



Annual Activity Report 2021

Annexes

DG Climate Action

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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 DG to the Director-General

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

Brussels, 31 March 2022


[e-signed]

*Yvon SLINGENBERG
Director*

⁽¹⁾ C(2017)2373 of 19.04.2017.

ANNEX 2: Performance tables

The target date for the delivery of initiatives is based on the initial planning made at the beginning of the year. During the year, priorities evolved and political decisions are taken with regards to the optimal timing for publishing or for adopting a specific initiative. In those cases, the planning was revised accordingly which explains why some initiatives were adopted by the Commission slightly later than initially foreseen (initiatives marked with this symbol *). In other cases, in the event of substantial delay or when an initiative was postponed, a justification is provided in a footnote.

Initiatives that are part of the Commission Work Programme 2021 are marked with the following icon .

General objective 1: An EU Green Deal			
Impact indicator 1: Greenhouse gas emissions			
Explanation: This indicator measures man-made emissions of the so-called “Kyoto basket” of greenhouse gases, which are integrated into a single indicator expressed in units of CO2 equivalents using each gas’ global warming potential. It shows changes in percent of the emissions compared to 1990 levels.			
Origin of the indicator: Regulation (EU) 2018/1999 on the Governance of the Energy Union and Climate Action; EU Sustainable Development Goal indicator			
Source of the data: European Environmental agency (Eurostat online data code: sdg_13_10)			
Baseline (2018)	Interim Milestone (2020)	Target (2030)	Latest known results (2020)
- 23%	-20%	- 55% of net GHG emissions	-31% of GHG emissions - 34% of net GHG emissions (i.e. including emissions and removals from land use, land use change and forestry)

Impact indicator 2: Greenhouse gas emissions intensity of energy consumption

Explanation: The greenhouse gas emissions intensity of energy consumption is the ratio between energy-related greenhouse gas emissions and gross inland consumption of energy. It expresses how many tonnes of CO2 equivalent of energy-related greenhouse gases are emitted per unit of energy consumed. A decrease signifies either burning relatively less fossil fuels or switching to fossil fuels with lower carbon intensity (e.g. from coal to natural gas). Index: 2000 = 100

Origin of the indicator: EU Sustainable Development Goal indicator

Source of the data: Eurostat (Eurostat online data code: sdg_13_20)

Baseline (2017)	Interim Milestone (2022)	Target (2024)	Latest known results (2019)
86.9%	Decrease	Decrease	82.6%

Impact indicator 3: Climate-related economic losses

Explanation: The indicator measures economic losses from weather and climate-related disasters expressed in economic losses per year (in current values) and as a percentage of GDP. Types of disasters considered are hydrological, meteorological and climatological events. Data is presented as smoothed time-series based on 30-year moving averages instead of annual figures.

Origin of the indicator: EU Sustainable Development Goal Monitoring report

Source of the data: Eurostat (Eurostat online code: sdg_13_40)

Baseline (2017)	Interim Milestone (2022)	Target (2024)	Latest known results (2019)
Total losses : EUR 11 263 million Average losses over 30 years in euro pro capita: 25.26%	Decrease	Decrease	Total losses : EUR 11 893 million Average losses over 30 years in euro pro capita: 26.61%

Impact indicator 4: Climate mainstreaming in the European Union budget

Explanation: Proportion of climate related spending (mainstreaming) in the EU budget

Origin of the indicator: Commission proposal for the 2021-2027 Multiannual Financial Framework

Source of the data: European Commission Draft Budget Reports

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2021)
21%	30%	30%	32.5%

Specific objective 1.1: Climate neutrality to be achieved by 2050 through a well-functioning EU carbon market and a fair regulatory framework for the EU and its Member States to reduce emissions

Related to spending programme(s): LIFE Regulation

Result indicator: Level of greenhouse gas emissions captured in the EU Emission Trading System (ETS)

Explanation: Level of greenhouse gas emissions captured by the EU Emission Trading System (ETS) Directive 2003/87/EC

Source of the data: Energy Union Governance and climate progress report (European Commission and European Environment Agency).

Baseline (2005)	Interim Milestone (2020)	Target (2030)	Latest known results (2020)
Index = 100	81 (-21%)	57 (-43%) compared to 2005 Proposed new target : - 61%	57 (-43%) compared to 2005

Result indicator: Level of greenhouse gas emissions (non EU ETS sectors)

Explanation: Level of greenhouse gas emissions captured by the EU Effort Sharing Legislation

Source of the data: Energy Union Governance and climate progress report (European Commission and European Environment Agency).

Baseline (2005)	Interim Milestone (2020)	Target (2030)	Latest known results (year)
2.947,990 Mt Index = 100	90 (-10%)	70 (-30%) compared to 2005 Proposed new target : - 40%	84 (-16%) compared to 2005

Result indicator: Level of net GHG removals

Explanation: The LULUCF Regulation sets a “no debit rule” to ensure that accounted emissions from land use are entirely compensated by an equivalent accounted removal of CO₂ from the atmosphere through action in the sector.

Source of the data: Energy Union Governance and climate progress report (European Commission and European Environment Agency).

Baseline (2005)	Target (2027)	Latest known results (2019)
EU27 not in debit	EU27 not in debit	EU27 not in debit

Result indicator: Level of average CO2 emissions from new cars

Explanation: The average specific CO2 emissions of new passenger cars need to decrease below the level set in Regulation (EU) 2019/631. Every year, the Commission confirms the calculation of the average specific emissions and specific emission targets of manufacturers in the previous calendar year, on the basis of the information on new car registrations submitted by Member States.

Source of the data: Data published by the European Commission and the European Environment Agency <https://www.eea.europa.eu/data-and-maps/data/co2-cars-emission-16>

Baseline (2018)	Interim Milestone (2020)	Target (2024)	Latest known results (2020)
120.4 gCO2/km ²	95 gCO2/km ³	95 gCO2/km ⁴	107.8 g CO2/km (provisional data)

Result indicator: Level of average CO2 emissions from new vans

Explanation: The average specific CO2 emissions of new light commercial vehicles need to decrease below the level set in Regulation (EU) 2019/631. Every year, the Commission confirms the calculation of the average specific emissions and specific emission targets of manufacturers in the previous calendar year, on the basis of the information on new van registrations submitted by Member States.

Source of the data: Data published by the European Commission and European Environment Agency <https://www.eea.europa.eu/data-and-maps/data/vans-12>

Baseline (2018)	Interim Milestone (2020)	Target (2024)	Latest known results (2020)
158.1 gr gCO2/km ²	147 gCO2/km ³	147 gCO2/km ⁴	155.7 g CO2/km (provisional data)

² For the purpose of this indicator, the baseline is the latest known data on the average CO2 emissions per km for the respective vehicles category from in the EU

³ For the purpose of this indicator, the interim milestone is the 2020 target set in Regulation (EU) 2019/631.

⁴ Yearly specific emission targets are set for each manufacturer according to the average mass of their vehicles, using a limit value curve. For cars, from 2021, phased-in from 2020, the EU fleet-wide average emission target for new cars will be 95 g CO2/km. For vans, from 2020, the EU fleet-wide average emission target will be 147 g CO2/km. From 2025, new EU fleet-wide CO2 emission targets will be introduced

Result indicator: Level of average CO2 emissions from heavy-duty vehicles (HDV)

Explanation: The average specific CO2 emissions of new heavy-duty vehicles need to decrease below the level set in Regulation (EU) 2019/1242. Every year, the Commission confirms the calculation of the average specific emissions and specific emission targets of manufacturers for the previous reporting period, on the basis of the information on new vehicle registrations submitted by Member States and manufacturers.

Source of the data: Data published by the European Commission and European Environment Agency.

Baseline	Target (2025)	Latest known results (2021)
CO2 emissions between 01 July 2019 and 30 June 2020 (not yet available) (Index = 100)	15% lower than baseline (Index = 85)	Not yet available ⁵

Result indicator: Life-cycle GHG emissions from fuels

Explanation: Member States shall require fuel suppliers to reduce the greenhouse gas emission intensity of fuel supplied by 6% by 31 December 2020 as compared to a 2010 baseline (Article 7a (2) of Directive 98/70, Fuel Quality Directive)

Source of the data: Data published by the European Commission and European Environment Agency. <https://www.eea.europa.eu/data-and-maps/data/fuel-quality-directive>

Baseline (2010)	Interim Milestone (2020)	Target (2024)	Latest known results (2019)
94.1 gCO _{2eq} /MJ ⁶ (Index = 100)	6% lower than baseline (Index = 94)	6% lower than baseline (Index = 94) ⁷	4.3% lower than baseline

Result indicator: CO2 storage capacity enabled

Source of data: Draft storage permits

Source of the data: Draft storage permits

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2021)
0 Mt CO2/y	2Mt CO2/y	3 Mt CO2/y	0 Mt CO2/y

⁵ While the collection and processing of data have been slightly delayed, the information will be published before the end of 2022

⁶ Differs from the data presented in [DG CLIMA Strategic plan 2020-2024](#) because Eurostat periodically revises its published data (including corrections of baselines retrospectively) to reflect new or improved information, also for previous years.

⁷ In 2021, DG CLIMA will evaluate and review the Fuel Quality Directive requirement to reduce GHG intensity of transport fuels by a minimum of 6% by 2020 over a 2010 baseline⁷ in line with the 2030 climate target plan.

