33.92 %
2019	24	17	-29.17 %	1,026,129.96	744,715.44	-27.42 %
2020	80	28	-65.00 %	4,719,650.47	2,121,986.14	-55.04 %
2021		76			4,003,998.77	
	268	248	-7.46 %	18,473,526.51	18,020,704.61	-2.45 %

TABLE 10 :Recovery Order Waivers >= 60 000 € in 2021 for EACEA

	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
0	3233210012	3242003208	-82,462.80	Private Companies		
1	3233210015	3240611404	-75,000.00	Private Companies		
2	3233210075	3241712400	-78,735.52	Private Companies		
3	3233210189	3241908019	-105,000.00	Private Companies		

Total DG EACEA	-341,198.32
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Number of RO waivers	4
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There are 31 waivers below 60 000 € for a total amount of -422,674.96

TABLE 12 : Summary of Procedures in 2021 for DG EACEA

Internal Procedures > € 60,000

Procedure Legal base	Number of Procedures	Amount (€)
Open Procedure (Art. 127.2 RAP)		
Open procedure (FR 164 (1)(a))	4	46,492,035.11
Total	4	46,492,035.11

TABLE 15 : FPA duration exceeds 4 years - EACEA

21 FPAs related to Creative Europe (Culture), prolonged in the framework of COVID-19 measures to facilitate project completion by beneficiaries.

Annex 3 Financial Reports - EACEA - Financial Year 2021

Table 1 : Commitments

Table 2 : Payments

Table 3 : Commitments to be settled

Table 4 : Balance Sheet

Table 5 : Statement of Financial Performance

Table 5 Bis: Off Balance Sheet

Table 6 : Average Payment Times

Table 7 : Income

Table 8 : Recovery of undue Payments

Table 9 : Ageing Balance of Recovery Orders

Table 10 : Waivers of Recovery Orders

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2021 (in Mio €) for EACEA					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
Title 1 DEP DE PERSONNEL					
1	1 1	Rémunérations, indemnités et charges	37.41	37.37	99.90 %
	1 2	Développement professionnel et dépenses sociales	1.95	1.90	97.51 %
Total Title 1			39.36	39.27	99.78 %
Title 2 Infrastructure et dépenses de fonctionnement					
2	2 1	Dépenses d'immeubles	5.65	5.65	100.00 %
	2 2	Dépenses de technologie de l'info et communication	2.74	2.71	98.89 %
	2 3	Biens meubles et dépenses de fonctionnement couran	0.72	0.68	94.74 %
Total Title 2			9.11	9.04	99.25 %
Title 3 Dépenses de support aux programmes					
3	3 1	Dépenses liées à la gestion des programmes	5.26	4.98	94.71 %
Total Title 3			5.26	4.98	94.71 %
Total EACEA			53.73	53.30	99.19 %

* Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous commitment appropriations for the

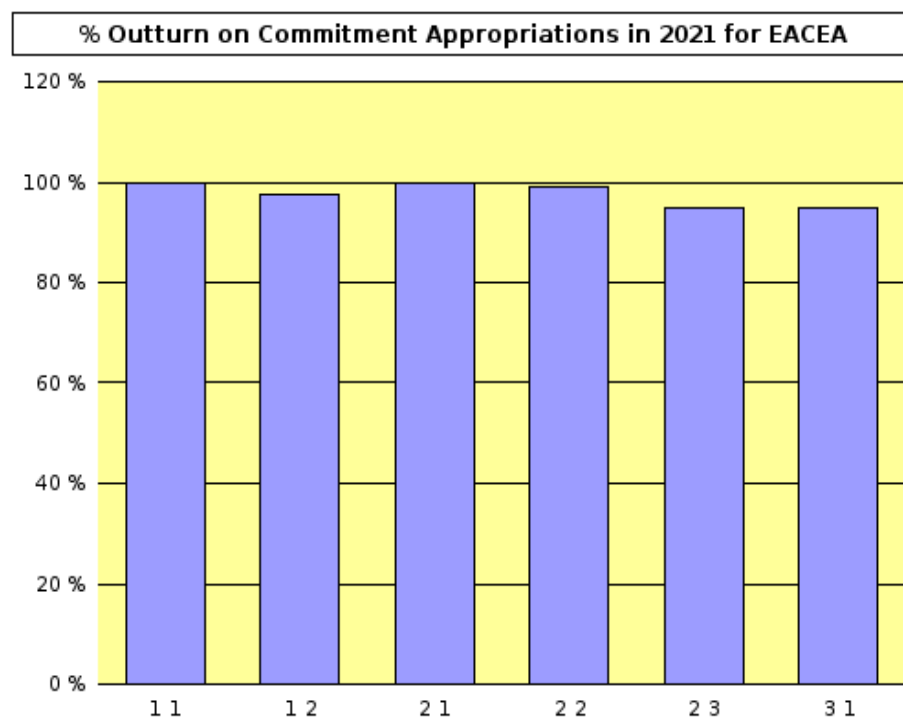


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2021 (in Mio €) for EACEA					
			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 1 DEP DE PERSONNEL					
1	1 1	Rémunérations, indemnités et charges	37.82	37.08	98.04 %
	1 2	Développement professionnel et dépenses sociales	2.24	1.64	73.09 %
Total Title 1			40.0621949	38.72	96.65%
Title 2 Infrastructure et dépenses de fonctionnement					
2	2 1	Dépenses d'immeubles	6.60	4.57	69.17 %
	2 2	Dépenses de technologie de l'info et communication	3.27	2.54	77.75 %
	2 3	Biens meubles et dépenses de fonctionnement couran	0.77	0.61	78.89 %
Total Title 2			10.644388	7.72	72.51%
Title 3 Dépenses de support aux programmes					
3	3 1	Dépenses liées à la gestion des programmes	7.12	4.03	56.56 %
Total Title 3			7.12046032	4.03	56.56%
Total EACEA			57.83	50.46	87.27 %

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

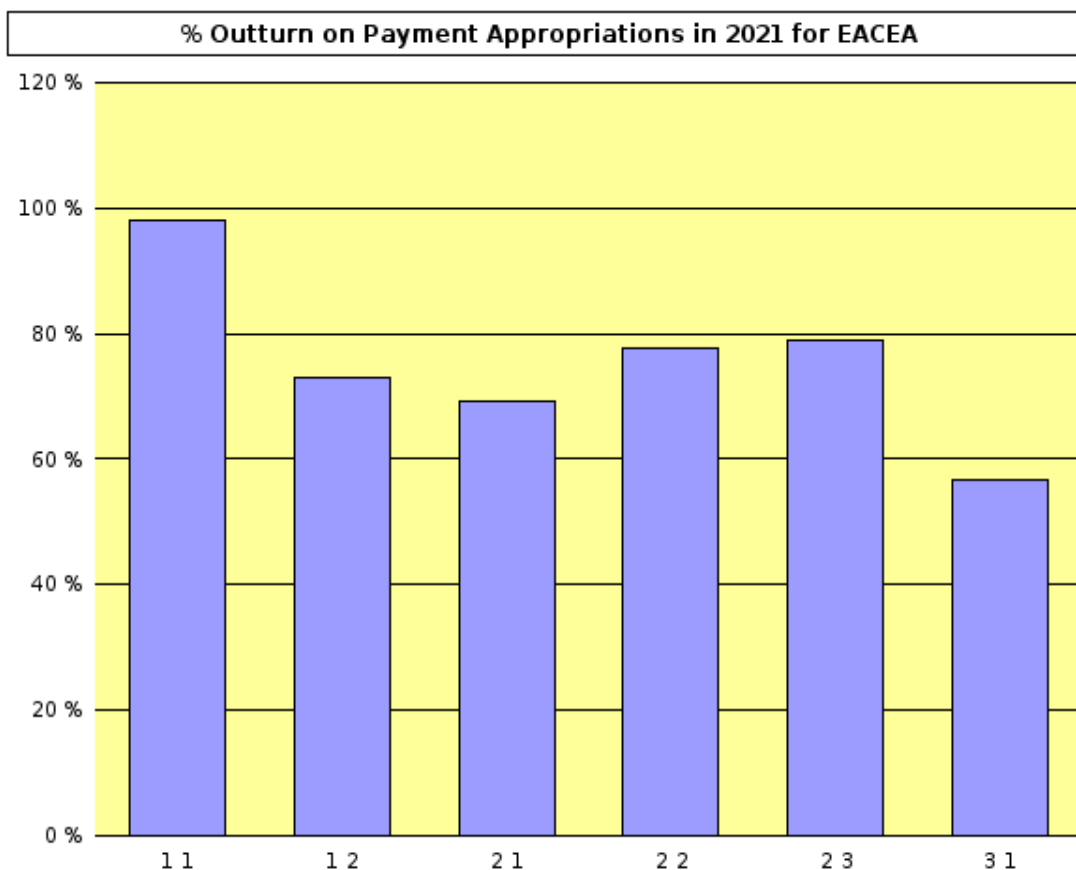


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for EACEA									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1+2	4=1-2/1	5	6=3+5	7
1	1 1	Rémunérations, indemnités et charges	37.37	36.81	0.56	1.49%	0.00	0.56	0.41
	1 2	Développement professionnel et dépenses sociales	1.90	1.45	0.45	23.66%	0.00	0.45	0.30
Total Title 1			39.27	38.26	1.01	2.56%	0.00	1.01	0.71

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for EACEA									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1+2	4=1-2/1	5	6=3+5	7
2	2 1	Dépenses d'immeubles	5.65	3.75	1.90	33.61%	0.00	1.90	0.95
	2 2	Dépenses de technologie de l'info et communication	2.71	2.06	0.66	24.19%	0.00	0.66	0.53
	2 3	Biens meubles et dépenses de fonctionnement couran	0.68	0.59	0.09	13.89%	0.00	0.09	0.05
Total Title 2			9.04	6.39	2.65	29.30%	0.00	2.65	1.53

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for EACEA									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1+2	4=1-2/1	5	6=3+5	7
3	3 1	Dépenses liées à la gestion des programmes	4.98	2.28	2.70	54.25%	0.00	2.70	1.86
Total Title 3			4.98	2.28	2.70	54.25%	0.00	2.70	1.86

Total :			53.30	46.94	6.36	11.93 %	0.00	6.36	4.10
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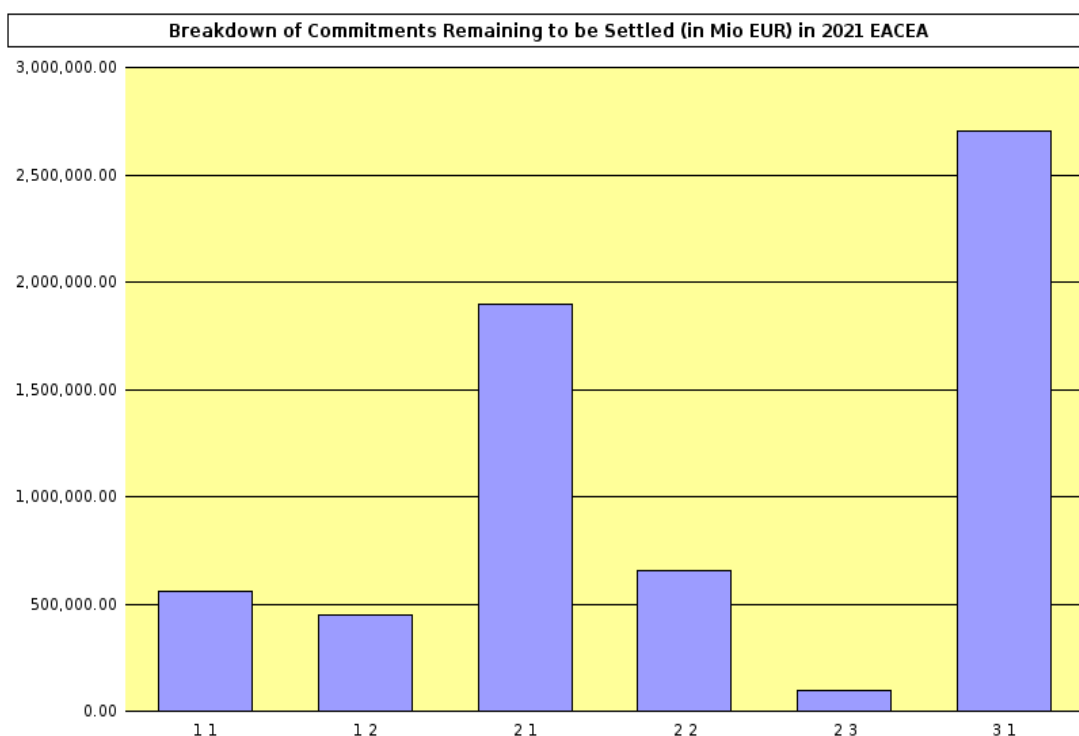