Result indicator: Level of F-gas emissions (mainly hydrofluorocarbons (HFCs))
Explanation: F-gases are produced to be used in products and equipment, from which they leak into the atmosphere. The F-gas Regulation (EU) No 517/2014 currently in place seeks to reduce these emissions by 2/3 by 2030, based on a 2014 baseline.
Source of the data: EEA greenhouse gas viewer, based on Member States submissions under the EU greenhouse gas monitoring mechanism
<https://www.eea.europa.eu/data-and-maps/data/data-viewers/greenhouse-gases-viewer>

Baseline (2014)	Interim Milestone (2024)	Target (2030)	Latest known results (2019)
107.3 Mt CO2 eq. emitted Index= 100	75.1 Mt CO2 eq. emitted (-30%)	35.4 Mt CO2 eq. emitted (-67%)	92.1 (- 14%)

Result indicator: Ozone depleting substances: maintain zero consumption
Explanation: Consumption of ozone-depleting substances is an aggregated parameter calculated for data reported under the Montreal Protocol. It is calculated as: production + import – export – destruction. It excludes non-virgin imports and exports and amounts that are produced for feedstock and process agent use.
Source of the data: Annual report on ozone-depleting substances in the EU submitted to the United Nations Environment Programme, based on data that EU undertakings report to the Commission under the Ozone Regulation (EC) 1005/2009.
<https://ozone.unep.org/taxonomy/term/881>

Baseline (2005)	Target (2024)	Latest known results (2020)
Zero consumption	Zero consumption	Zero consumption

Result indicator: Proportion of proposed legislative revisions that include burden reduction measures
Explanation: The indicator measures how the Commission upholds its commitment to ensure that proposals for legislative revisions incorporate burden reduction measures, in the broader context of REFIT programme and One-In, One-Out approach. The indicator shows how many proposed legislative revisions out of the total, for each relevant specific objective, include measures that concretely reduce burden.
Source of the data: DG CLIMA

Baseline	Interim Milestone (2022)	Target (2024)	Latest known results (2021)
(N/A)	Positive trend	Positive trend	0% ⁸

⁸ The impact assessments accompanying the legislative proposals adopted by CLIMA in 2021 analysed the administrative burden of the proposed changes. However, no burden reduction measures were put forward since the proposed changes mainly aimed at stepping up EU climate action to reach the 2030 target set in the European Climate Law.

Result indicator: Percentage of impact assessments submitted by DG CLIMA to the Regulatory Scrutiny Board that received a favourable opinion on first submission

Explanation: The opinion of the RSB will take into account the better regulation practices followed for new policy initiatives. Gradual improvement of the percentage of positive opinions on first submission is an indicator of progress made by the DG in applying better regulation practices.

Source of the data: DG CLIMA

Baseline (2018)	Interim Milestone (2022)	Target (2024)	Latest known results (2021)
50%	50%	75%	100%

Main outputs in 2021:

New policy initiatives

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
 Fit for 55 package - Revision of the EU Emissions Trading System (ETS), including maritime, aviation and CORSIA <ul style="list-style-type: none"> Updating the EU Emissions Trading System, including maritime (PLAN/2020/8684) Revision of the EU Emission Trading System Directive concerning aviation (PLAN/2019/5485) 	Adoption by the Commission, including :	Q2 2021	Completed in Q3 2021*
	Publication of the impact assessment concerning the update of the EU ETS including maritime	Q2 2021	
	Publication of the Impact assessment concerning aviation	Q2 2021	
 Fit for 55 package - Updating Member State emissions reduction targets (Effort Sharing Regulation) in line with the 2030 climate target plan (PLAN/2020/8680)	Adoption by the Commission, including publication of the impact assessment	Q2 2021	Completed in Q3 2021*
 Fit for 55 package - Land use, land use change and forestry – review of EU rules (PLAN/2020/8682)	Adoption by the Commission, including publication of the impact assessment	Q2 2021	Completed in Q3 2021*
 Fit for 55 package - Revision of the CO2 emission standards for cars and vans (PLAN/2020/8689)	Adoption by the Commission, including publication of the impact assessment	Q2 2021	Completed in Q3 2021*

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Review of EU rules on fluorinated greenhouse gases (PLAN/2020/7308)	Adoption by the Commission, including publication of the impact assessment	Q4 2021	Postponed to Q2 2022 ⁹
Review of the Fuel Quality Directive	Adoption by the Commission, including publication of the impact assessment	Q2 2021	Part of the revision of the Renewable Energy Directive II ¹⁰
Communication on an EU Forest Strategy (PLAN/2020/8551)	Adoption by the Commission	Q2 2021	Completed in Q3 2021*
Communication on Carbon Removal Certification (CRC), including carbon farming initiative	Adoption by the Commission	Q4 2021	Completed in Q4 2021
Climate Law and COM(2020)563 and COM(2020)80	Adoption by the co-legislators	Q1 2021	Completed in Q2 2021*
Commission proposal to amend the EU MRV shipping Regulation COM(2019)38	Adoption by the co-legislators	Q2 2021	Postponed to 2022 ¹¹

Initiatives linked to regulatory simplification and burden reduction

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Ozone layer protection – revision of EU rules (PLAN/2020/6630)	Adoption by the Commission, including publication of the impact assessment	Q4 2021	Postponed to Q2 2022 ¹²

⁹ Postponed in order to strengthen the evidence base, also in view of the level of granularity required by the revised Better regulation guidelines and the “One in one out” principle”

¹⁰ The amendment of the Fuel Quality Directive was included in the revision of the Renewable Energy Directive as part of the ‘Fit for 55%’ package in order to ensure a full alignment and enable the necessary decarbonisation of transport fuels in line with the increased climate ambition.

¹¹ Both the Council and the European Parliament reached a negotiating mandate in 2019 and 2020 respectively, but the trilogues have not yet started

¹² Due to the interlinkages between the two pieces of legislation, the Commission decided to jointly adopt the revision of the F-Gas regulation (which was postponed, see above) and the revision of the Ozone Regulation

Evaluations and fitness checks			
Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Evaluation of the F-gas Regulation (PLAN/2020/6373)	Evaluation Staff Working Document published	Q4 2021	Postponed to Q2 2022 ¹³
Evaluation of article 7a of the Fuel Quality Directive	Evaluation Staff Working Document published	Q2 2021	Part of the revision of the Renewable Energy Directive II ¹⁴
Public consultations			
Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Open public consultation on the update of the EU Emissions Trading System, including maritime (PLAN/2020/8684)	Results of the consultation presented in the synopsis report (annexed to the impact assessment)	Q2 2021	Completed in Q3 2021 ¹⁵
Open public consultation on the update of Member State emissions reduction targets (Effort Sharing Regulation) in line with the 2030 climate target plan (PLAN/2020/8680)	Results of the consultation presented in the synopsis report (annexed to the impact assessment)	Q2 2021	Completed in Q3 2021 ¹⁶
Open public consultation on Land use, land use change and forestry – review of EU rules (PLAN/2020/8682)	Results of the consultation presented in the synopsis report (annexed to the impact assessment)	Q2 2021	Completed in Q3 2021 ¹⁷
Open public consultation on the revision of the CO2 emission standards for cars and vans (PLAN/2020/8689)	Results of the consultation presented in the synopsis report (annexed to the impact assessment)	Q2 2021	Completed in Q3 2021 ¹⁸

¹³ Carried out jointly with the review of the F-gas rules (which was postponed, see above) and annexed to the impact assessment

¹⁴ The results of the evaluation of Article 7a of the Fuel Quality Directive informed the Impact Assessment accompanying the revision of the Renewable Energy Directive.

¹⁵ The public consultation closed in Q1 2021 (on 5/02/2021), with results published on 14 July 2021 as part of the impact assessment accompanying the initiative

¹⁶ The public consultation closed in Q1 2021 (on 5/02/2021), with results published on 14 July 2021 as part of the impact assessment accompanying the initiative

¹⁷ The public consultation closed in Q1 2021 (on 5/02/2021), with results published on 14 July 2021 as part of the impact assessment accompanying the initiative

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Open public consultation on the review of EU rules on fluorinated greenhouse gases (PLAN/2020/7308)	Results of the consultation presented in the synopsis report (annexed to the impact assessment)	Q4 2021	Completed in Q4 2021
EU Forest Strategy (PLAN/2020/8551)	Completion	Q2 2021	Completed in Q2 2021
Other important outputs			
Output	Indicator	Target	Latest known results (situation on 31/12/2021)
EU ETS Phase 4 Aviation Allocation Decision – 2021-2023 (PLAN/2020/9570)	Adoption by the Commission	Q1 2021	Completed in Q1 2021
Implementing and Delegated Acts to ensure the proper functioning of the CO2 emission standards framework for light and heavy-duty vehicles.	Adoption by the Commission	Q4 2021	Several acts adopted such as 2019 CO2 monitoring (cars and vans) (PLAN 2020/9186, adopted in Q2 2021), Eco-innovation amendment to Decisions for alternative fuels (PLAN/2020/9672, adopted in Q1 2021), Monitoring and reporting of Light Duty Vehicles (LDVs) (PLAN/2020/7459, adopted in Q1 2021), etc.
Procurement Contracts	Contracts signed	17 contracts by 31/12/2021	17 contracts signed by Q4 2021

¹⁸ The public consultation closed in Q1 2021 (on 5/02/2021), with results published on 14 July 2021 as part of the impact assessment accompanying the initiative

Specific objective 1.2: EU climate legislation is monitored through the Energy Union Governance, is properly applied and enforced and is mainstreamed in the European Semester process

Related to spending programme(s): LIFE Regulation

Result indicator: Level of uptake of (new) post 2020-EU GHG emission reduction target in national energy and climate plans

Explanation: The Governance Regulation (Regulation (EU) 2018/1999) requires Member States (MS) to submit to the Commission their integrated national energy and climate plan (NECP) to meet the EU's energy and climate targets for 2030.

Source of the data: State of the Energy Union report

Baseline (2019)	Interim Milestone (2020)	Target (2024)	Latest known results (2021)
Member States submitted their draft NECPs	Member States' final NECPs reflecting the at least 40% GHG emission reduction target at EU level by 2030.	Member States' final updated NECPs reflecting the updated EU post-2020 goals.	The assessment of the NECPs finalised in September 2020 shows emissions reduce under existing and planned measures by 41% below 1990 levels

Result indicator: Timeliness of transposition and conformity checks conducted by DG CLIMA

Explanation: DG CLIMA monitors the transposition of Directives through transposition checks and conformity checks of national measures

Source of the data: DG CLIMA

Baseline (2019)	Interim Milestone (2020)	Target (2024)	Latest known results (2021)
All transposition checks and conformity checks are performed on time	Conformity check of national measures transposing Directive 2015/652 (calculation methods and reporting requirements under the Fuel Quality Directive) Completeness check of national measures transposing the revised EU Emission Trading System (EU ETS) Directive for the phase 4	Transposition and conformity checks of revised Directives (to be confirmed, depending on the 2030 increased targets)	Completed : Infringement proceedings for non-communication of transposition of Directive 2018/410 (Phase 4 EU ETS) Postponed to Q1 2022 : Conformity check for transposition of Directive 2018/410 (Phase 4 EU ETS)

Main outputs in 2021:**New policy initiatives**

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Contribution to the Commission assessment of national recovery and resilience plans	Qualitative and timely contribution	Q2 2021	Q4 2021 ¹⁹
Implementing regulation on the Member States' reporting of information foreseen in the Governance of the Energy Union (PLAN/2018/4711)	Adoption by the Commission	Q2 2021	Postponed to Q3 2022 ²⁰

Public consultations

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Public consultation on Implementing regulation on the Member States' reporting of information foreseen in the Governance of the Energy Union (PLAN/2018/4711)	Completion	Q2 2021	Postponed to Q3 2022 ²¹

Enforcement actions

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Infringement proceedings for non-communication of transposition of Directive 2018/410 (Phase 4 EU ETS)	Completion	Q3 2021	Completed in Q4 2021*
Conformity check for transposition of Directive 2018/410 (Phase 4 EU ETS)	Completion	Q3 2021	Postponed to Q1 2022 ²²

¹⁹ The assessment process is not finalised. By March 2022, the Commission has officially received 26 recovery and resilience plans and adopted 22 of them.