TABLE 4 : BALANCE SHEET for EACEA

BALANCE SHEET	2021	2020
A.I. NON CURRENT ASSETS	2,028,818.99	2,512,214.77
A.I.1. Intangible Assets	1,950,619.00	2,362,633.78
A.I.2. Property, Plant and Equipment	78,199.99	149,580.99
A.II. CURRENT ASSETS	7,512,291.41	5,035,009.74
A.II.2. Current Pre-Financing	0.00	0.00
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	7,512,291.41	5,035,009.74
A.II.6. Cash and Cash Equivalentents	0.00	0.00
ASSETS	9541110.4	7547224.51
P.II. CURRENT LIABILITIES	-5,575,122.19	-4,598,762.87
P.II.4. Current Payables	-1,088,663.09	-759,879.12
P.II.5. Current Accrued Charges & Defrd Income	-4,486,459.10	-3,838,883.75
LIABILITIES	-5575122.19	-4598762.87
NET ASSETS (ASSETS less LIABILITIES)	3965988.21	2,948,461.64

P.III.2. Accumulated Surplus/Deficit	-2,948,461.64	-4,262,915.76
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Non-allocated central (surplus)/deficit*	-1,017,526.57	1,314,454.12
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TOTAL	0.00	0.00
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TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE for EACEA

STATEMENT OF FINANCIAL PERFORMANCE	2021	2020
II.1 REVENUES	-52,728,815.21	-49395090.48
II.1.1. NON-EXCHANGE REVENUES	-52,478,876.50	-49,110,172.10
II.1.1.8. OTHER NON-EXCHANGE REVENUES	-52,478,876.50	-49,110,172.10
II.1.2. EXCHANGE REVENUES	-249,938.71	-284,918.38
II.1.2.2. OTHER EXCHANGE REVENUE	-249,938.71	-284,918.38
II.2. EXPENSES	51,711,288.64	50709544.6
II.2. EXPENSES	51,711,288.64	50,709,544.60
II.2.10. OTHER EXPENSES	16,028,188.35	17,669,051.54
II.2.6. STAFF AND PENSION COSTS	35,683,100.29	33,040,493.06
STATEMENT OF FINANCIAL PERFORMANCE	-1,017,526.57	1,314,454.12

TABLE 5bis : OFF BALANCE SHEET for EACEA

OFF BALANCE	2021	2020
OB.3. Other Significant Disclosures	-5,418,539.96	-3,952,829.07
OB.3.2. Comm against app. not yet consumed	-2,408,441.73	-969,927.25
OB.3.5. Operating lease commitments	-3,010,098.23	-2,982,901.82
OB.4. Balancing Accounts	5,418,539.96	3,952,829.07
OB.4. Balancing Accounts	5,418,539.96	3,952,829.07
OFF BALANCE	0.00	0.00

TABLE 6: AVERAGE PAYMENT TIMES FOR 2021 for EACEA

Legal Times									
Maximum Payment Time (Days)	Total Nbr of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)	Late Payments Amount	Percentage
30	413	392	94.92 %	13.81887755	21	5.08 %	54.19047619	3,734,146.26	26. %
45	2	2	100.00 %	18				0.00	0. %
60	6	6	100.00 %	20.83333333				0.00	0. %
90	1	1	100.00 %	32				0.00	0. %

Total Number of Payments	422	401	95.02 %		21	4.98 %		3,734,146.26	24. %
Average Net Payment Time	15.99052133			13.99002494			54.19047619		
Average Gross Payment Time	16.54739336			14.30922693			59.28571429		

Suspensions							
Average Report Approval Suspension	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
0	21	11	2.61 %	422	181,983.18	1.17 %	15,490,900.51

DG	GL Account	Description	Amount (Eur)

TABLE 7 : SITUATION ON REVENUE AND INCOME IN 2021 for EACEA

Chapter	Revenue and income recognized							Outstanding balance
	Revenue and income recognized			Revenue and income cashed from				
	Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total		
	1	2	3=1+2	4	5	6=4+5	7=3-6	
1 1	Subvention:	53,729,670.00	0.00	53,729,670.00	53,729,670.00	0.00	53,729,670.00	0.00
2 3	Remboursement de dépenses diverses	58,412.57	790.33	59,202.90	58,412.57	790.33	59,202.90	0.00
Total EACEA		53,788,082.57	790.33	53,788,872.90	53,788,082.57	790.33	53,788,872.90	0.00

TABLE 8 : RECOVERY OF PAYMENTS in for EACEA
(Number of Recovery Contexts and corresponding Transaction Amount)

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

EXPENSES BUDGET	Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context (incl. non-qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES							1	9,332.15		
NON ELIGIBLE IN COST CLAIMS										
CREDIT NOTES							1	58,449.78		
Sub-Total							2	67,781.93		
GRAND TOTAL							2	67,781.93		

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2021 for EACEA

	Number at 01/01/2021	Number at 31/12/2021	Evolution	Open Amount (Eur) at 01/01/2021	Open Amount (Eur) at 31/12/2021	Evolution
2015	1		-100.00 %	62.80		-100.00 %
2020	2		-100.00 %	1,463.15		-100.00 %
2021		2			1,598.32	
	3	2	-33.33 %	1,525.95	1,598.32	4.74 %

TABLE 10 :Recovery Order Waivers >= 60 000 € in 2021 for EACEA

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

Total DG	-341,198.32
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Number of RO waivers	4
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There are 31 waivers below 60 000 € for a total amount of -422,674.96

Annex 3 Financial Reports - for EDF - Financial Year 2021 for EACEA

Table 1 : Commitments

Table 2 : Payments

Table 3 : Commitments to be settled

Table 6 : Average Payment Times

Table 7 : Income

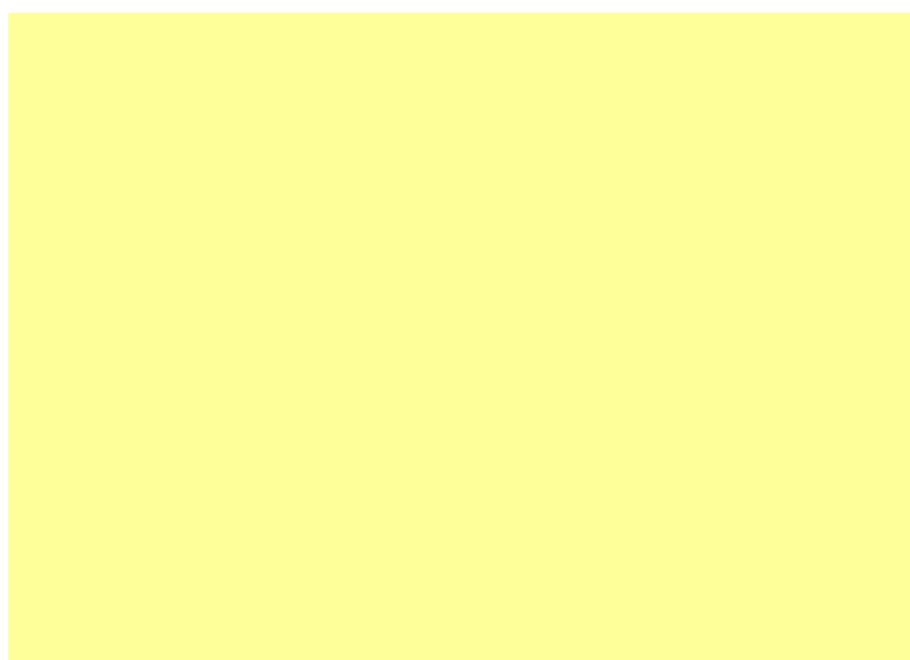
Table 8 : Recovery of undue Payments

Table 9 : Ageing Balance of Recovery Orders (n/a)

Table 10 : Waivers of Recovery Orders (n/a)

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS until 2021 (in Mio €) for EACEA					
EDF N°	Cumulative Commitment appropriations authorised	Commitment appropriations authorised in the year	Cumulative Commitments made	Commitments made in 2020	%
	1		2		3=2/1
11			54.23	12.62	
10			70.07	-0.48	
			124.30	12.14	

% Outturn on Commitment Appropriations in 2021 for FEDF



11

10

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS until 2021 (in Mio €) for EACEA							
EDF N°	Budget item		Cumulative Commitment appropriations authorised	Commitment appropriations authorised in the year	Cumulative Commitments made	Commitments made in 2020	%
			1		2		3=2/1
11	Cotonou	Intra-ACP allocations			54.23	12.62	
10	Cotonou	Implementation costs			2.27	-0.10	
10	Cotonou	Intra-ACP allocations			67.80	-0.37	
Total					124.30	12.14	

TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS until 2021 (in Mio €) for EACEA					
EDF N°	Cumulative Payments appropriations authorised	Payment appropriations authorised in the year	Cumulative Payments made	Payments made in 2020	%
	1		2		3=2/1
11			41.69	8.76	
10			66.44	0.53	
			108.12	9.29	

% Outturn on Payment Appropriations in for

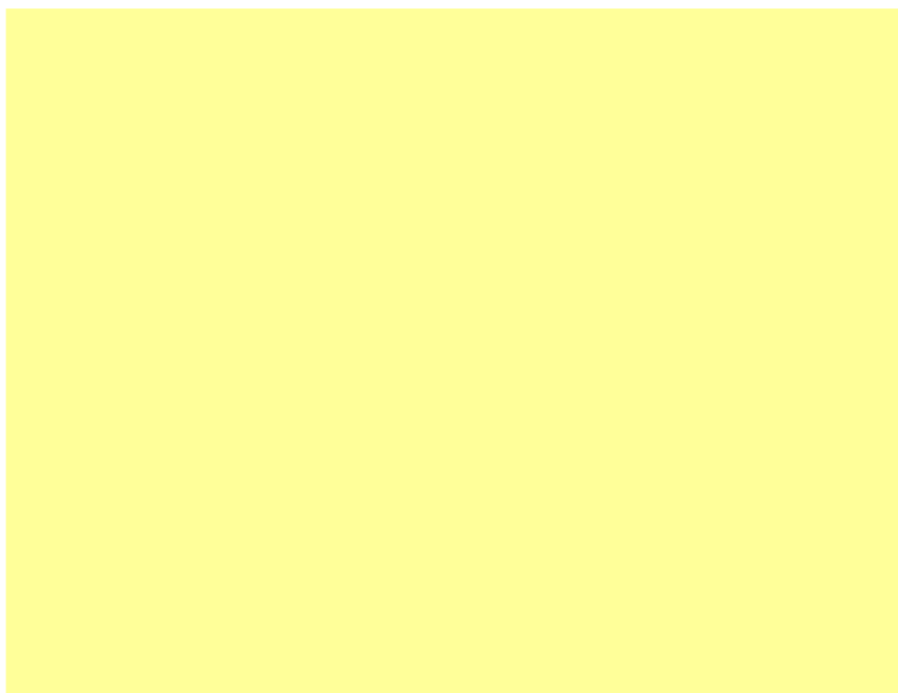


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS until 2021 (in Mio €) for EACEA							
EDF N°	Agreement	Instrument	Cumulative Payments appropriations authorised	Payment appropriations authorised in the year	Cumulative Payments made	Payments made in 2020	%
			1		2		3=2/1
11	Cotonou	Intra-ACP allocations			41.69	8.76	
10	Cotonou	Implementation costs			2.60		
10	Cotonou	Intra-ACP allocations			63.84	0.53	
					108.12	9.29	

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for EACEA								
EDF N°	Commitments outstanding at the end of previous				Commitments of the current year			Total commitm. outstanding at the end of the year
	Commitm. carried forward from previous year	Decommitm/ Revaluations/ Cancellations	Payments	Commitm. outstanding at year-end	Commitm/ Decommitm/ Revaluations/ Cancellations	Payments	Commitm. outstanding at year-end	
	1	2	3	4=1+2-3	5	6	7=5-6	
11	14.69	0.00	5.71	8.98	12.62	3.06	9.56	18.54
10	4.66	-0.48	0.53	3.66				3.66
	19.35	-0.48	6.23	12.64	12.62	3.06	9.56	22.20

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €)								
EDF N°	Commitments	Contracted	Payments	% to be settled	to be settled at end 2020	to be settled at end 2019	RAL Evolution	
	1	2	3	4 = 3/1	5 = 1-3	6	5-6	(5-6)/5
11	54.23	54.23	41.69	76.87%	12.54	14.69	-2.14	-14.60%
10	70.07	68.16	66.44	94.81%	3.64	4.66	-1.03	-22.03%
	124.30	122.39	108.12	86.98%	16.18	19.35	-3.17	83.61%

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for EACEA										
EDF N°	Agreement	Instrument	Commitments	Contracted	Payments	% to be settled	to be settled at end 2020	to be settled at end 2019	RAL Evolution	
			1	2	3	4 = 3/1	5 = 1-3	6	5-6	(5-6)/5
11	Cotonou	Intra-ACP allocations	54.23	54.23	41.69	76.87%	12.54	14.69	-2.14	-14.60%
10	Cotonou	Implementation costs	2.27	2.27	2.60	114.30%	-0.33	-0.22	-0.10	47.19%
10	Cotonou	Intra-ACP allocations	67.80	65.88	63.84	94.16%	3.96	4.89	-0.92	-18.90%
			124.30	122.39	108.12	86.98%	16.18	19.35	-3.17	83.61%

TABLE 6: AVERAGE PAYMENT TIMES in 2021 for EDF EACEA

Legal Times							
Maximum Payment Time (Days)	Total Number of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
30	7	5	71.43 %	27.40	2	28.57 %	101.50
60	39	38	97.44 %	30.37	1	2.56 %	61.00

Total Number of Payments	46	43	93.48 %		3	6.52 %	
Average Net Payment Time	33.80			30.02			88.00
Average Gross Payment Time	40.04			34.67			117.00

Suspensions							
Average Report Approval Suspension Days	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
2	32	9	19.57 %	46	1,090,224.13	18.41 %	5,923,155.90

TABLE 7 : SITUATION ON REVENUE AND INCOME in 2021 for FEDF									
Revenue Type	RO created during 2020			RO created before 2020			Total		
	Issued	Cashed	Open amount	Open amount at the beginning of the year	Cashed	Open amount	Issued	Cashed	Open amount
	1	2	3 = 1 - 2	4	5	6 = 4 - 5	7 = 1 + 4	8 = 2+5	9 = 3 + 6
Extraordinary gains	12.66	0.42	5.91	9.36	0.10	9.15	22.02	0.52	15.06
Revenue Decreasing	222.84	65.34	30.85	38.95	14.10	16.53	261.79	79.43	47.37
Uncalled Capital - DE	2,181.46	905.51	185.22	0.00	0.00	0.00	2,181.46	905.51	185.22
Uncalled Capital - SI	23.80	9.88	2.02	0.00	0.00	0.00	23.80	9.88	2.02
Uncalled Capital - SP	840.84	349.03	71.39	0.00	0.00	0.00	840.84	349.03	71.39
Uncalled Capital - FIN	159.96	66.40	13.58	0.00	0.00	0.00	159.96	66.40	13.58
Uncalled Capital - LV	12.31	5.11	1.05	0.00	0.00	0.00	12.31	5.11	1.05
Uncalled Capital - CY	11.83	4.91	1.00	0.00	0.00	0.00	11.83	4.91	1.00
Interest on prefinanc	0.03	0.02	0.00	0.00	0.00	0.00	0.03	0.02	0.00
Interest EIB				0.00		0.00	0.00		0.00
Uncalled Capital - PT	126.86	52.66	10.77	0.00	0.00	0.00	126.86	52.66	10.77
Uncalled Capital - NL	506.34	210.18	42.99	0.00	0.00	0.00	506.34	210.18	42.99
Uncalled Capital - SK	39.87	16.55	3.39	0.00	0.00	0.00	39.87	16.55	3.39
Contribution cofinancement - IT				0.00		0.00	0.00		0.00
Uncalled Capital - SE	311.55	129.32	26.45	0.00	0.00	0.00	311.55	129.32	26.45
Uncalled Capital - FR	1,888.15	783.76	160.31	0.00	0.00	0.00	1,888.15	783.76	160.31
Uncalled Capital - LU	27.04	11.22	2.30	0.00	0.00	0.00	27.04	11.22	2.30
COF-Payable-Canada				0.00		0.00	0.00		0.00
Uncalled Capital - BE	-1,451.64	142.97	-868.79	0.00	0.00	0.00	-1,451.64	142.97	-868.79
Uncalled Capital - RO	76.12	31.60	6.46	0.00	0.00	0.00	76.12	31.60	6.46
Bank interests to allocate				-2.49		-2.49	-2.49		-2.49
To allow regularisation of open items by DG DEVCO (Ares (2011) 754001				-2.45		-2.45	-2.45		-2.45
Uncalled Capital - BG	19.23	9.62	0.00	0.00	0.00	0.00	19.23	9.62	0.00
Uncalled Capital - AT	254.14	105.49	21.58	0.00	0.00	0.00	254.14	105.49	21.58
Virements à reputer				-0.41		-0.41	-0.41		-0.41
Uncalled Capital - DK	209.93	87.14	17.82	0.00	0.00	0.00	209.93	87.14	17.82
Uncalled Capital - IT	1,328.19	551.32	112.77	0.00	0.00	0.00	1,328.19	551.32	112.77
Uncalled Capital - EE	9.15	3.80	0.78	0.00	0.00	0.00	9.15	3.80	0.78
Uncalled Capital - LT	19.16	7.95	1.63	0.00	0.00	0.00	19.16	7.95	1.63
Uncalled Capital - IE	99.65	41.36	8.46	0.00	0.00	0.00	99.65	41.36	8.46
COF-Payable-LU				0.00		0.00	0.00		0.00
Uncalled Capital - PL	212.78	88.32	18.07	0.00	0.00	0.00	212.78	88.32	18.07
Bank interests Stabex to allocate				-0.76		-0.76	-0.76		-0.76
Uncalled Capital - MT	4.03	1.67	0.34	0.00	0.00	0.00	4.03	1.67	0.34
COF-Payable-SE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Default Interest on Claims				-4.09		-4.09	-4.09		-4.09
Contribution cofinancement - FR				0.00		0.00	0.00		0.00
Contribution cofinancement - NL				0.00		0.00	0.00		0.00
Contribution cofinancement - SE				0.00		0.00	0.00		0.00
Uncalled Capital - HU	65.14	27.04	5.53	0.00	0.00	0.00	65.14	27.04	5.53
Interest on late payments Contribution				1.78		1.78	1.78		1.78
Uncalled Capital - GR	159.78	66.32	13.57	0.00	0.00	0.00	159.78	66.32	13.57
Interest Recovery				2.31		2.31	2.31		2.31
COF-Payable-FIN				0.00		0.00	0.00		0.00
COF-Payable-UK				0.00	0.00	0.00	0.00	0.00	0.00
Manual liaison accou	3.27	1.64	0.00	0.00	0.00	0.00	3.27	1.64	0.00
Uncalled Capital - CZ	84.53	35.09	7.18	0.00	0.00	0.00	84.53	35.09	7.18
COF-Payable-DK	2.15	1.07	0.00	0.00	0.00	-0.00	2.15	1.07	-0.00
Uncalled Capital - UK	1,555.93	645.86	132.11	0.00	0.00	0.00	1,555.93	645.86	132.11
COF-Payable-BE	0.60	0.30	0.00	0.62	0.62	0.00	1.22	0.92	0.00
Contribution cofinancement - BE				0.00		0.00	0.00		0.00
COF-Payable-FR				0.00	0.00	0.00	0.00	0.00	0.00
Contribution cofinancement - ES				0.00		0.00	0.00		0.00
Bank Intere Secu Stabex				0.76		0.76	0.76		0.76
COF-Payable-CH				0.00		0.00	0.00		0.00
Losses on realisation of trade debtors				-0.20		-0.20	-0.20		-0.20
Uncalled Capital - Cr	23.87	9.91	2.03	0.00	0.00	0.00	23.87	9.91	2.03
EU flight contributions from other EU bodies				0.00		0.00	0.00		0.00
COF-Payable-PT				0.00		0.00	0.00		0.00
Miscellaneous income				2.48		2.48	2.48		2.48
COF-Payable-NL				0.00		0.00	0.00		0.00
Bk Intere Spe Congo Fund				0.02		0.02	0.02		0.02
Bank Interest				2.49		2.49	2.49		2.49
COF-Payable-CZ				0.00	0.00	0.00	0.00	0.00	0.00
COF-Payable-DE	15.14	7.57	0.00	0.00		0.00	15.14	7.57	0.00
Bank interests Congo to allocate				-0.02		-0.02	-0.02		-0.02
Contribution cofinancement - DK				0.00		0.00	0.00		0.00
PF Not Migrated - Initial Upload				0.00		0.00	0.00		0.00
COF-Payable-AT				0.00		0.00	0.00		0.00
COF-Payable-IT				0.00		0.00	0.00		0.00
Recettes diverses à imputer				0.00		0.00	0.00		0.00
Contribution cofinancement - PL				0.00		0.00	0.00		0.00
COF-Payable-RO	0.15	0.08	0.00				0.15	0.08	0.00
Co-financing Contribution Payable ST-USAID				0.00		0.00	0.00		0.00
Différences constatées lors de l'encaissement d'OR				-0.00		-0.00	-0.00		-0.00
Current Account-DG BUDG-SWIFT				0.00		0.00	0.00		0.00
COF-Payable-Australia				0.00		0.00	0.00		0.00
Co-financing Contribution Payable ST-EIB				0.00		0.00	0.00		0.00
Contribution cofinancement - DE				0.00		0.00	0.00		0.00
EX Diff/Ajustement Realised (gains)									
EX Diff/Ajustement Realised (losses)									
Total DG FEDF	9,056.85	4,476.43	36.76	48.35	14.81	25.10	9,105.20	4,491.24	61.85

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

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

EXPENSES BUDGET	Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context(incl. non-qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES										
NON ELIGIBLE IN COST CLAIMS	7	1,074,345.68			7	1,074,345.68	8	1,084,745.68	87.50%	99.04%
CREDIT NOTES										
Sub-Total	7	1,074,345.68			7	1,074,345.68	8	1,084,745.68	87.50%	99.04%
GRAND TOTAL	7	1,074,345.68			7	1,074,345.68	8	1,084,745.68	87.50%	99.04%

ANNEX 4: Financial Scorecard

Financial Management Area: BGUE

Annex 4 of each Commission service summarises the annual result of the standard financial indicators measurement. Annexed to the Annual Activity Report 2021, 10 standard financial indicators are presented below, each with its objective and result for the Commission service and for the European Commission as a whole (for benchmarking purposes)²:

- Commitment Appropriations (CA) Implementation
- CA Forecast Implementation
- Payment Appropriations (PA) Implementation
- PA Forecast Implementation
- Global Commitment Absorption
- Timely Payments
- Timely Decommitments
- Invoice Registration Time
- Accounting Data Quality
- Management Data Quality

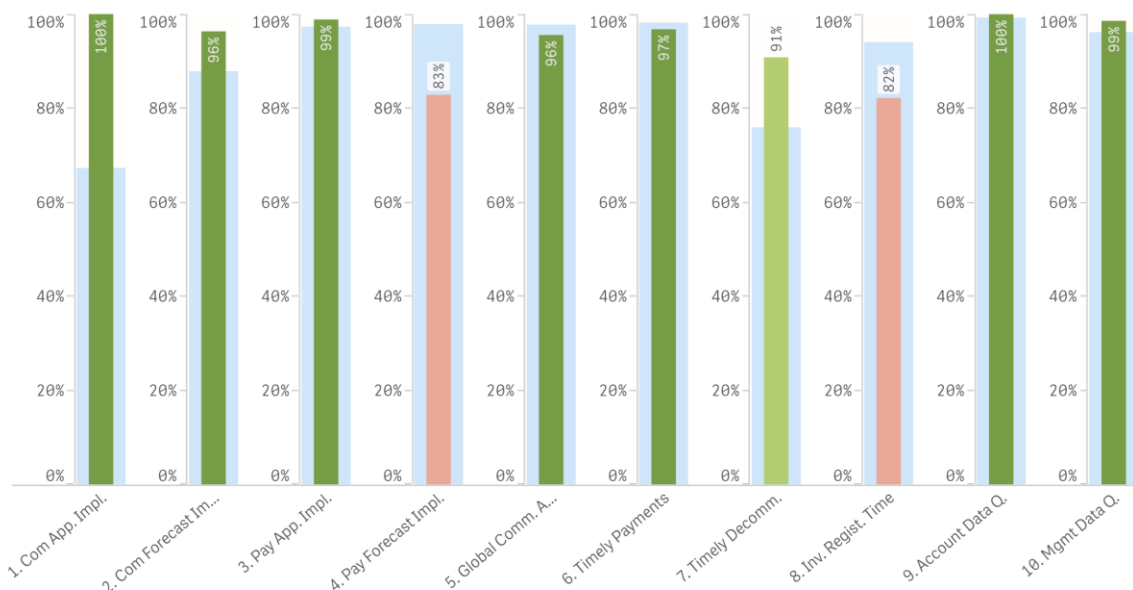
For each indicator, its value (in %) for the Commission service is compared to the common target (in %). The difference between the indicator's value and the target is colour coded as follows:

- 100 – >95% of the target: dark green
- 95 – >90% of the target: light green
- 90 – >85% of the target: yellow
- 85 – >80% of the target: light red
- 80 – 0% of the target: dark red

The Commission services are invited to provide commentary for each indicator's result in the dedicated comment section below the indicators scores as this can help the reader to understand the Commission's service context. In cases when the indicator's value achieves 80% or less of the target, the comment becomes mandatory.

The detailed definitions of the indicators are available on the internal DG BUDG site (BudgPedia) and managed by unit BUDG.C5 Financial Reporting.

EACA Indicator Scores 2021



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2

² For each indicator the light blue bar denotes the EC Score. If information is not available in the central financial system, the indicator is not calculated (i.e. displayed as -) in this Annex.