²⁰ Timing adjusted based on priorities, taking into account the first report under the IA is due by March 2023

²¹ Timing adjusted based on priorities, taking into account the first report under the IA is due by March 2023

Other important outputs

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Integration of climate transition aspects into the European Semester (Annual Sustainable Growth Strategy, country reports and country-specific recommendations)	Delivery	Q4 2021	Completed in Q4 2021
Report on the Functioning of the European Carbon Market in 2021	Adoption by the Commission	Q4 2021	Completed in Q4 2021
2021 Annual Report on CO2 Emissions from Maritime Transport	Adoption by the Commission	Q2 2021	Completed in Q3 2021*
Sixth report on the State of the Energy Union	Adoption by the Commission	Q3 2021	Completed in Q4 2021*
Annual Report from the Commission to the European Parliament and the Council on progress of clean energy competitiveness for the year 2021 (PLAN/2020/9524)	Adoption by the Commission	Q4 2021	Completed in Q4 2021
Climate Action Progress Report 2021	Adoption by the Commission	Q4 2021	Completed in Q4 2021
Procurement contracts	Contracts signed	2 contracts by 31/12/2021	2 contracts signed by 31/12/2021

Specific objective 1.3: Climate-related spending mainstreamed in the EU budget and in private funds to finance the green and just transition and invest in particular in low carbon and other climate innovations

Related to spending programme(s): LIFE Regulation

Result indicator: GHG emissions reduction or avoidance triggered by projects financed under the Innovation Fund and the Private Finance for Energy Efficiency (PF4EE)

²² The timing was adjusted based on priorities and to allow for the assessment of impending legal developments in a limited number of Member States.

Explanation: The three instruments mentioned above finance concrete low-carbon projects

Source of data: Annual operational report from the European Investment Bank (for PF4EE), annual reports from the Innovation and Networks Executive Agency (for the Innovation Fund)

Methodology for calculating the indicator: In general, data reported will correspond to the achieved reduction (or avoidance) of GHG emissions triggered by the projects. However, for the Innovation Fund during the first years of implementation, data reported will correspond to the expected GHG emissions avoided or reduced, until first projects enter into operation. This is due to the time lag between contract signature and entry of projects into operation.

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2021)
For the Innovation Fund: Not applicable because it is a new instrument	N/A before award of financing to first projects	N/A before award of financing to first projects	Expected GHG emissions avoided by the projects once in operation. Data based on the 30 projects that signed a grant agreement by 31 December 2021: 4.5 Mt CO ₂ e over 10 years of operation.
For PF4EE: 57 190 tons of CO ₂	152 000 tCO ₂	247 000 tCO ₂	98 125 tCO ₂

Result indicator: Investment mobilised through the Innovation Fund, the Private Finance for Energy Efficiency (PF4EE) and NER 300.

Explanation: The level of investment mobilised corresponds to the volume of clean-tech investments mobilised by the NER 300, PF4EE and the Innovation Fund.

Source of data: Respective programme annual reports.

Methodology for calculating the indicator: Total volume of investments triggered by the financing provided by the respective programme.

The Private Finance for Energy Efficiency (PF4EE)			
Baseline	Interim Milestone	Target	Latest known results (year)
EUR 150 million	EUR 400 million	EUR 650 million	EUR 417 million
Innovation Fund			
Baseline	Interim Milestone	Target	Latest known results (2021)
N/A because new instrument	N/A before award of financing to first projects	N/A before award of financing to first projects	Expected volume of investments triggered, calculated as total CAPEX including Innovation Fund grant, for the projects that signed a grant agreement by 31.12.2021 amounts to: EUR 192 million. The amount might change at the moment the projects reach financial close and the financial data is more reliable.

Result indicator: Expected reduction of GHG emissions triggered by LIFE projects

Explanation: Results from projects financed by the LIFE programme

Source of data: Programme Statement LIFE programme, based on the LIFE Key Performance Indicators (KPI) database managed by the Executive Agency for Small and Medium-sized Enterprises (EASME)

Methodology for calculating the indicator: Expected reduction. Given some projects are highly innovative, it could happen that the expected results/impacts of some projects will not materialise.

In tons of CO₂/year. Other GHG expressed in tons of GHG CO₂ equivalent/year

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
Targets will be defined once the EU's Multiannual Financial Framework (MFF) 2021-2027 will be adopted			Expected result : reduction of around 12 million tons of CO2/year (from 263 on-going LIFE projects)

Result indicator: Population in vulnerable areas/cities benefitting from further protection against the adverse effects of climate change

Explanation: Results from projects financed by the LIFE programme that aim to strengthen resilience and adaptive capacity to climate-related hazards and natural disasters

Source of data: Programme Statement LIFE programme, based on the LIFE Key Performance Indicators (KPI) database managed by the Executive Agency for Small and Medium-sized Enterprises (EASME)

Methodology for calculating the indicator: Expected reduction. Given some projects are highly innovative, it could happen that the expected results/impacts of some projects will not materialise.

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
Targets will be defined once the EU's Multiannual Financial Framework (MFF) 2021-2027 will be adopted			Expected result : around 1.7 million people (from 118 on-going LIFE projects)

Main outputs in 2021:

New policy initiatives

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
LIFE Multiannual Work Programme for 2021-2024	Adoption by the Commission	Q2 2021	Completed in Q3 2021*
Horizon Europe – Cluster 5 - Work Programme for 2021/22	Adoption by the Commission	Q1 2021	Completed in Q4 2021 ²³
Commission Decision concerning the blending of the Innovation Fund with InvestEU	Adoption by the Commission	Q2 2021	Completed in Q3 2021*
Updated delegated act for climate mitigation and adaptation taxonomy	Adoption by the Commission	Q4 2021	Postponed : On 31 December 2021 the Commission launched a consultation process for a complementary delegated act relating to the taxonomy on nuclear and gas power generation

External communication actions

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Webinars concerning the application process for the Innovation Fund	Number of webinars	4 webinars	4 Webinars
	Number of attendees	400 attendees per webinar (physical and/or online)	1090 attendees per webinar on average
	Number of posts on social media	12 posts on social media	15 posts on social media
Cleantech financing conference	Number of conferences	2 conferences	2 conferences
	Number of attendees	400 attendees per conference (physical and/or online)	235 attendees per conference on average ²⁴
	Number of posts on social media	6 posts on social media	7 posts on social media

²³ Postponed due to delays in other parts of the Work Programmes

Knowledge sharing event on NER300 and Innovation Fund	Number of attendees Number of posts on social media	200 attendees (physical and/or online) 3 posts on social media	670 connections (peak of people connected at the same time: 230) 4 posts on social media
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Other important outputs

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
2 disbursement decisions under the Modernisation Fund	Decision adopted	July 2021 and December 2021	Completed on time
Award decisions on 2020 LIFE climate action calls for proposals (traditional and integrated projects)	Decision adopted	Q4 2021	Completed in Q3 2021
Award decision on LIFE 2020 Call for Proposals from NGOs	Decision adopted	Q3 2021	Completed in Q3 2021
Award decision on the Innovation Fund 2020 call for proposals	Decision adopted	Q4 2021	Completed in Q4 2021
Financial agreements under the financial instruments	Operations signed	3 by 31/12/2021	5 operations signed by Q4 2021 ²⁵
Procurement contracts	Contract signed	5 contracts by 31/12/2021	5 contracts signed by 31/12/2021

²⁴ While the number of participants was satisfactory, it was lower than initially planned because both conferences were organised as side events to other larger initiatives with a number of sessions in parallel competing for the same type of audience (one was part of the EU Sustainable Energy Week extended programme and the other one as part of the Conference of the Parties (COP) side events in Glasgow).

²⁵ 3 agreements signed under the Private Finance for Energy Efficiency (PF4EE) and 2 agreements signed under Natural Capital Financing Facility (NCF)

Specific objective 1.4: COMMUNICATION AND DIALOGUE: a voice and a space is given to citizens, cities, regions and all stakeholders to design and implement climate actions, share information, launch grassroots activities and showcase solutions that others can follow through the Climate Pact and the EU covenant of Mayors

Related to spending programme(s): LIFE Regulation

Result indicator: % of respondents that have personally taken action to fight climate change

Explanation: Result of face-to-face interviews carried out in all Member States of the EU with respondents from different social and demographic groups. The following question is asked: “Have you personally taken any action to fight climate change over the past six months?”

Source of the data: EU barometer survey (conducted every two years)

Baseline (2018)	Interim Milestone (2020)	Target (2024)	Latest known results (2021)
60%	Further increase	As high as possible, further increase	64%

Result indicator: Population covered by the EU Covenant of Mayors for Climate and Energy

Explanation: Population covered by the EU Covenant of Mayors for Climate and Energy, representing the size of population living in jurisdiction that have voluntarily committed to achieving and exceeding the EU climate and energy targets

Source of the data: Sustainable development goals indicators, (Eurostat online data code: sdg_13_60)

Baseline (2019)	Target (2024)	Latest known results (2021)
187.9 million people ²⁶	Steady increase	196.7 million people

²⁶ Differs from the data presented in [DG CLIMA Strategic plan 2020-2024](#) because Eurostat periodically revises its published data (including corrections of baselines retrospectively) to reflect new or improved information, also for previous years.

Result indicator: Number of Climate Pact pledges

Explanation: The Climate Pact will be launched at the end of 2020 and will give citizens and stakeholders from all parts of society a voice and role in designing new climate and environmental actions, sharing information, launching grassroots activities, showcasing solutions that others can follow and voluntary commitments to take climate action (Climate Pact pledges).