Indicator	Objective	Comment ³	EACA Score	EC Score
1. Commitment Appropriations Implementation	Ensure efficient use of commitment appropriations expiring at the end of Financial Year		100%	67%
2. Commitment Forecast Implementation	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year		96%	88%
3. Payment Appropriations Implementation	Ensure efficient use of payment appropriations expiring at the end of Financial Year		99%	97%
4. Payment Forecast Implementation	Ensure the cumulative alignment of the payment implementation with the payment forecast in a financial year		83%	98%
5. Global Commitment Absorption ⁴	Ensure efficient use of already earmarked commitment appropriations (at L1 level)		96%	98%
6. Timely Payments	Ensure efficient processing of payments within the legal deadlines	In 2021, the results indicate a level of compliance with the payment deadlines of 97% of all payments processed on time (Improved from 95% in 2020).	97%	98%
7. Timely Decommitments	Ensure efficient decommitment of outstanding RAL at the end of commitment life cycle		91%	76%
8. Invoice Registration Time	Monitor the accounting risk stemming from late registration of invoices in the central accounting system ABAC		82%	94%
9. Accounting Data Quality	Ensure the good data quality of ABAC transactions with the		100%	99%

³ An explanation behind the indicator result can be provided, e.g. the comment about the achievement itself, reference to the whole Commission performance (better or worse), reasons behind this achievement. The comment is mandatory for the 'Timely payments' indicator. For the rest of the indicators the comment is mandatory only if the score is equal to or below the target of 80%.

⁴ Due to technical limitations, the indicator does not take into account the Com L1 Consumption between the FDC ILC date and the FA FDI allowed as an exception in the external actions for Com L1 of type GF, i.e. with Financing Agreement, under the FR2018 Article 114.2. As a result, the actual Indicator score may be slightly higher than the one reported for DGs using the GF commitments.

	focus on fields having a primary impact on the accounts			
10. Management Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the management decisions		99%	96%

Financial Management Area: EACA

Annex 4 of each Commission service summarises the annual result of the standard financial indicators measurement. Annexed to the Annual Activity Report 2021, 10 standard financial indicators are presented below, each with its objective and result for the Commission service and for the European Commission as a whole (for benchmarking purposes)⁵:

- Commitment Appropriations (CA) Implementation
- CA Forecast Implementation
- Payment Appropriations (PA) Implementation
- PA Forecast Implementation
- Global Commitment Absorption
- Timely Payments
- Timely Decommits
- Invoice Registration Time
- Accounting Data Quality
- Management Data Quality

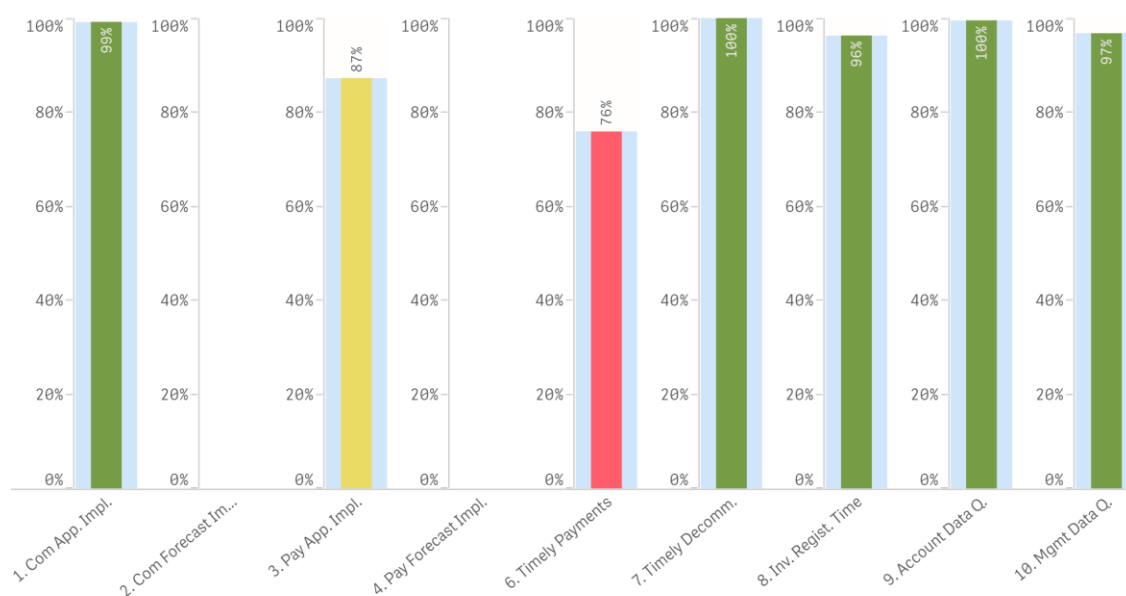
For each indicator, its value (in %) for the Commission service is compared to the common target (in %). The difference between the indicator's value and the target is colour coded as follows:

- 100 – >95% of the target: dark green
- 95 – >90% of the target: light green
- 90 – >85% of the target: yellow
- 85 – >80% of the target: light red
- 80 – 0% of the target: dark red

The Commission services are invited to provide commentary for each indicator's result in the dedicated comment section below the indicators scores as this can help the reader to understand the Commission's service context. In cases when the indicator's value achieves 80% or less of the target, the comment becomes mandatory.

The detailed definitions of the indicators are available on the internal DG BUDG site (BudgPedia) and managed by unit BUDG.C5 Financial Reporting.

EACA Indicator Scores 2021



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

⁵ If the Commission service did not perform any transaction in the area measured by the indicator or the information is not available in the central financial system, the indicator is not calculated (i.e. displayed as "--") in this Annex.

Indicator	Objective	Comment ⁶	EACA Score	EC Score
1. Commitment Appropriations Implementation	Ensure efficient use of commitment appropriations expiring at the end of Financial Year		99%	99%
2. Commitment Forecast Implementation	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year	The indicator is not applicable for DG EACA in YEAR due to the lack of underlying transactions recorded by DG EACA in 2021.	-	-
3. Payment Appropriations Implementation	Ensure efficient use of payment appropriations expiring at the end of Financial Year		87%	87%
4. Payment Forecast Implementation	Ensure the cumulative alignment of the payment implementation with the payment forecast in a financial year	The indicator is not applicable for DG EACA in YEAR due to the lack of underlying transactions recorded by DG EACA in 2021.	-	-
5. Global Commitment Absorption ⁷	Ensure efficient use of already earmarked commitment appropriations (at L1 level)	The indicator is not applicable for DG EACA in YEAR due to the lack of underlying transactions recorded by DG EACA in 2021.	-	-
6. Timely Payments	Ensure efficient processing of payments within the legal deadlines	76% of the total amount paid in 2021 was within the legal deadlines. However, the delay, which is on average of 5 days, is mainly (90%) due to two payments. One case concerns the advance payment of the SLA OIB 2021, the second concerns the payment of social security contributions (paid in early January 2021).	76%	76%
7. Timely Decommitments	Ensure efficient decommitment of outstanding RAL at the end of commitment life cycle		100%	100%
8. Invoice Registration	Monitor the accounting risk stemming from		96%	96%

⁶ An explanation behind the indicator result can be provided, e.g. the comment about the achievement itself, reference to the whole Commission performance (better or worse), reasons behind this achievement. The comment is mandatory for the 'Timely payments' indicator. For the rest of the indicators the comment is mandatory only if the score is equal or below the target of 80%.

⁷ Due to technical limitations, the indicator does not take into account the Com L1 Consumption between the FDC ILC date and the FA FDI allowed as an exception in the external actions for Com L1 of type GF, i.e. with Financing Agreement, under the FR2018 Article 114.2. As a result, the actual Indicator score may be slightly higher than the one reported for DGs using the GF commitments.

Time	late registration of invoices in the central accounting system ABAC			
9. Accounting Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the accounts		100%	100%
10. Management Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the management decisions		97%	97%

Financial Management Area: FEDF

Annex 4 of each Commission service summarises the annual result of the standard financial indicators measurement. Annexed to the Annual Activity Report 2021, 10 standard financial indicators are presented below, each with its objective and result for the Commission service and for the European Commission as a whole (for benchmarking purposes)⁸:

- Commitment Appropriations (CA) Implementation
- CA Forecast Implementation
- Payment Appropriations (PA) Implementation
- PA Forecast Implementation
- Global Commitment Absorption
- Timely Payments
- Timely Decommittments
- Invoice Registration Time
- Accounting Data Quality
- Management Data Quality

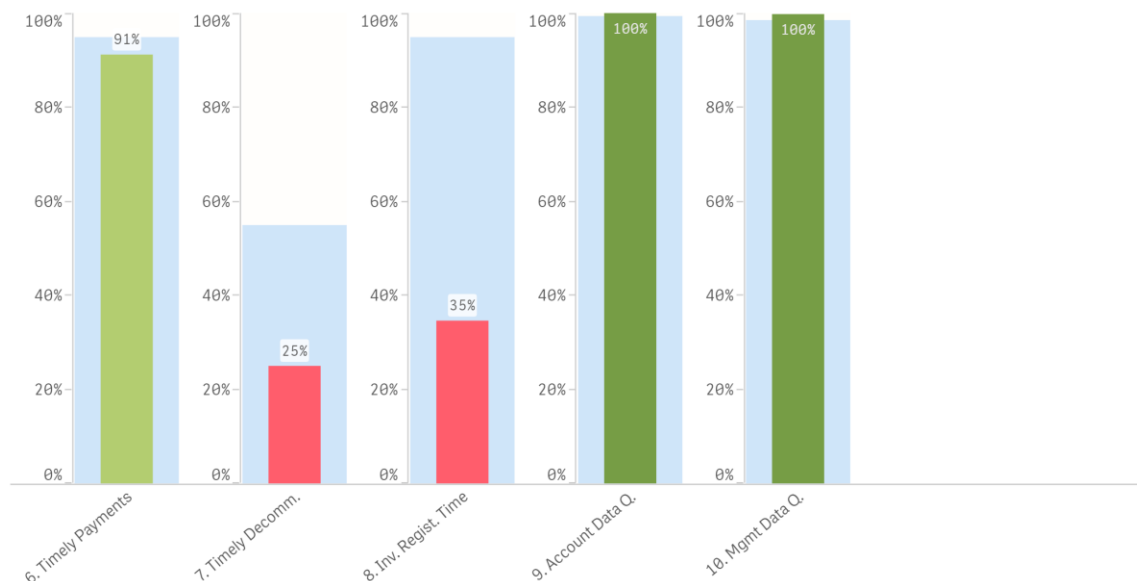
For each indicator, its value (in %) for the Commission service is compared to the common target (in %). The difference between the indicator's value and the target is colour coded as follows:

- 100 – >95% of the target: dark green
- 95 – >90% of the target: light green
- 90 – >85% of the target: yellow
- 85 – >80% of the target: light red
- 80 – 0% of the target: dark red

The Commission services are invited to provide commentary for each indicator's result in the dedicated comment section below the indicators scores as this can help the reader to understand the Commission's service context. In cases when the indicator's value achieves 80% or less of the target, the comment becomes mandatory.

The detailed definitions of the indicators are available on the internal DG BUDG site (BudgPedia) and managed by unit BUDG.C5 Financial Reporting.

EACA Indicator Scores 2021



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

⁸ If the Commission service did not perform any transaction in the area measured by the indicator or the information is not available in the central financial system, the indicator is not calculated (i.e. displayed as "--") in this Annex.

Indicator	Objective	Comment ⁹	EACA Score	EC Score
1. Commitment Appropriations Implementation	Ensure efficient use of commitment appropriations expiring at the end of Financial Year	The indicator is not applicable for DG EACA in YEAR due to the lack of underlying transactions recorded by DG EACA in 2021.	-	-
2. Commitment Forecast Implementation	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year	The indicator is not applicable for DG EACA in YEAR due to the lack of underlying transactions recorded by DG EACA in 2021.	-	-
3. Payment Appropriations Implementation	Ensure efficient use of payment appropriations expiring at the end of Financial Year	The indicator is not applicable for DG EACA in YEAR due to the lack of underlying transactions recorded by DG EACA in 2021.	-	-
4. Payment Forecast Implementation	Ensure the cumulative alignment of the payment implementation with the payment forecast in a financial year	The indicator is not applicable for DG EACA in YEAR due to the lack of underlying transactions recorded by DG EACA in 2021.	-	-
5. Global Commitment Absorption ¹⁰	Ensure efficient use of already earmarked commitment appropriations (at L1 level)	The indicator is not applicable for DG EACA in YEAR due to the lack of underlying transactions recorded by DG EACA in 2021.	-	97%
6. Timely Payments	Ensure efficient processing of payments within the legal deadlines	91% of the total amount paid in 2021 was within the legal deadlines, as for 2020.	91%	95%
7. Timely Decommitments	Ensure efficient decommitment of outstanding RAL at the end of commitment life cycle	The agency will address the low results, for this indicator in EDF transactions, through accounting quality controls (de-commit on time) and trainings.	25%	55%
8. Invoice Registration Time	Monitor the accounting risk stemming from late registration of invoices in the central accounting system ABAC	The agency will address the low results, for this indicator in EDF transactions, through accounting quality controls (register invoices on time) and trainings (technicalities like how to correct an invoice in ABAC).	35%	95%
9. Accounting	Ensure the good data		100%	99%

⁹ An explanation behind the indicator result can be provided, e.g. the comment about the achievement itself, reference to the whole Commission performance (better or worse), reasons behind this achievement. The comment is mandatory for the 'Timely payments' indicator. For the rest of the indicators the comment is mandatory only if the score is equal or below the target of 80%.

¹⁰ Due to technical limitations, the indicator does not take into account the Com L1 Consumption between the FDC ILC date and the FA FDI allowed as an exception in the external actions for Com L1 of type GF, i.e. with Financing Agreement, under the FR2018 Article 114.2. As a result, the actual Indicator score may be slightly higher than the one reported for DGs using the GF commitments.

Data Quality	quality of ABAC transactions with the focus on fields having a primary impact on the accounts			
10. Management Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the management decisions		100%	99%

ANNEX 5: Materiality criteria

The materiality criteria are judged in qualitative and quantitative terms. In qualitative terms, in assessing the significance of any weaknesses, the following factors are taken into account:

- the nature and scope of the weakness;
- the duration of the weakness;
- the existence of compensatory measures (mitigating controls which reduce the impact of the weakness);
- the existence of effective corrective actions to correct the weaknesses (action plans and financial corrections) which have had a measurable impact.

Whenever possible, it is essential to quantify the potential impact in monetary terms or the amount considered at risk to make a judgement on the significance of a weakness. As regards the legality and regularity of the underlying transactions, the Agency uses the standard quantitative materiality threshold of 2% of the payments (ABB) made of the relevant ABB (sub)activity.

However, as the Commission's 'standard' breakdown per ABB activities at 4-digit level are too broad (especially in the education area) and cover programmes/activities for which there are significant differences in the size and types of projects, the Agency assesses the materiality per programme managed by the Agency (ABB at 6-digit level). This concerns the following programmes: Lifelong Learning (LLP), Erasmus Mundus, Culture, Youth, Citizenship, MEDIA and Tempus for the 2007-2013 programming period, the Erasmus+, Creative Europe and Europe for Citizens programmes for 2014-2020, and Erasmus+, Creative Europe, European Solidarity Corps, and the Citizens, Equality, Rights and Values (CERV) programme for 2021-2027.

The Agency relies on the best estimate of the error rate because in view of the different volumes and sizes of transactions (= grants) by programme, it would not be cost-effective to have a representative error rate from a fully statistically representative sample for each individual programme.

Since 2012, following guidance from the Commission's central services, the Agency has calculated multi-annual, cumulative error rates for the programmes it manages in order to increase the representativeness of the figures. For the 2012 Annual Activity Report (AAR) the calculation covered 2 consecutive years, and subsequently the Agency calculated the error rates over a 3-year period for reporting in the AAR 2013, over a 4-year period for reporting in the AAR 2014, and so on.

In determining the need to make a potential reservation, the Agency follows the so-called '3+1 steps' approach, i.e. the four stages of analysis needed to come to a sound conclusion on whether to qualify the AOD's declaration with a reservation and, if so, to estimate its impact in monetary terms:

Step 1: calculating the multi-annual best-estimated detected error rate in a random¹¹ sample of transactions (i.e. values of closed grant projects).

A multi-annual, cumulative 'detected' and 'residual' error rate is calculated for each of the programmes managed by the Agency over the reference years.

In order to check the legality and regularity and sound financial management of EACEA's underlying transactions, the Agency engages an external audit firm to conduct *ex post* controls (i.e. financial audits on-the-spot) on a 'random' selection of closed projects¹². The project can be closed by either final payment and/or recovery order and in some cases a zero payment to clear the pre-financing.

The multi-annual error rate is calculated as follows for all audits finalised in the reference years.

Detected error (amount) = A-B

Detected error rate (%) = (A-B)/C

Where

A = the Agency-share of the eligible costs initially accepted after *ex ante* controls, on the basis of which the final payment or recovery order was calculated and paid (and on the basis of which the pre-financing was cleared).

B = the Agency-share of eligible costs finally accepted after *ex post* controls (audits). C = the Agency-share of audited population, proportional to the EACEA co-financing rate of the audited project. The co-financing rate is calculated as the amount paid by EACEA over the amount declared at project closure by the beneficiary.

The '**residual**' **error rate (RER)** is the estimation of the errors in the payments not audited and not corrected after audit. The application of the detected error rate to the non-audited and not cleaned part of the payments, plus the non-corrected errors in the audited part after corrections, is compared to the total audited and not-audited population. The percentage identified with this process is a measure of the possible error still present in the population and not detected by the control system.

Step 2: estimating the **actual financial exposure for each programme as 'multi-annual amount at risk' as RER applied** to the value of the multiannual authorised payments (relevant expenditure) for the programmes concerned.

¹¹ Random selection is done in the year N, by means of Monetary Unit Sampling (MUS), on all projects for which a final payment has been processed in year N-1.

¹² Value of the closed projects includes pre-financing, interim/final payment and any recovery orders.

This step establishes a link between the control results and the actual payments made. Indeed, the audits have examined costs declared in support of projects closed in previous years.

The **multi-annual amount at risk is the amount that may have been paid in excess to beneficiaries** assuming that the projects closed within the same period used for the calculation of the error rate are affected by the same error rates as found above.

The multi-annual **net amount at risk** is calculated by multiplying the 'detected' error rate (weighted average of error rate of random and risk-based audits) by the value of the closed projects for which a final payment and/or recovery order was done (relevant expenditure or funding) within the same period used for the calculation of the error rate, and subtracting the corrections (from risk-based and random audits) made on the audited population. The relevant expenditures exclude new pre-financing amounts but include the pre-financings 'cleared', whose ownership has been transferred to the grants' beneficiaries.

Step 3: assessing the **materiality**, by relating the '**multi-annual amount at risk** for the activity considered to the payments made (ABB)', within the same period used for calculation of the error rate, for the relevant programmes managed by the Agency, for determining whether a reservation would be due.

The multi-annual materiality of the amount at risk is calculated by programme. It is calculated by **comparing the amount at risk with the total amounts of payments** (ABB payments) made within the same period used for the calculation of the error rate for each programme. For determining whether a reservation is due, the multi-annual materiality is the criterion, and a **reservation is issued if the materiality of the amount at risk exceeds 2% of the total annual payments for the concerned programme.**

Step 4: calculation of the **impact of a reservation** on the overall declaration (if applicable) by assessing its 'weight' on the overall operational budget in terms of payments managed by the Agency in the reporting year.

Since 2019¹³, a *de minimis* threshold for financial reservations has been introduced. Quantified AAR reservations related to residual error rates above the 2% materiality threshold are deemed not substantial for segments representing less than 5% of a DG's total payments and with a financial impact below EUR 5 million. In such cases, quantified reservations are no longer needed.

(¹³) Agreement of the Corporate Management Board of 30/4/2019.

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

For the 2021-2027 MFF, EACEA uses eGrants as the corporate grant management tool for all programmes delegated to the Agency and for all steps described below, except for the *ex post* control stage. For the legacy programmes, the local systems remain in use until the full phasing-out.

Grants – direct management

Stage 1 – Programming, evaluation and selection of proposals

A - Preparation and publication of the calls for proposals¹⁴

Main control objectives: Ensuring that the Agency selects the proposals that contribute the most towards the achievement of the policy or programme objectives (effectiveness); compliance (legality and regularity); and prevention of fraud (anti-fraud strategy).

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-effectiveness indicators (three E's)
<p>In the calls for proposals the eligibility, selection and award criteria are not adequate/clearly defined or irregular to ensure the smooth evaluation of the proposals and/or the smooth implementation of the selected projects</p>	<ul style="list-style-type: none"> - Coordination with mirror units in parent DGs - Hierarchical validation within the authorising department (i.e. at Director's level) (1) Explicit allocation of responsibility to 2nd-level <i>ex ante</i> verification in central financial unit (reflected in task assignment and/or function descriptions) (2) Centralised checklist-based verification 	<p>Controls in place allow for sufficient confidence to avoid irregularity</p> <p>100% of the calls</p> <ul style="list-style-type: none"> - checked by AOSD including with a centralised check-list, - validated by parent DGs - and signed by AOD <p>-Invitation to submit and specific calls checked by legal officers before publication.</p>	<p>Effectiveness</p> <ul style="list-style-type: none"> - Number of closed cases in relation to the definition of the eligibility, selection and award criteria which concludes that an error was made by the Agency (Art. 22, Ombudsman, Court cases) vs total number of closed cases in relation to the definition of the eligibility, selection and award criteria - Number of requests for review related to the definition of the eligibility, selection and award criteria which led to a modification of the decision for this reason vs total number of requests for review related to the definition of the eligibility, selection and award criteria - Number of control failures detected via non-compliance events and exception reports vs number of calls checked

¹⁴ According to the yearly Work Programme adopted and published by the parent DGs.

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-effectiveness indicators (three E's)
		-For calls included in a programme guide, EACEA's legal team is consulted by the parent DGs prior to its publication.	Efficiency - % of planned calls successfully published on time - % of ineligible applications over total proposals submitted per call Economy - Estimation of cost of staff involved in the preparation and validation of the calls / amount of the calls

B - Selecting and awarding: evaluation, ranking and selection of proposals

Main control objectives: ensuring that the most promising projects for meeting the policy objectives are among (a good balance of) the proposals selected (effectiveness); compliance (legality and regularity); and prevention of fraud (anti-fraud strategy).

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-effectiveness indicators (three E's)
The evaluation, ranking and selection of proposals are not carried out in accordance with the established procedures, and/or the calls for proposals.	Clear and complete evaluation procedure fully compliant, intensive training given to staff and experts on assessment of lump sums Adequate assignment of staff and appointment of expert evaluators Assessment by staff (e.g. project officers) and by independent experts (contractors).	100% of eligible proposals are evaluated in compliance with the evaluation committee procedure and with the FR -all evaluation committee members have followed compulsory training and signed a declaration of no conflict of interested -100% assessment for technical	Effectiveness - Number of closed cases related to evaluation procedure which concludes that an error was made by the Agency (Art. 22, Ombudsman, Court cases) vs total number of closed cases related to evaluation procedure - Number of requests for review related to evaluation procedure which led to a modification of the decision for this reason vs total number of requests for review related to evaluation procedure - % of proposals successfully challenged through the remedies vs total number of proposals received and vs number of

	<p>Close supervision and management of experts by EACEA</p> <p>Chairing of the evaluation committee by AOSD, monitoring and ensuring compliance with the evaluation committee guidelines</p> <p>Evaluation committee includes parent representative of parent DGs</p> <p>Validation of award decision by central <i>ex ante</i> unit</p> <p>Validation by the AOSD of ranked list of proposals and final consolidated report issued by the evaluation committee</p> <p>Award decision signed by AO. In case the evaluation committee recommendations are not strictly followed it should be motivated in the award decision</p> <p>Redress Committee</p>	<p>expertise and independence of experts (e.g. conflicts of interests, nationality bias, ex-employer bias, collusion, rotation)</p> <ul style="list-style-type: none"> - 100% of experts supervised by EACEA - 100% chaired by AOSD to ensure compliance <p>- 100% of the ranked lists are validated by AOSD</p> <p>- 100% of award decisions are validated by <i>ex ante</i> and AO</p> <p>100% of contested decisions are analysed by the Redress Committee</p>	<p>complaints received</p> <ul style="list-style-type: none"> - Number of control failures related to evaluation procedure, detected via non-compliance events and exception reports (e.g. evolution over the time, number of calls involved over total calls launched, and financial impact of deviation over the total grants committed by EACEA) <p>Efficiency</p> <ul style="list-style-type: none"> - total annual cost of expert evaluation. - % expert cost over annual amount disbursed in grants. - Average Time to Inform - % of Time to Inform applicants within the FR time limit <p>Economy</p> <ul style="list-style-type: none"> - estimation of cost of staff involved in the evaluation and selection of proposals, including costs linked to the appointment of experts and of the logistics of the evaluation (if any)/ total grant amount of eligible proposals. - estimation of cost of staff involved in the redress panel (including costs of external experts if any)/ total grant amount of eligible proposals
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Stage 2 - Contracting: transformation of selected proposals into legally binding grant agreements

Main control objectives: ensuring that the actions and allocation of funds are optimal (best value for public money; effectiveness, economy, efficiency); compliance (legality and regularity); and prevention of fraud (anti-fraud strategy).