Source of the data: Climate Pact online platform

Baseline (2019)	Target (2024)	Latest known results (2021)
0	Steady increase since its launch	25,600 pledges by 31/12/2021

Main outputs in 2021:

External communication actions

Output	Indicator	Target
Special Eurobarometer survey on the perception of climate change	Publication	Q2 2021

Other important outputs

Output	Indicator	Target
Climate Pact's online platform	Platform is online	Q1 2021
Climate Pact Ambassadors	First Ambassadors nominated	Q1 2021
Procurement contracts	Contracts signed	4 contracts by 31/12/2021

Specific objective 1.5: ADAPTATION AND RESILIENCE: EU society (people, nature and welfare) is increasingly climate-resilient, adapted and equipped, protected and insured against the adverse impacts of climate change

Related to spending programme(s): LIFE Regulation

Result indicator: Number of Member States with adaptation plans


Explanation: Number of EU Member States that have communicated the establishment or operationalisation of an integrated plan which increases their ability to adapt to the adverse impacts of climate change and foster climate resilience. National Adaptation Plans usually aim to implement National Adaptation Strategies and to organise activities for achieving their objectives.

Source of the data: Climate-ADAPT, <https://climate-adapt.eea.europa.eu/countries-regions/countries>

Baseline (2018)	Interim Milestone (2022)	Target (2024)	Latest known results (2021)
20	23	all Member States	22

Main outputs in 2021:

New policy initiatives

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
New EU Strategy on Adaptation to Climate Change  27	Adoption by the Commission	Q2 2021	Completed in Q1 2021

Other important outputs

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Launch of the pilot Observatory	Number of page visits	Q1 2021	2786 page views and 1167 visits per month ²⁸
Implementation of the actions as foreseen in the new Adaptation Strategy	Actions implemented on time	Q4 2021	Completed in Q4 2021
Procurement contracts	Contracts signed	4 contracts by 31/12/2021	4 contracts signed by 31/12/2021

²⁷ As part of the [Commission Work programme 2020](#)

²⁸ Average for the last three quarters of 2021, following the launch of the observatory in March

Specific objective 1.6: INTERNATIONAL NEGOTIATIONS: The level of ambition of other GHG emitters is increased thanks to the EU's leading role in climate diplomacy in line with the Paris Agreement and SDG 13

Related to spending programme(s): LIFE Regulation

Result indicator: Number of interventions/participation in multilateral climate negotiations to promote ambitious climate policies

Explanation: DG CLIMA will ensure a high level of ambition of other CO2 emitters to reduce GHG emissions and adapt to the effects of climate change in relevant multilateral climate negotiations, namely negotiations in the context of the United Nations Framework Convention on Climate Change (UNFCCC), the Ministerial meeting on Climate Action (MoCA), the Montreal Protocol, the International Civil Aviation Organization (ICAO) and the International Maritime Organisation (IMO).

Source of the data: DG CLIMA

Main outputs in 2021:

New policy initiatives

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Side events hosted under the EU pavilion at COP26	Number of side events hosted Number of attendees	90 An average of 40 participants per event (physical and/or online)	150 side events Over 20,000 participants to the online platform (on average, around 130 participants per event)

Other important outputs

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Lead the EU negotiations at COP26	Completion	Q4 2021	Completed in Q4 2021
Participation in UNFCCC meetings (2 meetings)	Completion	Q4 2021	Completed in Q4 2021
Participation in Montreal Protocol meetings (2 meetings)	Completion	Q4 2021	Completed in Q4 2021
Preparation, organisation, delivery and follow-up of the annual Florence meeting	Completion	Q3 2021	Completed in Q2 2021
Ministerial of Climate Action (MoCA) process	Completion	Q3 2021	Completed in Q1 2021
Procurement contracts	Contracts signed	5 contracts by 31/12/2021	5 contracts signed by 31/12/2021

ANNEX 3: Draft annual accounts and financial reports

Annex 3 Financial Reports - DG CLIMA - 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 DG CLIMA					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
Title 01 Research and Innovation					
01	01 01	Support administrative expenditure of the "Research and Innovation" cluster	0,00	0,00	0,00 %
	01 02	Horizon Europe	2,38	2,38	100,00 %
Total Title 01			2,38	2,38	100,00 %
Title 02 European Strategic Investments					
02	02 02	InvestEU Fund	0,00	0,00	0,00 %
Total Title 02			0,00	0,00	0,00 %
Title 09 Environment and Climate Action					
09	09 01	Support administrative expenditure of the Environment and Climate Action Cluster	3,11	3,11	99,98 %
	09 02	Programme for the Environment and Climate Action (LIFE)	11,11	11,10	99,86 %
Total Title 09			14,22	14,21	99,88 %
Title 14 External Action					
14	14 02	Neighbourhood, Development and International Cooperation Instrument (NDICI)	0,15	0,00	0,00 %
	14 20	Pilot projects, preparatory actions, prerogatives and other actions	0,86	0,86	100,00 %
Total Title 14			1,01	0,86	84,95 %
Title 15 Pre-accession Assistance					
15	15 02	Instrument for Pre-accession Assistance (IPA III)	0,00	0,00	0,00 %
Total Title 15			0,00	0,00	0,00 %
Title 16 Expenditure outside the annual ceilings set out in the Multiannual Financial Framework					
16	16 01	Support administrative expenditure outside the annual ceilings set out in the Multiannual Financial Framework	5,10	0,00	0,00 %
	16 03	Support innovation in low-carbon technologies and processes under the Emission Trading System (ETS)	3.693,40	28,89	0,78 %
Total Title 16			3.698,50	28,89	0,78 %
Title 20 Administrative expenditure of the European Commission					
20	20 02	Other staff and expenditure relating to persons	0,69	0,61	87,98 %
Total Title 20			0,69	0,61	87,98 %
Total Excluding NGEU			3.716,81	46,94	1,26 %

Title 01 Research and Innovation					
01	01 01	Support administrative expenditure of the "Research and Innovation" cluster	0,16	0,00	0,00 %
Total Title 01			0,16	0,00	0,00 %
Total NGEU Only			0,16	0,00	0,00 %
Total DG CLIMA			3.716,97	46,94	1,26 %

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

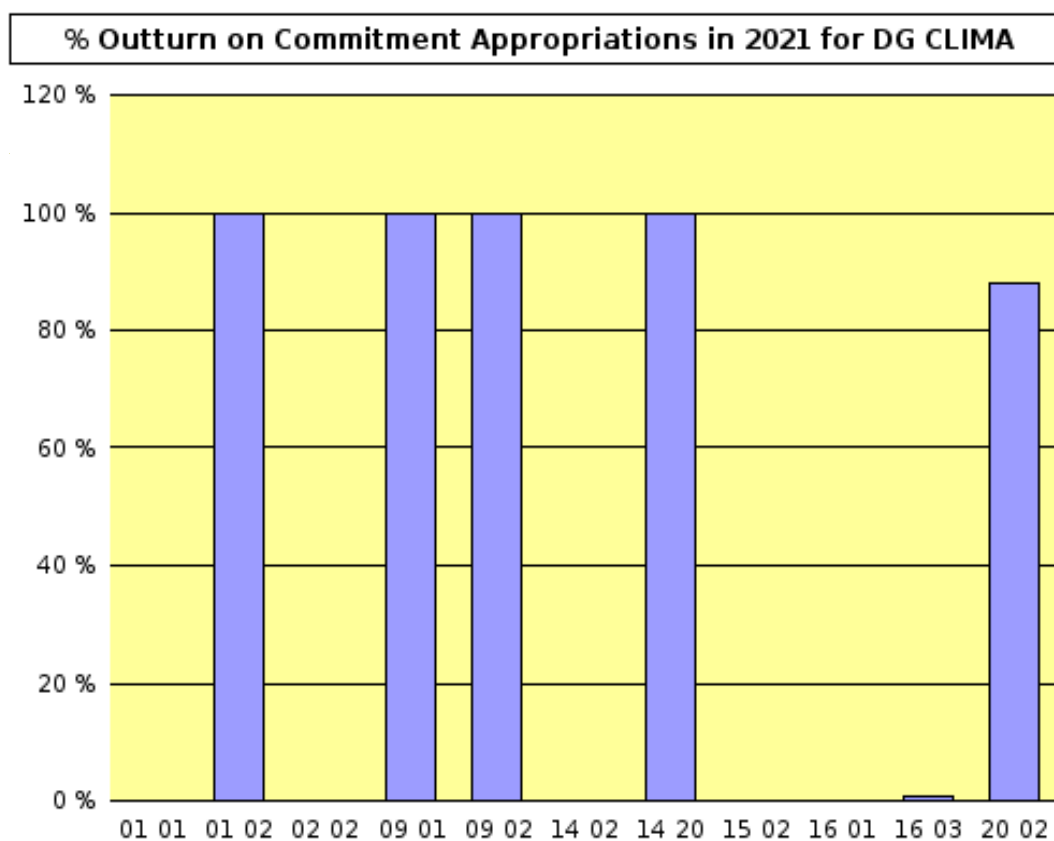


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS in 2021 (in Mio €) for DG CLIMA

			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 01 Research and Innovation					
01	01 01	Support administrative expenditure of the "Research and Innovation" cluster	0,00	0,00	0,00 %
	01 02	Horizon Europe	0,00	0,00	0,00 %
Total Title 01			0,00	0,00	0,00%
Title 02 European Strategic Investments					
02	02 02	InvestEU Fund	0,00	0,00	0,00 %
Total Title 02			0,00	0,00	0,00%
Title 09 Environment and Climate Action					
09	09 01	Support administrative expenditure of the "Environment and Climate Action" Cluster	5,31	3,17	59,70 %
	09 02	Programme for the Environment and Climate Action (LIFE)	19,50	19,49	99,95 %
Total Title 09			24,81	22,66	91,34%
Title 14 External Action					
14	14 02	Neighbourhood, Development and International Cooperation Instrument (NDICI)	5,65	5,50	97,31 %
	14 20	Pilot projects, preparatory actions, prerogatives and other actions	0,86	0,86	100,00 %
Total Title 14			6,51	6,36	97,67%
Title 15 Pre-accession Assistance					
15	15 02	Instrument for Pre-accession Assistance (IPA III)	0,19	0,19	100,00 %
Total Title 15			0,19	0,19	100,00%
Title 16 Expenditure outside the annual ceilings set out in the Multiannual Financial Framework					
16	16 01	Support administrative expenditure outside the annual ceilings set out in the Multiannual Financial Framework	5,10	0,00	0,00 %
	16 03	Support innovation in low-carbon technologies and processes under the Emission Trading System (ETS)	3.805,84	3,00	0,08 %
Total Title 16			3.810,94	3,00	0,08%
Title 20 Administrative expenditure of the European Commission					
20	20 02	Other staff and expenditure relating to persons	0,70	0,30	43,09 %
Total Title 20			0,70	0,30	43,09%
Total Excluding NGEU			3.843,16	32,51	0,85%
Title 01 Research and Innovation					
01	01 01	Support administrative expenditure of the "Research and Innovation" cluster	0,00	0,00	0,00 %
Total Title 01			0,00	0,00	0,00%
Total NGEU Only			0,00	0,00	0,00%
Total DG CLIMA			3.843,16	32,51	0,85 %

* 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).

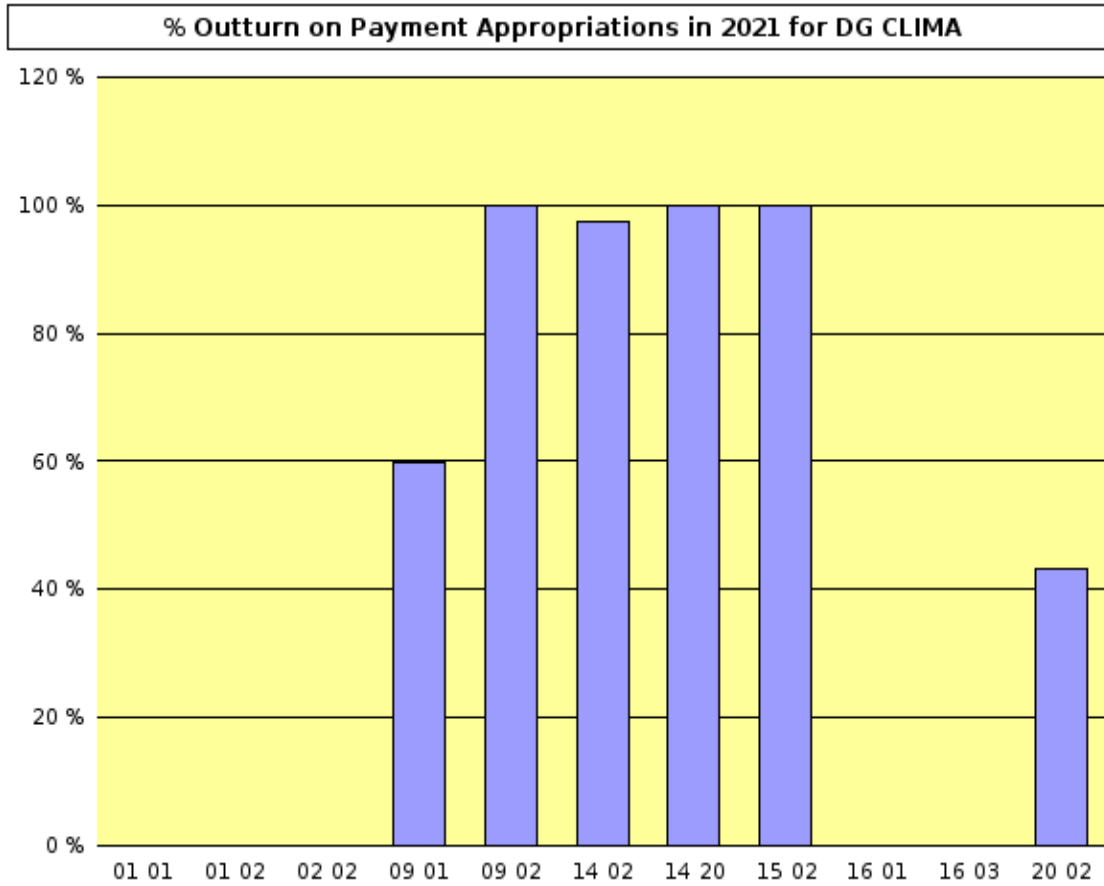


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG CLIMA

			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
01	01 01	Support administrative expenditure of the "Research and Innovation" cluster	0,00		0,00	0,00%	0,00	0,00	0,00
	01 02	Horizon Europe	2,38		2,38	100,00%	0,00	2,38	0,00
Total Title 01			2,38		2,38	100,00%	0,00	2,38	0,00

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG CLIMA

			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
02	02 02	InvestEU Fund	0,00		0,00	0,00%	44,87	44,87	44,87
Total Title 02			0,00		0,00	0,00%	44,87	44,87	44,87

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG CLIMA

			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
09	09 01	Support administrative expenditure of the "Environment and Climate Action" Cluster	3,11	0,98	2,14	68,65%	0,00	2,14	2,20
	09 02	Programme for the Environment and Climate Action (LIFE)	11,10	1,87	9,23	83,18%	26,82	36,05	44,87
Total Title 09			14,21	2,84	11,37	80,00%	26,82	38,19	47,06

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG CLIMA									
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)	0,00	0,00	0,00	0,00%	9,12	9,12	14,62
	14 20	Pilot projects, preparatory actions, prerogatives and other actions	0,86	0,86	0,00	0,00%	0,00	0,00	0,00
Total Title 14			0,86	0,86	0,00	0,00%	9,12	9,12	14,62
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG CLIMA									
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)	0,00	0,00	0,00	0,00%	1,29	1,29	1,49
Total Title 15			0,00	0,00	0,00	0,00%	1,29	1,29	1,49
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG CLIMA									
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
16	16 01	Support administrative expenditure outside the annual ceilings set out in the Multiannual Financial Framework	0,00		0,00	0,00%	0,00	0,00	0,00

	16 03	Support innovation in low-carbon technologies and processes under the Emission Trading System (ETS)	28,89	2,74	26,15	90,52%	0,24	26,39	0,50
Total Title 16			28,89	2,74	26,15	90,52%	0,24	26,39	0,50

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG CLIMA

			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
20	20 02	Other staff and expenditure relating to persons	0,61	0,30	0,31	51,25%	0,00	0,31	0,01
Total Title 20			0,61	0,30	0,31	51,25%	0,00	0,31	0,01
Total Excluding NGEU			46,94	6,73	40,21	85,66%	82,35	122,56	108,56

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG CLIMA

			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
01	01 01	Support administrative expenditure of the "Research and Innovation" cluster	0,00		0,00	0,00%	0,00	0,00	0,00
Total Title 01			0,00		0,00	0,00%	0,00	0,00	0,00
Total NGEU Only			0,00		0,00	0,00%	0,00	0,00	0,00

Total for DG CLIMA			46,93878387	6,73	40,21	85,66 %	82,35	122,56	108,56
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Breakdown of Commitments Remaining to be Settled (in Mio EUR) in 2021 CLIMA