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-effectiveness indicators (three E's)
<p>Inadequate provisions in grant agreements / grant decision</p> <p>Absence/delay in contractualisation due to:</p> <ul style="list-style-type: none"> - Late validation of rejection of Participant Identification Code (PIC)'s beneficiary / co-beneficiary -Weak financial capacity of the beneficiary / co-beneficiary -Financing project costs incurred before the contractualisation (legacy) 	<p>Strict use of corporate standard / corporate grant agreement / decision as available in eGrants</p> <p>Corporate verification and validation of financial capacity by REA</p> <p>Use of mitigating measure (reduction of pre-financing payments)</p> <p>Declaration in AOSD report to RMIC (embedded controls in eGrants for non-legacy projects)</p>	<p>100% grant agreements/ decisions standardised in eGrants</p> <p>100% of beneficiaries / co-beneficiaries own a PIC</p> <p>The financial capacity of the beneficiary (except for natural persons in receipt of scholarships, public bodies or international organisations) is checked for all grants above EUR 60 000</p> <ul style="list-style-type: none"> - Use of bank guarantee / reduction of pre-financing depending on the nature of the beneficiary and/or the total value of the grant. - 100% of instances are reported to RMIC 	<p>Effectiveness</p> <p>amount of grants concerned by non-compliance event / exception report vs total amount of grants yearly committed by the Agency</p> <ul style="list-style-type: none"> - % of exclusion from the granting process following financial capacity checks - % or number (trend) of bank guarantees requested - Court cases related to grant agreement. <p>Efficiency</p> <ul style="list-style-type: none"> - Average Time-to-Grant. - % Time-to-Grant within the FR time limit <p>Economy</p> <ul style="list-style-type: none"> - estimation of cost of staff involved in the contracting process/ amount contracted - amount of budget adjustments during grant agreement preparation over the total grant payments

Stage 3 - Monitoring the execution. This stage covers the monitoring of the operational, financial and reporting aspects related to project implementation

Main control objectives: ensuring that the operational results (deliverables) from the projects are of good value and meet the objectives and conditions (effectiveness and efficiency); ensuring that the related financial operations comply with regulatory and contractual provisions (legality and regularity); prevention of fraud (anti-fraud strategy); and ensuring appropriate accounting of the operations (reliability of reporting, safeguarding of assets and information).

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-effectiveness indicators (three E's)
<p>The planned activities are not/ partially carried out in accordance with the grant agreement provisions (deliverables absent, partial or insufficient quality)</p> <p>Reimbursement of ineligible costs, failure to detect irregularities or fraud, insufficient evidence of achievements, late detection of underperformance and lost opportunities for corrective actions.</p>	<p>Communication and information actions are part of the preventive controls both internally targeted and towards beneficiaries (e.g. lunchtime conferences kick-off meetings)</p> <p>Project progress is monitored through regular communication with the beneficiaries and ad hoc monitoring visits (in situ and online).</p> <p>Operational and financial checks are in accordance with the financial circuits.</p> <p>Operation authorisation by the AO at unit level.</p> <p>For high risk operations, reinforced monitoring, according to the EACEA monitoring strategy</p>	<p>100% of the projects are controlled, through value-adding checks.</p> <p>Riskier operations subject to more in-depth and/or on-site controls.</p> <p>The depth depends on risk criteria determined in the EACEA monitoring strategy, applicable to all programmes</p> <p>High risk operations identified by risk criteria. Red flags: delayed interim deliverables, suspicions raised by staff, audit results, suspicions of plagiarism, requests for many amendments, or anti-fraud flagging, low quality of the audit certificate etc.</p> <p>Depth: depends on results of <i>ex ante</i></p>	<p>Effectiveness: financial amount of the cost items rejected before payment.</p> <p>Efficiency indicators: Time-to-payment and % of payments made on time</p> <p>Economy: estimation of cost of staff involved in the actual management of running projects.</p> <p>Benefits: amount of recovery orders including penalties, liquidated damages, project terminations and amount of the costs claimed by the beneficiary, but rejected by the project officers/ the total cost claimed</p>

	<p>Earmark projects for risk-based <i>ex post</i> audit.</p> <p>If needed: application of suspension/interruption of payments, penalties or liquidated damages.</p> <p>Referring grant to OLAF.</p> <p>Grant termination</p> <p>Time-to-pay monitoring</p> <p>Recovery order process monitoring.</p>	controls.	
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Stage 4 – *Ex post* controls

A - Reviews, audits and monitoring

Main control objectives: measuring the effectiveness of *ex ante* controls by *ex post* controls; detect and correct any error or fraud remaining undetected after the implementation of *ex ante* controls (legality and regularity; anti-fraud strategy); addressing systemic weaknesses in the *ex ante* controls, based on the analysis of the findings (sound financial management); and ensuring appropriate accounting of the recoveries to be made (reliability of reporting, safeguarding of assets and information).

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-effectiveness indicators (three E's)
<p>The <i>ex ante</i> controls (as such) fail to prevent, detect and correct erroneous payments or attempted fraud.</p>	<p>An independent audit contractor not involved in operational or financial circuits, performing <i>ex post</i> audits.</p> <p>A detailed multi-annual <i>ex post</i> audit strategy, implemented</p>	<p>Random sample: MUS random sample sufficiently large to draw valid management conclusions per programme, including on quality of <i>ex ante</i> controls</p> <p>Risk-based sample: determined in</p>	<p>Effectiveness: number of audits finalised in a year (trend). Audit coverage. Residual error rate below tolerable threshold. Number of audit findings showing <i>ex ante</i> control weaknesses (trend). Amount at risk at closure (<2%)</p> <p>Efficiency: number of audits closed per FTE, number of audits closed over total ongoing audits.</p> <p>Economy: estimation of annual cost of staff involved in the</p>

	through an annual audit plan. Identification of potential improvements on <i>ex ante</i> controls via the <i>ex post</i> controls outcomes.	accordance with the selected risk criteria, aimed at addressing specific concerns, maximising return on audit (either financial or pedagogical aim for recurrent beneficiaries etc.) and complement <i>ex ante</i> controls.	coordination and execution of the <i>ex post</i> audit strategy + annual costs paid to the external audit firms for the outsourced audits/ EACEA share of amount audited in the year Total annual cost of audits compared with benefits (total Recovery Orders issued after audits)
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B- Implementing results from *ex post* audits/controls

Main control objectives: ensuring that the (audit) results from the *ex post* controls lead to effective recoveries (legality and regularity; anti-fraud strategy); and ensuring appropriate accounting of the recoveries made (reliability of reporting).

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-effectiveness indicators (three E's)
The detected errors, irregularities and cases of fraud detected are not addressed or not addressed in a timely manner	Systematic registration of audit results to be implemented and constant monitoring. Monthly reporting to management about evolution of detected error rate. Financial and operational validation of recovery in accordance with financial circuits. Authorisation by AO at unit level. Notification to OLAF via the anti-fraud team when needed and	Coverage: 100% of final audit results with a financial impact. Depth: consider 'extending' the findings of systemic errors into corrections of non-audited projects by the same beneficiary	Effectiveness: number of risk-based <i>ex post</i> audits with findings closed in the year, over the total number of risk-based audits closed in the year Efficiency indicators: delay in sending the pre-information letter (after the final report is received), delay in issuing the recovery order (after the pre-information letter is issued). Economy: estimation of annual cost of staff involved in the implementation of the audit results / EACEA share of amount audited in the year. Financial value of the errors, detected by <i>ex post</i> controls, which have actually been corrected over total amount of detected

	regular follow-up of detected fraud.		errors (impact of recovery orders reduction in a year)
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ANNEX 7: Specific annexes related to ‘Financial Management’

Effectiveness: the control results and benefits

Legality and regularity of the transactions

Control effectiveness as regards legality and regularity is presented below throughout the four stages of the grant management control system in place.

Stage 1: Evaluation and selection of proposals

The overall control objective is to ensure that only the highest-quality proposals which meet the policy objectives and priorities are selected. In order to meet this objective, the Agency has put in place a set of rules and procedures including equal treatment of all applications.

The benefits of this phase are: compliance with the rules, good quality and reliable evaluation process, and selection of projects giving the highest added value for the EU. These benefits are non-quantifiable.

Stage 2: Contracting

The overall control objective of this stage is to translate each of the selected proposals into legally binding grant agreements or decisions in a way that ensures an optimal allocation of EU funds. As a result of the contracting process, in 2021 the Agency concluded grant agreements/decisions amounting to more than EUR 801 million in commitments.

The benefits of the contracting exercise are clarity and legal security both for the beneficiaries and the Agency and for all the selected applications. These benefits are non-quantifiable.

Stage 3: Monitoring and execution

The overall control objective of this stage is to ensure that the projects are performing according to their schedule¹⁵ and objectives, and that payments or recoveries comply with the regulatory and contractual provisions.

In terms of the benefits of controls at this stage, the non-quantifiable benefits refer to the increased level of assurance for the Agency stemming from promptly identifying and addressing implementation risks, as well as for the beneficiaries, who receive assistance from Agency staff in facing difficulties related to project implementation. The quantifiable benefits correspond to the detection of ineligible costs when analysing the payment requests, which may lead to recovery orders.

¹⁵ The execution of the projects is monitored through different tools, including *ex ante* controls with a focus on: (1) assessment of the progress achieved in the implementation of the project; (2) a plausibility check on the declared costs; and (3) compliance with the legality and regularity requirements

Stage 4: Ex post controls

As illustrated in section 2.1.1, EACEA is achieving one of the main control objectives regarding legality and regularity of underlying transactions. In fact, for the 2014-2020 programming period, the best management estimate of the materiality of the amount at risk (resulting from the multiannual residual error rate for each programme) does not exceed 2% of the total payments of the year.

In addition, another important control objective is to provide management with prompt information regarding the trend of the detected error rate, in order to take the necessary corrective actions (if necessary). Concretely, EACEA does this with a monthly report on the multiannual detected error rate for each programme and for each programming period. Other measures such as synthetic reports highlighting the preliminary audit results immediately after the audit fieldwork, monthly reporting including data on audits not yet finalised, specific follow-up on audits with an error rate above average or difficult to close (dashboard), are available for the management to put in place any necessary actions with no delays.

Concerning effectiveness, another relevant indicator monitored by the Agency is the total closed risk-based audit projects with findings (recoveries) over the total risk-based audit projects closed in the reporting year. This indicator in 2021 is equal to 54%, slightly below the 59% in 2020. The quality of the risk-based selection, improved in relation to past years, is being closely followed.

As illustrated, controls are in place for each grant management stage and cover the entirety of the Agency's expenditure. Overall, they are effective, thus ensuring that the error rate level and the materiality of the amount at risk remain below 2% for the programming period (2014-2020), so that no reservations on programmes are granted for the current reporting year.

Fraud prevention, detection and correction

See section 2.1.1b

Efficiency: the Time-to-... indicators and other efficiency indicators

The efficiency of the controls implemented at each stage of the grant management cycle is assessed in the sections below, based on the most relevant indicators.

Stage 1: Evaluation and selection of proposals

In terms of speed in managing this specific phase, the Agency shows the **time to inform** its beneficiaries in section 2.1.

The quality of the selection and evaluation phase is indirectly proved by the Agency's 100% success rate for judicial proceedings in general, as well as for those referring to selection and evaluation of proposals, closed since 2006; these letter proceedings represent a very tiny proportion of the evaluated applications.

Overview of judicial proceedings since 2006*					
Cases	Total since the start of the Agency	Open cases up to 31/12/2021	Closed cases at 31/12/2021	Total of closed proceedings won by the Agency at 31/12/2021	Success rate for the Agency
Judicial Proceedings	35	6	29	29	100%
which concern the ex-ante phase	6	1	5	5	100%

*The figures include judicial proceedings before the EU Court, judicial proceedings before national courts and criminal complaints with claims for damages lodged by the Agency.

In percentage of total applications evaluated	
Total judicial proceedings	0.019
which concern the ex-ante phase	0.003

Benefits of control in the selection and evaluation phase

The number of requests for review is one indicator in use for monitoring the quality of the proposal evaluation process. To have a more meaningful statistically indicator, EACEA adapted the reference period for the evaluation review cases. For 2021, the evaluation review data relates to calls that notified applicants of the results between 1 July 2020 and 30 June 2021. This modification better represents the work on evaluation review during 2021. Given this change in reference period, results are not to be compared in relation to the past years. However, it is possible to conclude that the low volume of requests for review compared to the proposals received (0.7% of the proposals) indicates that the selection process is functioning well.

Overview of the requests for review (Internal review and Article 22)						
	2016	2017	2018	2019	2020	2021*
Number of requests for review received	129	117	188	102	102	75
In % of total of proposals received	1.1%	0.9%	1.6%	1%	1.1%	0.7%
Number of cases that led to a change of decision	3	4	3	3	0	1
Compared to the total number of requests for review received	2.33%	3.42%	1.6%	2.94%	0%	1.33%
Compared to the total number of proposals received	0.02%	0.03%	0.02%	0.03%	0%	0.01%

* For the 2021 column, the reference period of evaluation review cases is different to the previous years, which took the calendar year as reference period. For 2021, the evaluation review data relates to calls that notified results to applicants between 1/7/2020 and

30/6/2021. This better represents the work on evaluation review during 2021, because evaluation reviews started in the second half of the year could be finalised in the following calendar year.