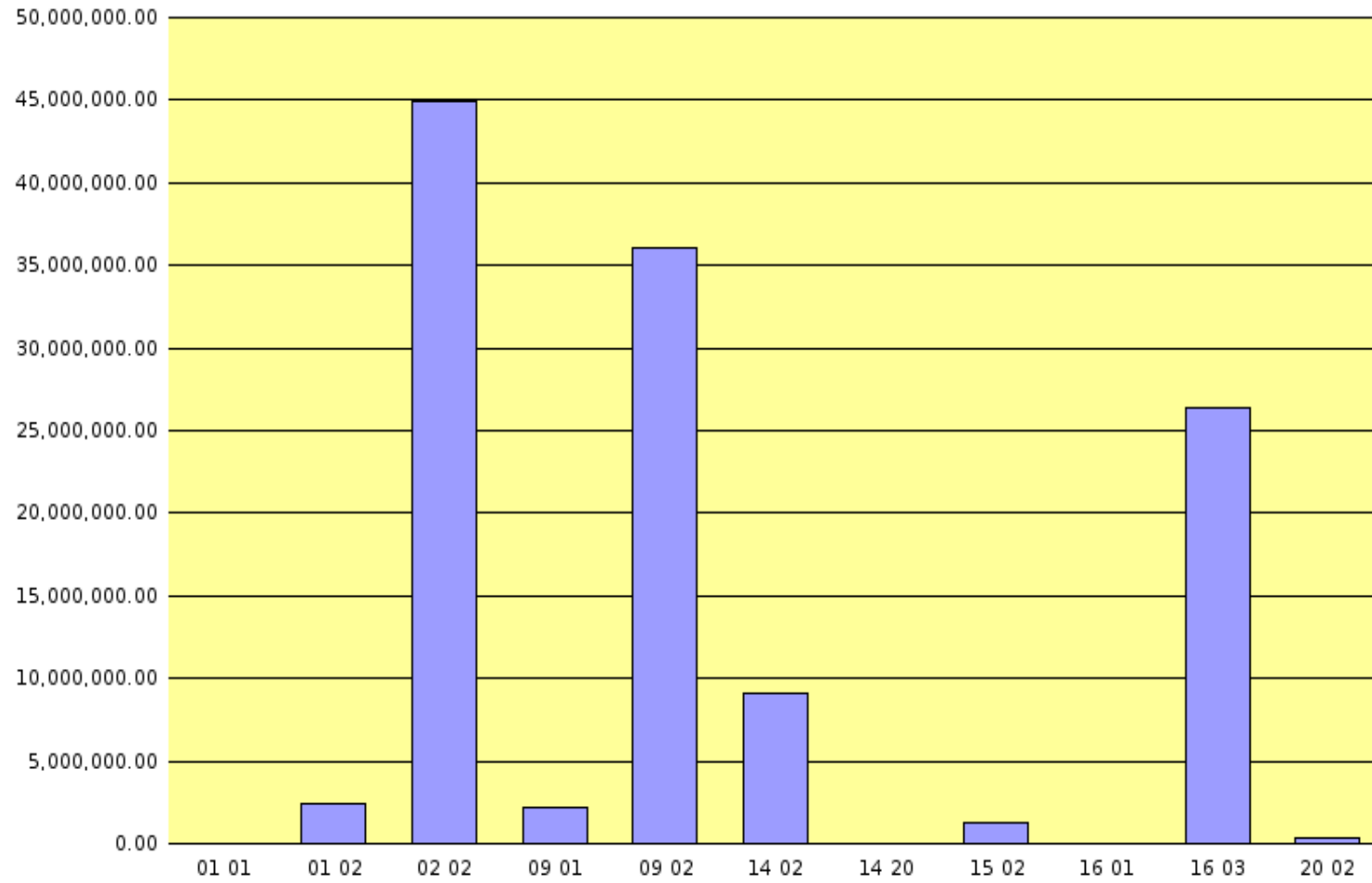


TABLE 4 : BALANCE SHEET for DG CLIMA

BALANCE SHEET	2021	2020
A.I. NON CURRENT ASSETS	3.684.331.908,92	3.490.635,93
A.I.1. Intangible Assets	2.513.330,52	3.490.635,93
A.I.4. Non-Current Financial Assets	3.680.652.580,40	
A.I.6. Non-Cur Exch Receiv & Non-Ex Recoverab	1.165.997,00	
A.II. CURRENT ASSETS	620.478.590,7	816.827.084,3
A.II.1. Current Financial Assets	514.750.625,44	
A.II.2. Current Pre-Financing	13.335.949,64	16.887.081,69
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	33.002.269,58	746.260.272,60
A.II.6. Cash and Cash Equivalents	59.389.746,05	53.679.730,00
ASSETS	4.304.810.498,63	820.317.720,2
P.II. CURRENT LIABILITIES	-9.382.587,75	-563.954,07
P.II.3. Current Financial Liabilities	-6.498.096,00	
P.II.4. Current Payables	-2.884.491,75	-563.954,07
P.II.5. Current Accrued Charges & Defrd Income	0,00	0,00
LIABILITIES	-9.382.587,75	-563.954,07
NET ASSETS (ASSETS less LIABILITIES)	4.295.427.910,88	819.753.766,15
P.III.2. Accumulated Surplus/Deficit	-1.897.524.952,18	157372470,7
Non-allocated central (surplus)/deficit*	-2.397.902.958,70	-977.126.236,82
TOTAL DG CLIMA	0,00	0,00

TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE for DG CLIMA

STATEMENT OF FINANCIAL PERFORMANCE	2021	2020
II.1 REVENUES	-2.197.575.226,63	-2.079.499.405,60
II.1.1. NON-EXCHANGE REVENUES	-2.200.494.895,18	-2.082.996.760,60
II.1.1.5. FINES	-13.650.140,18	-2.546.599,60
II.1.1.8. OTHER NON-EXCHANGE REVENUES	-2.186.844.755,00	-2.080.450.161,00
II.1.2. EXCHANGE REVENUES	2.919.668,55	3.497.355,00
II.1.2.1. FINANCIAL INCOME	-1.148.777,33	
II.1.2.2. OTHER EXCHANGE REVENUE	4.068.445,88	3.497.355,00
II.2. EXPENSES	67.467.532,62	20.986.525,75
II.2. EXPENSES	67.467.532,62	20.986.525,75
II.2.10. OTHER EXPENSES	9.396.079,76	7.210.643,57
II.2.2. EXP IMPLM BY COMMISS&EX.AGENC. (DM)	16.649.782,17	11.385.317,18
II.2.4. EXP IMPL BY 3RD CNTR & INT ORG (IM)	9.151.156,61	2.340.565,00
II.2.5. EXP IMPLM BY OTHER ENTITIES (IM)	507.960,00	50.000,00
II.2.8. FINANCE COSTS	31.762.554,08	
STATEMENT OF FINANCIAL PERFORMANCE	-2.130.107.694,01	-2.058.512.879,85

**The accounting situation presented in the Balance Sheet and Statement of Financial Performance does not include the accruals and deferrals calculated centrally by the services of the Accounting Officer.*

TABLE 5bis : OFF BALANCE SHEET for DG CLIMA

OFF BALANCE	2021	2020
OB.1. Contingent Assets	0	372.368
GR for pre-financing	0,00	372.368,00
OB.2. Contingent Liabilities	-78.700.000	-17.085.672
OB.2.1. Guarantees given for EU FI	-78.700.000,00	-17.085.672,00
OB.4. Balancing Accounts	78.700.000	16.713.304
OB.4. Balancing Accounts	78.700.000,00	16.713.304,00
OFF BALANCE	0,00	0,00

TABLE 6: AVERAGE PAYMENT TIMES in 2021 for CLIMA

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	219	218	99,54 %	12,59174	1	0,46 %	74	4844,1	0, %
60	100	98	98,00 %	21,36735	2	2,00 %	108	742500	4, %
90	11	11	100,00 %	34,81818				0	0, %

Total Number of Payments	330	327	99,09 %		3	0,91 %		747344,1	2, %
Average Net Payment Time	16,7030303			15,96942			96,66666667		
Average Gross Payment Time	19,75454545			19,04893			96,66666667		

Suspensions							
Average Report Approval Suspension Days	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
0	28	36	10,91 %	330	4.698.752,30	14,58 %	32.230.164,70

DG	GL Account	Description	Amount (Eur)

TABLE 7 : SITUATION ON REVENUE AND INCOME in 2021 for DG CLIMA

Chapter		Revenue and income recognized			Revenue and income cashed from			Outstanding
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	balance
		1	2	3=1+2	4	5	6=4+5	7=3-6
42	Fines and penalties	13.650.140,18	2.546.599,60	16.196.739,78	5.440.098,24	2.546.599,60	7.986.697,84	8.210.041,94
65	Neighbourhood and the world	151.955,00	0,00	151.955,00	151.955,00	0,00	151.955,00	0,00
66	Other contributions and refunds	2.930.606.226,28	0,00	2.930.606.226,28	2.483.268.782,70	0,00	2.483.268.782,70	447.337.443,58
Total DG CLIMA		2.944.408.321	2.546.599,6	2.946.954.921	2.488.860.836	2.546.599,6	2.491.407.436	455.547.485,5

**TABLE 8 : RECOVERY OF PAYMENTS in 2021 for DG CLIMA
(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
2015			1	151.955		
2018			1	112.315,28		
Sub-Total			2	264.270,28		

EXPENSES BUDGET	Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context (incl. non-qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES										
NON ELIGIBLE IN COST CLAIMS							1	160.000,00		
CREDIT NOTES							6	386.008,31		
Sub-Total							7	546.008,31		
GRAND TOTAL							9	810.278,59		

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

	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
2020	1		-100,00 %	2.546.599,60		-100,00 %
2021		6			431.947.485,52	
	1	6	500,00 %	2.546.599,60	431.947.485,52	16.861,74 %

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

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

Total DG CLIMA

Number of RO waivers

TABLE 11 : Negotiated Procedures in 2021 for DG CLIMA**Internal Procedures > € 60,000**

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
Annex 1 - 11.1 (b) - Artistic/technical reasons or exclusive rights or technical monopoly/captive market	2	851.570,89
Total	2	851.570,89

TABLE 12 : Summary of Procedures in 2021 for DG CLIMA**Internal Procedures > € 60,000**

Procedure Legal base	Number of Procedures	Amount (€)
Negotiated procedure low value contract (Annex 1 - 14.3)	1	61.228,12
Negotiated procedure middle value contract (Annex 1 - 14.2)	1	101.217,21
Negotiated procedure without prior publication (Annex 1 - 11.1)	2	851.570,89
Open procedure (FR 164 (1)(a))	4	874.496,00
Restricted procedure based on a call for expressions of interest - Preselection of candidates (Annex 1 - 13.3 (a))	1	74.932,00
Total	9	1.963.444,22

TABLE 13 : BUILDING CONTRACTS in 2021 for DG CLIMA

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

TABLE 14 : CONTRACTS DECLARED SECRET in 2021 for DG CLIMA

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

TABLE 15 : FPA duration exceeds 4 years - DG CLIMA

None of your FPA (if any) exceeds 4 years

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

ANNEX 4: Financial Scorecard

DG CLIMA

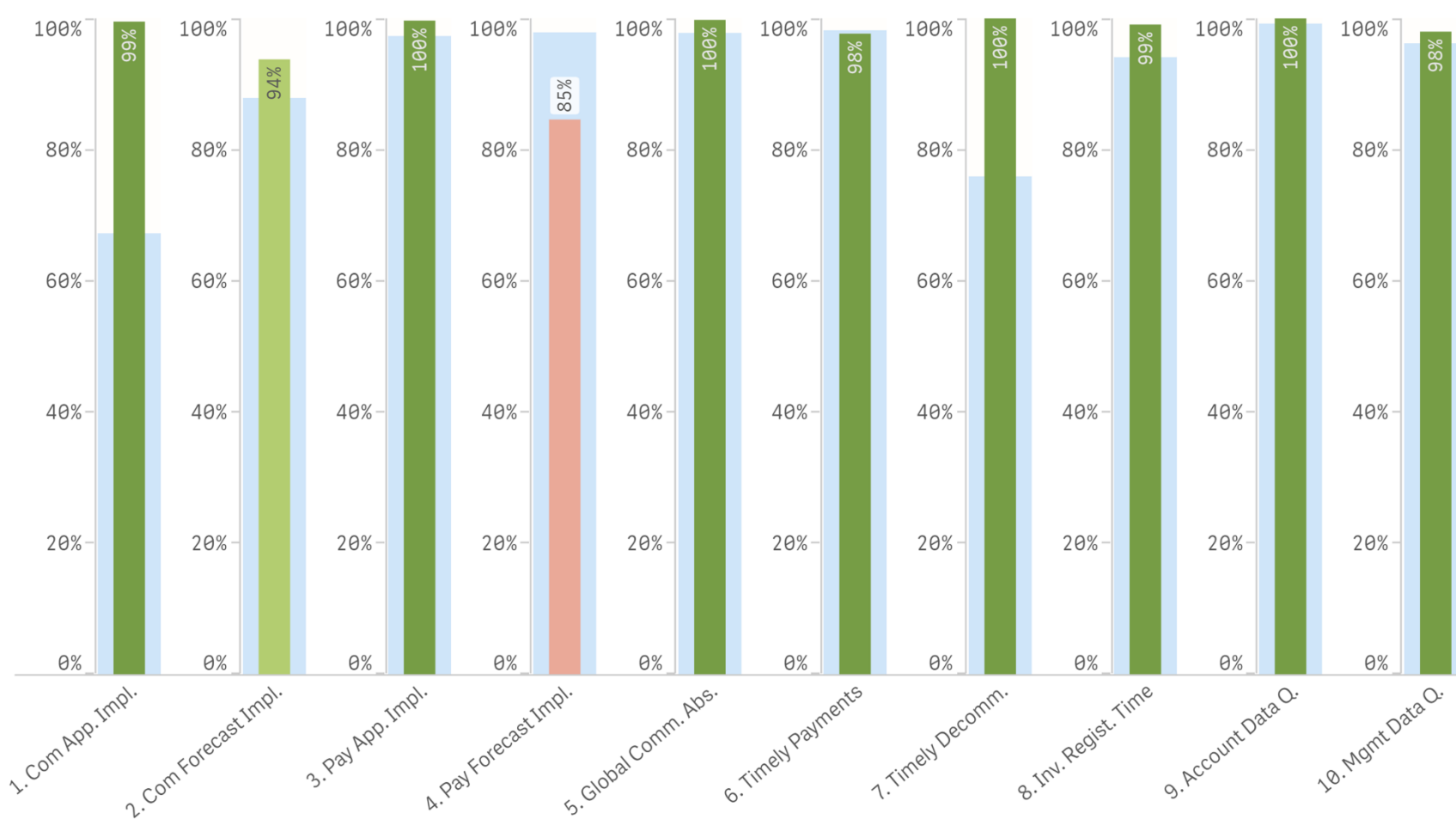
The Annex 4 of each Commission service summarises the annual result of the standard financial indicators measurement. Annexed to the Annual Activity Report 2021, 10 standard financial indicators are presented below, each with its objective and result for the Commission service and for the EC as a whole (for benchmarking purposes)²⁹:

- 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

CLIMA Indicator Scores 2021



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

²⁹ If the EC 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 ³⁰	CLIMA Score	EC Score
1. CA Implementation	Ensure efficient use of commitment appropriations expiring at the end of Financial Year		99%	67%
2. CA Forecast Implementation	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year		94%	88%
3. PA Implementation	Ensure efficient use of payment appropriations expiring at the end of Financial Year		100%	98%
4. PA Forecast Implementation	Ensure the cumulative alignment of the payment implementation with the payment forecast in a financial year	DG Climate Action paid less than the forecasted amount. The deviation is mainly due to end of year deferred payments under Global Public Goods & Challenges (GPGC) -legacy.	85%	98%
5. Global Commitment Absorption ³¹	Ensure efficient use of already earmarked commitment appropriations (at L1 level)		100%	98%
6. Timely Payments	Ensure efficient processing of payments within the legal deadlines	DG Climate action's Timely payments indicator (i.e. payment accepted amount on time/ payment accepted amount in EUR), as presented below, shows that the vast majority of payments were made on time. Specifically, 98% of payments were processed in the due time. This value is aligned with the Commission score of 98%.	98%	98%
7. Timely Decommitments	Ensure efficient decommitment of outstanding RAL at the end of commitment life cycle		100%	76%
8. Invoice Registration Time	Monitor the accounting risk stemming from late registration of invoices in the central accounting system ABAC		99%	94%
9. Accounting Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the accounts		100%	99%
10. Management Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the management decisions		98%	96%

³⁰ An explanation behind the indicator result can be provided, e.g. the comment about the achievement itself, reference to the whole Commission performance (better or worse), reasons behind this achievement. The comment is mandatory for the 'Timely payments' indicator. For the rest of indicators the comment is mandatory only if the score is equal or below the target of 80%]

³¹ Due to technical limitation, the indicator does not take into account the Com L1 Consumption between the FDC ILC date and the FA FDI allowed as an exception in the external actions for Com L1 of type GF, i.e. with Financing Agreement, under the FR2018 Article 114.2. As a result, the actual Indicator score may be slightly higher than the one reported for DGs using the GF commitments.

ANNEX 5: Materiality criteria

Section 2.1 of this report sets out the main elements used to identify possible weaknesses in the internal control system. The significance/materiality of any weaknesses identified is assessed according to the following criteria:

1. Qualitative criteria

The qualitative criteria for assessing the significance of any weaknesses identified are:

- the nature and scope of the weakness
- the duration of the weakness
- the existence of compensatory measures
- the existence of effective corrective actions to correct the weaknesses
- the residual reputational, financial, operational and legal/regulatory risk
- significant deficiencies in one of the control systems
- issues outlined by auditors or OLAF

2. Quantitative criteria

In the context of a transaction-based approach, DG Climate Action considers that identified erroneous transactions which expose DG Climate Action to an actual financial loss could lead to a reservation to Director's General declaration under the following conditions:

- A significant weakness described in the AAR has been identified, and
- The weakness affects at least one the areas of the declaration of assurance:
(i)control systems, (ii)sound financial management, or (iii)legality and regularity of transactions, and
- An actual financial loss or reputational issue has already occurred or is very likely to materialise, and
- The amount has actually exceeded or is very likely to exceed the threshold of 2% of the relevant payment budget actually implemented, that means if the issue is not already corrected during the reporting period, for example by recovery orders or offsetting with future payments due.

Since 2019⁽³²⁾, 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.

⁽³²⁾ Agreement of the Corporate Management Board of 30/4/2019.

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

Procurement – direct management (ex-ante controls*)

Stage 1 – Planning – Preparation phase

Main Internal Control Objectives: Effectiveness, efficiency and economy. Compliance, legality and regularity.

Main Risks:	Mitigating Controls:	Coverage Frequency and depth of Controls:	Possible cost effectiveness indicators
The needs are not well defined and the decision to procure was inappropriate to meet the operational objectives	Validation by AOSD of the justification for launching a procurement process	100% of the forecast procurements (open procedures with prior notification) are justified in a note addressed to the AOSD	Effectiveness: Number of projected tenders cancelled. Number of procedures where only one or no offers were received.
	Decisions are discussed at management meeting	All procurement procedures having significant impact on the objectives of the DG are discussed at a resources management meeting	
The best offers are not submitted due to the pure definition of tender specifications	Agreement between operational unit and financial unit on the final version of tender specs	100% of tender specifications are reviewed by the financial unit. The depth of controls may be determined by the amount and/or the significance / complexity of the file	Number of complaints received. Number of exceptions / non-compliance with FR registered. Efficiency: Average cost per tender
	Upstream control: Additional verification and responsible AOSD supervision	100% of tender specification are submitted for the approval of the AOSD.	
Undisclosed conflict of interest that could lead to information leakages before tender	Opening and evaluation committee members sign a declaration of absence of conflict of interests	100% of evaluation committee members sign a declaration of conflict of interest	Economy: Estimation of total cost of staff involved in the procurement process
	Additional checks by the financial unit	100% of procurement files are checked by the financial unit	

Main Risks:	Mitigating Controls:	Coverage Frequency and depth of Controls:	Possible cost effectiveness indicators
	Red flags checked for every file	For all public procurement files red flags are checked	

*No ex-post controls are carried out in DG CLIMA

Procurement – direct management (ex-ante controls*)

Stage 2 – Evaluation – Award phase

Main Internal Control Objectives: Effectiveness, efficiency and economy. Compliance, legality and regularity. Fraud prevention and detection.

Main Risks:	Mitigating Controls:	Coverage Frequency and depth of Controls:	Possible cost effectiveness indicators
The most economically advantageous offer not being selected due to a biased inaccurate or unfair evaluation process	Existence of formal evaluation process – Opening and evaluation committee for tenders	100% of tenders are analysed. Depth: Check of all submitted documents	Effectiveness: Number of tenders cancelled. Numbers of complaints received. Number of litigation cases. Number of tenders received non-favourable CPAC opinion. Number of tenders extended beyond the standstill period. Efficiency: Average cost per tender Economy: Estimation of total cost of staff involved in the procurement process
	Opinion of consultative committee CPAC	CPAC opinion is provided for all tenders above EUR 500,000, for framework contracts and for randomly selected files	
	Tenderers are allowed to attend openings	For all open calls	
	Check of Early Detection Early Exclusion System (EDES) for all contractors	100% of tenders	
	Standstill period providing opportunity to unsuccessful tenderers to communicate their concerns on the decision	100% of tenders	
	The decision of the evaluation committee is documented	100% of tenders	

Main Risks:	Mitigating Controls:	Coverage Frequency and depth of Controls:	Possible cost effectiveness indicators
	Guidelines and templates to be used are accessible in the Intranet	Guidelines are constantly kept up to date and are easily accessible to all staff	

*No ex-post controls are carried out in DG CLIMA

Procurement – direct management (ex-ante controls*)

Stage 3 – Implementation phase

Main Internal Control Objectives: Ensure that the implementation of the contract is in compliance with the signed contract

Main Risks:	Mitigating Controls:	Coverage Frequency and depth of Controls:	Possible cost effectiveness indicators
<p>The products/services/ works foreseen are not (totally or partially) provided in accordance with the requirements of the signed contract</p> <p>The contractor fails to deliver</p> <p>The amounts paid exceeds the amounts due, (as those defined in the contract)</p>	Reinforced monitoring on deliverables submission timing	100% of contracts	<p>Effectiveness: Number of tenders cancelled. Numbers of complaints received. Number of litigation cases. Number of tenders received. Non-favourable CPAC opinion. Number of tenders extended beyond the standstill period.</p> <p>Efficiency: Average cost per tender</p> <p>Economy: Estimation of total cost of staff involved in the procurement process</p>
	Operational and financial checks in accordance with the financial circuits (“certified correct”)	100% of payments Depth: The depth of controls depends on risk criteria	
	AOSD authorization for transactions	100% of payments are authorized by AOSD	
	Request for a bank guarantee (to cover pre financing payments)	100% of “risky” contracts	
	Non-performance contractual clauses	100% of contracts	
	Check for plagiarism – double funding for the same study / service	In suspicious / risky cases using appropriate IT tools	

*No ex-post controls are carried out in DG CLIMA

Grants – direct management (ex-ante controls*)

Stage 1 – Evaluation ranking and selection of proposals

Main Internal Control Objectives: Ensure that the most promising projects for meeting the policy objectives are among the proposals selected. Compliance, legality and regularity. Fraud prevention and detection.