There were no Ombudsman cases in 2021

Stage 2: Contracting

According to the Financial Regulation, the Agency has 9 months after the call deadline to sign the selected grants (Article 194.2 of the FR). This deadline consists of two periods and two primary time limits to comply with: time to inform (TTI) and time to contract (TTC). In terms of speed in managing this specific phase, the Agency shows these indicators in section 2.1

Stage 3: Monitoring and execution

The two main efficiency indicators for this stage concern the level of execution of payment appropriations and their speed. Both indicators give indications on the efficiency of the monitoring.

Execution of operational payment appropriations

With regard to the operational budget, in 2021 the execution of commitment credits was EUR 801.25 million or 96.1% of the available budget. If compared to EACEA's 2021 Work Programme, the commitment budget execution against C1,C5 and E0 appropriations is 100%, in line with the target (100%). The execution of payment credits was EUR 495.94 million, which represents 89.7% of the available budget. The execution of C1,C5 and E0 appropriations is close to 99% (98.9%) which is more or less aligned with the target ($\geq 99\%$).

Time to pay (TTP)

A key indicator of the monitoring phase is 'Time-To-Pay' (TTP), which is defined as the amount accepted on time for payment (in percentage), within deadlines set by the Financial Regulation. In terms of speed in managing this specific phase, the Agency shows the **time to pay** with a distinction between operational, operating budget and EDF in section 2.1 .

Stage 4: Ex post controls

For this stage the main efficiency indicator is the value of corrections made by implementing audit results, by means of recovery orders and/or offsetting. In 2021, this value amounts to EUR 2.8 million. This amount represents a significant increase compared to the EUR 1.8 million reported in 2020 and shows that the value of the corrections implemented in 2021 comes back to the usual average of past years (EUR 2.6 million in 2019 and EUR 2.7 million in 2018).

Year	2019	2020	2021
Number of audited projects closed in the year	168	147	157

The benefit per audited project is equal to EUR 18 168. The average cost of an audit is largely covered by the benefit, especially considering that one audit assignment may include more than one project.

Year	2019	2020	2021
Number of audited projects closed in the year	168	147	157
Total recoveries in EUR	2 681 921	1 824 992	2 852 408
Benefit per closed audited project in EUR	15 964	12 415	18 168

In addition to these quantifiable benefits, there are a number of non-quantifiable advantages linked to *ex post* controls, which are equally important, such as the preventive and dissuasive effect of *ex post* audits, especially with recurrent beneficiaries. It also has a learning effect for beneficiaries, helping to reduce errors in future cost declarations. Similarly, *ex post* controls allow for the identification of risks and lessons learnt both related to beneficiaries and to potential weaknesses of *ex ante* controls.

The Agency monitors two additional efficiency indicators at year-end, relating to the speed of issuing the pre-information letter¹⁶ and the recovery order¹⁷. In 2021, the pre-information letters were sent on average **76 days** after receipt of the final audit report, 27 days more compared to last year's figure (49 days in 2020, 31 in 2019 and 42 days in 2018). The time for issuing a recover order in 2021 was equal on average to **83 days** (compared to 66 days in 2020 and 75 in 2019). Both indicators represent an increase compared to the past. This general decrease in efficiency, related to the *ex post* process's final steps, can be explained as follows: the implementation of the partially decentralised financial circuits since 16 March 2020 means that sending the pre-information letter and issuing recovery orders involves actors that are both in the operational and in the financial verification unit. Although the shared responsibility in this new circuit could explain the increase in the delay for those indicators, the Agency will monitor their evolution in the future.

Economy: the cost of controls

The main cost drivers and benefits of controls are described hereafter for each grant management stage and quantified in the final table at the end of this paragraph only with a distinction between *ex ante* and *ex post* controls.

¹⁶ Average time between the final report reception date and the moment the pre-info letter was sent (in days).

¹⁷ Average time between the day the pre-info letter is sent and the date when the RO is issued (in days).

Stage 1: Evaluation and selection of proposals

At this stage, the cost of control corresponds both to experts' costs (paid via the operational budget), staff and other costs (IT or translation costs for example) paid via the administrative budget.

in EUR	2019	2020	2021
Number of eligible proposals	9 499	9 283	6 321
Expert costs	4 394 493	4 394 369	2 532 690
Expert costs per proposal	463	473	401
Commitments made in EUR	930 021 552	958 620 000	801 253 497
Expert costs in % of commitments	0.5%	0.5%	0.3%

It is worth observing that the cost of **experts** has diminished compared to the past 2 years, which is in line with the reduced number of eligible calls in 2021. We can observe that the experts' cost per eligible proposal is slightly less than in 2020 and 2019. As in 2021 EACEA managed calls for proposals for an amount of more than EUR 801 million, the cost of experts represents a tiny percentage of it (reduced compared to the last 3 years).

Stage 2: Contracting

The cost of this phase is mainly represented by **cost of staff** involved in the contractualisation, meaning in the preparation of the grant agreements signed for all selected applications. To keep these costs at an acceptable level, EACEA has introduced grant decisions for some actions (instead of grant agreements) entailing less administrative workload and using standardised models of contracts and decisions.

Stage 3: Monitoring

The main cost drivers of this phase are represented by staff costs, **on-site monitoring missions, meetings and IT-specific costs** specifically related to systems for the management of grants. In 2021 mission costs are absent due to the difficulties of visiting beneficiaries on site during the COVID-19 pandemic.

The main non-quantifiable benefits of this stage are the assurance that the projects are running as intended, thus increasing the probability of success and the provision of appropriate feedback on policy development.

The most relevant quantifiable benefit is the financial impact of the *ex ante* controls performed on the cost claims before proceeding to payment, allowing for rejection of non-eligible costs claimed. In 2021 this financial benefit is estimated equal to EUR 10.8 million (versus EUR 19.4 million in 2020 and EUR 22.6 million in 2019). This decrease was to be expected given the reduced volume of payments carried out by EACEA in 2021.

Stage 4: Ex post controls

The total cost of *ex post* controls includes the cost of internal resources (**staff**) who are involved in this stage, the cost of **outsourced *ex post* audits and the mission costs** of the EACEA team. In 2021 the total costs of *ex post* controls amounts to EUR 1.3 million (EUR 1.4 million in 2020) as shown in the table below. This is a slight decrease compared to 2020 and compared to the average value of the last 3 years (EUR 1.38 million). The benefit of *ex post* controls (EUR 2.8 million in 2021) is well above the same indicator of 2020 (EUR 1.8 million) and exceeds the total costs; it is the amount of errors and irregularities, detected and corrected by these controls.

1) Compulsory for all DGs : Table Y on the estimated 'cost of controls' at Commission level

Table Y - Overview of DG's/EA's estimated cost of controls at Commission (EC) level:

The absolute values are presented in EUR

Table Y - Overview of EACEA's estimated cost of controls at Commission (EC) level
The absolute values are presented in EUR

EXPENDITURE

EACEA	Ex ante controls***			Ex post controls			Total	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Relevant Control System (RCS) / Other as defined in Annex 6 of the AAR*	EC total costs	related payments Made	Ratio (%)** (a)/(b)	EC total costs	total value verified and/or audited	Ratio (%) (d)/(e)	EC total estimated cost of controls (a)+(d)	Ratio (%)** (g)/(b)
Selection, contracting, monitoring	47.040.284,00 €	479.221.446,50 €	9,82%	1.296.520,00 €	97.409.158,02 €	1,33%	48.336.804,00 €	10,09%
OVERALL total estimated cost of control at EC level for expenditure	47.040.284,00 €	479.221.446,50 €	9,82%	1.296.520,00 €	97.409.158,02 €	1,33%	48.336.804,00 €	10,09%

* if the control costs are not attributable to a single RCS and may relate to a 'mix' of expenditure, revenue, assets/liabilities etc., they may be grouped (N/A for EACEA)

** ratio possibly 'Not Applicable (N/A)', e.g. if a RCS specifically covers an Internal Control Objective such as safeguarding sensitive information, reliable accounting/reporting, etc. (not the case for EACEA)

*** any 'holistic' control elements (e.g. with 'combined' ex ante and ex post characteristics) can be reported in the ex ante column provided that a footnote clarifies this (their nature + their cost). Example: MS system audits in shared management. (N/A for EACEA)

**** These include revenue operations (e.g. assigned revenue, fines, interest); assets (e.g. (in)tangible or financial assets, inventories, treasury) and financial liabilities or 'off balance sheet' items (e.g. employee benefits, guarantees offered or other commitments) (N/A for EACEA)

ANNEX 8: Specific annexes related to ‘Assessment of the effectiveness of the internal control systems’

Nothing to add.

ANNEX 9: Specific annexes related to 'Control results' and 'Assurance: reservations'

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

Table X : Estimated risk at payment and at closure

Model table X for Executive Agencies:

EA EACEA	'payments made' (2021;MEUR)	minus new prefinancing [plus retentions made] (in 2021;MEUR)	plus cleared prefinancing [minus retentions released and deductions of expenditure made by MS] (in 2021;MEUR)	'relevant expenditure' (for 2021;MEUR)	Detected error rate or equivalent estimates	estimated risk at payment (2021;MEUR)	Adjusted Average Recoveries and Corrections (adjusted ARC, %)	estimated future corrections [and deductions] (for 2021;MEUR)	estimated risk at Closure (2021;MEUR)
-1	-2	-3	-4	-5	-6	-7	-8	-9	-10
LLP 2007-2013	0,00	0,00	0,02	0,02	4,42% - 4,42%	0,00 - 0,00	0,37% - 0,37%	0,00 - 0,00	0,00 - 0,00
Erasmus Mundus 2007-2013	0,37	0,00	0,00	0,37	0,47% - 0,47%	0,00 - 0,00	0,37% - 0,37%	0,00 - 0,00	0,00 - 0,00
Tempus 2007-2013	0,00	0,00	0,53	0,54	2,73% - 2,73%	0,01 - 0,01	0,37% - 0,37%	0,00 - 0,00	0,01 - 0,01
Youth in Action 2007-2013	0,00	0,00	0,03	0,03	3,20% - 3,20%	0,00 - 0,00	0,37% - 0,37%	0,00 - 0,00	0,00 - 0,00
MEDIA 2007-2013	0,00	0,00	0,06	0,06	0,53% - 0,53%	0,00 - 0,00	0,37% - 0,37%	0,00 - 0,00	0,00 - 0,00
ERASMUS + 2014-2020	283,72	- 256,89	231,82	258,65	1,73% - 1,73%	4,46 - 4,46	0,37% - 0,37%	0,96 - 0,96	3,51 - 3,51
Creative Europe 2014-2020	91,68	- 39,10	84,78	137,36	1,73% - 1,73%	2,37 - 2,37	0,37% - 0,37%	0,51 - 0,51	1,86 - 1,86
Europe for Citizens 2014-2020	13,89	- 9,32	8,12	12,70	1,73% - 1,73%	0,22 - 0,22	0,37% - 0,37%	0,05 - 0,05	0,17 - 0,17
EU Aid Volunteers 2014-2020	3,05	- 0,81	16,93	19,17	1,73% - 1,73%	0,33 - 0,33	0,37% - 0,37%	0,07 - 0,07	0,26 - 0,26
Solidarity Corps 2014-2020	0,12	- 0,12	0,05	0,05	1,73% - 1,73%	0,00 - 0,00	0,37% - 0,37%	0,00 - 0,00	0,00 - 0,00
Erasmus+ 2021-2027	56,74	- 56,74	0,00	0,00	0,00% - 0,00%	0,00 - 0,00	0,00% - 0,00%	0,00 - 0,00	0,00 - 0,00
Creative Europe 2021-2027	20,54	- 20,54	0,00	0,00	0,00% - 0,00%	0,00 - 0,00	0,00% - 0,00%	0,00 - 0,00	0,00 - 0,00
CERV 2021-2027	0,53	- 0,53	0,00	0,00	0,00% - 0,00%	0,00 - 0,00	0,00% - 0,00%	0,00 - 0,00	0,00 - 0,00
Experts & Procurements	25,27	0,00	0,00	25,27	0,50% - 0,50%	0,13 - 0,13	0,00% - 0,00%	0,00 - 0,00	0,13 - 0,13
EDF	5,92	- 5,77	7,19	7,35	1,73% - 1,73%	0,13 - 0,13	0,37% - 0,37%	0,03 - 0,03	0,10 - 0,10
Sub-total	501,86	- 389,83	349,52	461,55		7,65 - 7,65	0,35% - 0,35%	1,61 - 1,61	6,04 - 6,04
operating budget	50,46	0,00	0,00	50,46	0,50% - 0,50%	0,25 - 0,25	0,00% - 0,00%	0,00 - 0,00	0,25 - 0,25
total EA (operational + operating)	552,32	- 389,83	349,52	512,02		7,91 - 7,91	0,31% - 0,31%	1,61 - 1,61	6,29 - 6,29
					Overall risk at payment in %	1,54% - 1,54%		Overall risk at closure in %	1,23% - 1,23%
						(7) / (5)			(10) / (5)

Notes to the table X

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

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

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

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

Retentions: in Cohesion, the 10% retention applied during the year.

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

Retentions: in Cohesion, the retentions released during the year by the Commission.

(5) For the purpose of equivalence with the ECA's scope of the European Commission's funds with potential exposure to legality and regularity errors (see the ECA's Annual Report methodological Annex 1.1), our concept of 'relevant expenditure' includes the payments made, subtracts the new pre-financing paid out (and adds the retentions made), and adds the pre-financing actually cleared (and subtracts the retentions released; and any deductions of *expenditure made by MS*) during the financial year. This is a separate and 'hybrid' concept, intentionally combining elements from the budgetary accounting and from the general ledger accounting.

(6) In this column, we disclose the detected error rates or equivalent estimates. For the 2014-2020 programming period, the Agency follows a conservative approach. To estimate the average error rate, EACEA uses as a basis for all programmes, both the past programming periods and risk-based and random audits. For 2021, the overall average error rate is estimated at 1.73%. (1.67% last year). The Agency also uses 1.73% as the AOD's best estimate for EDF and those programmes for which it does not have enough available audit results to show a meaningful error rate.

For low-risk types of expenditure, where there are indications that the equivalent error rate might be close to 'zero' (e.g. *administrative expenditure, operating contributions to agencies*), the rate which should be used is 0.5% as a conservative estimate, unless the DG has a more precise estimate based on evidence.

(8) The adjusted average recovery and corrections percentage is (mostly / to some extent) based on the 7-year historic Average of Recoveries and financial Corrections (ARC), which is the best available indication of the corrective capacity of the *ex post* control systems implemented by the Executive Agency over the past years. The AOD *has adjusted* this historic average. In fact, the Agency has prudently recalculated its corrective capacity as 0.37% (it was 0.34% in 2019 and 0.35% in 2020). This estimate is based on past performance of the *ex post* controls only (*ex post* audits), namely on the average recoveries implemented since 2011, after the payment was authorised by the Commission. As in previous years, the figure provided by DG BUDG (2.217% for 2021) had to be adjusted as it included corrections made prior to the payment (*ex ante*).

(9) For some programmes with no set *closure* point (e.g. EAGF) and for some multiannual programmes for which corrections are still possible afterwards (e.g. EAFRD and ESIF), all corrections that remain possible are considered for this estimate.

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

	'payments made' (2021,MEUR)	minus new prefinancing (in 2021,MEUR)	plus cleared prefinancing (in 2021,MEUR)	'relevant expenditure' (for 2021,MEUR)	Average Error Rate (weighted AER, %)	estimated risk at payment (2021,MEUR)	Adjusted Average Recoveries and Corrections (adjusted ARC, %)	estimated future corrections [and deductions] (for 2021,MEUR)	estimated risk at Closure (2021,MEUR)	
	-1	-2	-3	-4	-5	-6	-7	-8	-9	-10
EACEA										
Total EDF		5,92	5,77	7,19	7,35					

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

Human Resources

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

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

Source of data: SYSPER

Baseline (2020)	Target (2021)	Latest known results (31/12/2021)
20% 3 female middle managers out of a total of 15 middle management positions, i.e. 20%	25%	20%

Indicator 2: EACEA staff engagement index

Source of data: Commission staff survey

Baseline (last European Commission staff survey) (2018)	Target (next European Commission staff survey)	Latest known results (31/12/2021)
59%	65%	67%

Main outputs in 2021:

Description	Indicator	Target	Latest known results
Connecting EACEA (e.g.): - actions to enhance dialogue with staff and strengthening two-way communication - actions to provide insight into the bigger picture	Level of satisfaction	70%	83%
EACEA Empowered	<ul style="list-style-type: none"> – Number of awareness-raising activities – Facilitate dialogue with the Management Team and visibility 	3	5

Additional staff engagement initiatives linked to the Staff Survey Development Plan	Level of completion	100% within Q4	100% - Completed
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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: EACEA

Baseline (2020)	Target	Latest known results (31/12/2021)
1.4%	< 2% of relevant expenditure	1.2%

Main outputs in 2021:

Description	Indicator	Target	Latest known results
Effective controls: Legal and regular transactions	Risk at payment	remains < 2% of relevant expenditure	1.5%
	Estimated risk at closure	remains < 2% of relevant expenditure	1.2%
Efficient controls	Budget execution and time-to-pay	remains ≥ 99% of payment appropriations ¹⁸ and becomes >96% of payments (in value) on time	99% and 97% respectively
Efficient controls	Budget execution and time-to-grant	remains at 100% of commitment appropriations ¹⁹ and remains at 100% within 9 months	100% and 88.2% respectively
Economical controls	Overall estimated cost of controls	remains in line with the average trend (as % of total funds managed) NB average of last 3 years is 7.2%	Total costs EUR 48.4 million (below average of 3 years) but 10.1% in percentage of payments, due to 'abnormally' low payment volume

¹⁸ Type of credits: C1, C5, E0.

¹⁹ Type of credits: C1, C5, E0.

Objective: The risk of fraud is minimised through the application of effective anti-fraud measures and the implementation of the Commission Anti-Fraud Strategy (CAFS)²⁰ aimed at the prevention, detection and correction²¹ of fraud

Indicator: Implementation of the actions included in EACEA's anti-fraud strategy (AFS) over the strategy's lifecycle

Source of data: EACEA's annual activity report, EACEA's anti-fraud strategy (AFS), OLAF reporting EACEA

Baseline (2020)	Target (2023)	Latest known results (31/12/2021)
80% of the AFS 2018-2020 action points implemented 0% of action points implemented from the AFS 2021-2023	100% of action points implemented in time	30% achieved

Main outputs in 2021:

Description	Indicator	Target	Latest known results
New AFS 2021-2023 which will include the continuation of the main actions of the AFS 2018-2020	Time of finalisation and validation by the Steering Committee	Q3 2021	Validated in Q4 ²²
Training Updated guidelines published Ad hoc reminders related to specific cases	Fraud awareness for prevention is increased for target population(s) as identified in the EACEA anti-fraud strategy	One third of relevant staff per year Updated tools (IT and red flags)	6 newsletters on anti-fraud published 3 presentations of the new anti-fraud strategy 2021-2023 ; 1 leaflet on anti-fraud matters finalised. Anti-fraud intranet page updated (i.e. IT tools and red flags) Ad hoc reminders on 'need to know' and secured storage of sensitive data

²⁰ 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'.

²¹ Correction of fraud is an umbrella term, which notably refers to the recovery of amounts unduly spent and to administrative sanctions.

²² By EACEA Management on 1 September and by OLAF on 12 November.

OLAF training Guidelines published or staff guidance for specific cases Analysis of the fraud cases (Typology)	Fraud awareness for detection is increased for target population(s) as identified in the EACEA anti-fraud strategy	One training session per year New tools to identify double funding and plagiarism	OLAF guidance notes and IT detection tools updated and published on AF intranet page Types of fraud cases analysed (continuous action)
Updated table of fraud cases every 6 months/ Internal follow-up of dismissed cases	Regular monitoring of the implementation of fraud cases to OLAF	Semestrial and annual report/ OLAF ad hoc requests answered in a timely manner	Done in a timely manner Timely reporting to OLAF on financial and administrative recommendations. Always answered before the deadlines provided.
Harmonisation and sharing of best practices between DGs and Agencies on all anti-fraud matters	Participation in and contribution to FPDNET DGs and Agencies and FAIR meetings and working groups	4 times per year for each network and/or upon request	4 FAIR meetings 4 FPDNet meetings + participation in 3 working groups and contributions to documents from FAIR and FPDNet. Cooperation with Parent DGs on each suspicious case.

Digital transformation and information management

Objective: EACEA is using innovative, trusted digital solutions for better information management and administrative processes to become a truly digitally transformed, user-focused and data-driven Agency

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

Source of data: GovIS2, Internal assessment

Baseline (2020)	Target (2024)	Latest known results (31/12/2021)
44%	94%	48%

Indicator: Percentage of EACEA's key data assets for which corporate principles for data governance have been implemented

Source of data: EACEA

Baseline (2020)	Target (2024)	Latest known results (31/12/2021)	
Baseline (2020)	Target (2024)	Latest known results (31/12/2021)	
0%	80%	25%	
Indicator: Percentage of staff attending awareness-raising activities on data protection compliance			
Source of data: EACEA			
Baseline (2018)	Target (2024)	Latest known results (31/12/2021)	
16% of staff in post for 6 months or longer trained on the newest GDPR requirements	100% of staff in post for 6 months or longer	49% ²³	
Main outputs in 2021:			
Description	Indicator	Target	Latest known results
Training on raising awareness of data protection compliance	Number of training sessions given	Minimum 3 training sessions	4 sessions held in 2021
Full eGrants on-boarding	The whole grant management life cycle for all the actions in the current MFF is supported by eGrants	100%	100% ²⁴
eProcurement on-boarding	EACEA uses eProcurement solutions to support all the processes for which a module is available	100%	100%: EACEA uses eProcurement solutions to support all processes from call preparation to award decision. eProcurement modules are currently only available for the processes from call preparation to award decision.

²³ In addition, 24% of the Agency's staff have attended an external training session on data protection.

²⁴ Except for three PPPAs (project management not supported in eGrants).

Full ITIC on-boarding	EACEA will adopt the whole range of ITIC Digital Workplace Solutions provided at corporate level, including the management of assets.	100%	100%
Roll-out of the new collaboration solutions based on M365/Teams, expanding them when possible to support EACEA's core business (e.g. Selection Roadmap, using Project Online)	<ul style="list-style-type: none"> - Percentage of cross-cutting processes that are supported by the new collaboration tools. - Percentage of units that use the new collaboration tools. - 5% of staff per unit are trained as Champions. 	70% 100% 100%	50%. Delays due to the switch of M365 from pilot to production and lack of support for SNC. 100% In 8 out of 14 Units, more than 5% have followed two training courses. At Agency level 10% have been reached. Staff continue to be trained
The use of corporate solutions to support our external platforms (stakeholder engagement, community building, online training) is maximised	When available, corporate solutions are used. Otherwise, the technical solutions are chosen with future convergence in mind.	100%	50% Delays with the launch of new calls for tender for the Online Learning platforms with migration to EU Academy.

Sound environmental management

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

Main outputs in 2021:

I. More efficient use of resources (energy, water, paper)

Description	Indicator	Target	Latest known results
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Staff awareness actions to reduce energy use, such as 'switching off', to support the annual EMAS corporate campaign on resource efficiency (March) and/or awareness actions about EACEA's total energy consumption in collaboration with OIB where appropriate.	No. of actions ²⁵	Address all staff	1 lunchtime conference addressing all staff - 'Working together towards a more sustainable Agency'
Participate in the end-of-year energy-saving campaign by closing down buildings during the Christmas and New Year holiday period.	No. of buildings participating in the action	-1% in total energy consumption (<i>compared with the previous year</i>)	Awaiting figures. All EACEA buildings were closed.
Paperless working methods (such as paperless working: e-signatories, financial circuits, collaborative working tools) and staff awareness campaigns to reduce office paper use in line with the EMAS corporate campaign on resource efficiency (March) and/or raise awareness about office paper use in collaboration with OIB where appropriate.	No. of actions	Address all staff	1 lunchtime conference, addressing all staff - 'Working together towards a more sustainable Agency'
II. Reducing CO₂, equivalent CO₂ and other atmospheric emissions			

²⁵ Indicative actions include local staff awareness actions (e.g. info-fairs) and messages by senior management.

<p>Staff awareness campaigns on reducing greenhouse gas emissions (such as campaigns on sustainable commuting during EU Mobility Week (September) and VeloMai corporate events (May) and/or, raise staff awareness in collaboration with OIB (on sustainable commuting: availability of bike parking facilities, lockers and showers, promote the reduction of parking space use amongst staff, for example)</p>	<p>No. or % of staff informed</p>	<p>Address all staff</p>	<ul style="list-style-type: none"> - Onboarding programme for newcomers - 1 lunchtime conference, addressing all staff, 'Working together towards a more sustainable Agency' - Creation of Greener EACEA intranet page
III. Reducing and managing waste			
<p>Staff awareness campaigns on waste reduction and sorting (such as the corporate EMAS waste reduction campaign (November-December) and/or staff awareness actions about waste generation in collaboration with OIB where appropriate (for example, promote and label the waste sorting schemes in place).</p>	<p>No. of actions</p>	<p>Address all staff</p>	<ul style="list-style-type: none"> -1 lunchtime conference, addressing all staff, 'Working together towards a more sustainable Agency' -1 poll regarding replacement of individual bins

ANNEX 11: Implementation through national or international public sector bodies and bodies governed by private law with a public sector mission (if applicable)

Not applicable.

ANNEX 12: EAMR of the Union Delegations (if applicable)

Not applicable.

ANNEX 13: Decentralised agencies and/or EU Trust Funds (if applicable)

Not applicable.

ANNEX 14: Reporting on the Recovery and Resilience Facility

Not applicable.