Main Risks:	Mitigating Controls:	Coverage Frequency and depth of Controls:	Possible cost effectiveness indicators
The evaluation, ranking and selection of proposals are not carried out in accordance with the established procedures, the policy objectives, and the eligibility, selection and award criteria.	Assignment of staff (operational officers) to evaluate proposals.	100% vetting of technical expertise and independence (conflicts of interest, nationality bias, ex-employer bias etc.).	<p>Effectiveness: Number of proposals received over proposals expected. Number of proposals challenged.</p> <p>Efficiency: Average cost per proposal</p> <p>Economy: Estimation of total cost of staff involved in the grant management process</p>
	Assessment of proposals by staff.	100% of proposals are evaluated.	
	Review by a mixed panel and hierarchical validation by the responsible AOSD of ranked list of proposals.	100% of ranked lists of proposals. Depth of review depends on risk factors.	
	Additional checks by the financial unit.	Prior to the evaluation of proposals, the financial unit is consulted.	
	Red flags checked.	For all proposals, red flags are checked.	

*No ex-post controls are carried out in DG CLIMA

Grants – direct management (ex-ante controls*)

Stage 2 – Grant awarding phase

Main Internal Control Objectives: Effectiveness, efficiency and economy. Compliance, legality and regularity. Fraud prevention and detection.

Main Risks:	Mitigating Controls:	Coverage Frequency and depth of Controls:	Possible cost effectiveness indicators
<p>The description of the actions in the grant agreement includes tasks, which do not contribute to the objectives set.</p> <p>The budget foreseen overestimates the costs necessary to carry out the action.</p> <p>The beneficiary lacks operational and/or co-financing capacity to carry out the action.</p> <p>Procedures do not comply with the regulatory framework.</p>	<p>Assignment of staff (operational officers) to review and negotiate the grant agreements with Beneficiaries. Hierarchical validation of proposed adjustments.</p>	<p>100% of the selected proposals are scrutinized</p>	<p>Effectiveness: Amount of proposed costs rejected</p> <p>Efficiency: Time to grant</p> <p>Economy: Estimation of total cost of staff involved in the grant management process</p>
	<p>In depth financial verification, especially of the budget figures by the financial unit.</p>	<p>100% of the selected proposals are scrutinized by the financial unit</p>	
	<p>Signature of the grant agreement by the AOSD.</p>	<p>100% of grant agreements</p>	

*No ex-post controls are carried out in DG CLIMA

Grants – direct management (ex-ante controls *)

Stage 3 – Implementation phase

Main Internal Control Objectives: Ensure that the operational results (deliverables) from the projects are of good value and are in accordance with the signed grant agreement. Ensure that the related financial operations comply with the regulatory and contractual provisions.

Main Risks:	Mitigating Controls:	Coverage Frequency and depth of Controls:	Possible cost effectiveness indicators
<p>The products/services/ works foreseen are not (totally or partially) provided in accordance with the requirements of the signed grant agreement</p> <p>The contractor fails to deliver</p> <p>The amounts paid exceed the amounts due, (as those defined in the grant agreement)</p> <p>Ineligible costs paid</p>	Reinforced monitoring on deliverables and reports, submission timing	100% of grant agreements are controlled	<p>Effectiveness: Rejected costs as a percentage of total costs claimed</p> <p>Efficiency: Time to pay</p> <p>Economy: Estimation of total cost of staff involved in the grant management process</p>
	Operational and financial checks in accordance with the financial circuits	100% of payments. Operational and financial checks in accordance with financial circuits. Technical reports have to be approved by the operational unit before the payment. Depth: The depth of controls depends on risk criteria	
	AOSD authorization for transactions	100% of payments are authorized by AOSD	
	Non-performance contractual clauses	100% of grant agreements	
	Check for plagiarism – double funding for the same study / service	In suspicious / risky cases using appropriate IT tools	

*No ex-post controls are carried out in DG CLIMA

Indirect management (Ex-ante controls*)

Stage 1 Establishment or prolongation of the mandate to the entrusted entity

Main Internal Control Objectives: Ensure that the legal framework for the management of the relevant funds is fully compliant with the regulatory framework. Ensure that the management of the funds is delegated to an appropriate entity (best value for public money, economy, efficiency) and that there is no conflict of interest.

Main risks	Mitigating controls	Coverage frequency and depth of controls	Possible control indicators
The actions supported through the Financial Instrument do not adequately reflect the policy objectives (no compliance with Fin.	Ex-ante evaluation of the International Financial Institution – Hierarchical validation by AOSD	100% of cases. Depth: Checklist includes a list of the requirements of the regulatory provisions to be complied with.	Effectiveness: Number of litigation cases. Number of European Court of Auditors requirements.

<p>Reg. art. 140 and instrument specific objectives)</p> <p>The entrusted International Financial Institution does not have the experience to ensure effective implementation of this type of Financial Instrument</p> <p>Financial Institutions are not selected based on an open, transparent, justified on objective grounds procedure, or there are conflicts of interests in the selection process.</p>	<p>Ex-post monitoring. Lessons learned from previous assignments and suggestions before any prolongation.</p>	<p>100% of cases. Depth: Study of reports by the International Financial Institution, of the summary of audits and controls carried out, of independent audit opinions, of the ex-post audit policy, the anti-fraud strategy, the procurement and accounting policy (pillar assessment) etc.; all to be taken into account before the prolongation.</p>	<p>Number of control failures.</p> <p>Economy Estimation of the cost of staff involved in the management of the financial instruments.</p>
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*No ex-post controls are carried out in DG CLIMA

Indirect management (Ex-ante controls*)

Stage 2 Ex-ante assessment of the entrusted entity's financial and control framework

Main Internal Control Objectives: Ensure that the entrusted entity is fully prepared to start/continue implementing the delegated funds autonomously.

Main risks	Mitigating controls	Coverage frequency and depth of controls	Possible control indicators
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<p>The financial and control framework deployed by the entrusted entity is not fully mature to assure the management of funds in accordance with the regulatory provisions</p> <p>The design of the accounting and reporting arrangements of the entrusted entity does not ensure sufficient transparency</p> <p>The investment strategy and the risk profile of the financial institution or Final Recipient is not clearly defined</p>	<p>Ex-ante evaluation of the International Financial Institution or Final Recipient– Prior eligibility confirmation of the Designated Service involved, for every entrusted entity - Hierarchical validation by AOSD</p>	<p>100% of cases. Depth: May be determined after considering the type and nature of the entrusted entity and/or the value of the budget concerned</p>	<p>Economy Estimation of the cost of staff involved in the management of the financial instruments</p>
	<p>Ensure the provision of justification and prior consent of the Designated Service for any deviation from the signed agreement with the entrusted entity</p>	<p>100% of cases. Depth: Study of reports by the entrusted entity, of the summary of audits and controls carried out, of independent audit opinions etc., all to be taken into account before the prolongation</p>	

*No ex-post controls are carried out in DG CLIMA

Indirect management (Ex-ante controls*)

Stage 3 Operations - monitoring supervision reporting

Main Internal Control Objectives: Ensure that the Commission is fully and timely informed of any relevant management issues encountered by the entrusted entity in order to possibly mitigate any potential financial and/or reputational impact. Ensure that the Commission fully assesses the management situation of the entrusted entity before any payment or decision to suspend / interrupt the contribution.

Main risks	Mitigating controls	Coverage frequency and depth of controls	Possible control indicators
<p>The Designated Service is not timely informed of relevant management issues encountered by the entrusted entity and does not timely react upon notified issues. It may also pay the contribution to the entity without being informed on problematic issues. This may reflect negatively on the Commission's governance reputation.</p> <p>The Financial Institutions, fail to produce a number of operations significant to give conclusive results</p> <p>Internal controls weaknesses irregularities errors and fraud are not detected/corrected by the entrusted entities.</p>	<p>Delegation Act/Contribution agreement specifying the control, accounting, audit, publication etc. related requirements</p>	<p>100% of signed agreements</p>	<p>Effectiveness: Quality of reports. Relevance of the reported data. European Court of Auditors and Internal Audit Service findings. Amount of unused budget recovered/suspended.</p> <p>Efficiency: Cost benefit ratios. Average cost per entrusted entity. Ratio of cost over amount delegated. Time to pay.</p> <p>Economy Estimation of the cost of staff involved in the management of the financial instruments. Asset management fees.</p>
	<p>Monitoring/supervision of the entrusted entity, review of reporting control results and management audit reports</p>	<p>100% of entities involved are monitored/supervised on a regular basis. In case of operational/financial issues measures are reinforced. Depth: This depends on the mandate, and on the type of the entity. It also depends on risk criteria such as past experience with the entity, complexity or lack of experience in the area of financed actions or the management modalities.</p>	
	<p>Management review of the supervision results. Ex-ante in depth operational and financial verification. Validation of any payment or recovery by the AOSD, and if deemed appropriate suspension or interruption of payments.</p>	<p>100% of payments. Depth: This depends on the mandate, and on the type of the entity. If needed suspension or interruption of payments or even application of an exit strategy.</p>	

*No ex-post controls are carried out in DG Climate Action

ANNEX 7: Specific annexes related to "Financial Management"

Audit observations and recommendations (section 2.1.2)

There is one 'very important' recommendation addressed to both DG CLIMA and DG ENV following the IAS audit on relations with decentralised agencies (EEA and ECHA) in the Directorates General for Environment and for Climate Action (2021) :

- Recommendation No 2: DG CLIMA's oversight role in relation to the EEA's resources
Original due date: 31/12/2022

The IAS observed that, for activities where the EEA, DG ENV, DG CLIMA and other Commission services work together, the resourcing arrangements were not always in place prior to starting projects, de facto increasing the resources pressure on the Agency. This weakness might lead to inefficiencies and negatively impact the delivery of activities by pulling resources away from them, ultimately putting at risk the achievement of the operational and strategic objectives.

The auditors also noted that roles and responsibilities in the implementation of certain activities between DG ENV, DG CLIMA and the EEA were not always clear. As this is (generally) not clarified when implementing those activities, it results in non-optimal financial management practices, which might lead to lack of transparency in the use of the budget and ultimately jeopardise sound financial management.

Therefore, the IAS recommended that DG ENV and DG CLIMA should enhance controls and guidance for the preparation of the financial fiches, strengthen the coordination with other Commission services as regards the financing of non-core activities and clarify roles and responsibilities for shared projects at planning stage including to the extent possible the financing sources to ensure optimal financing practices.

DG CLIMA and DG ENV have developed a joint action plan, which outlines a number of actions to be taken by the end of 2022. Namely, improvements to the financial fiches, strengthening the structured dialogues with the EEA as well as coordination activities with other Commission services, and preparing a guidance document which clarifies the roles, responsibilities of all actors and instructions for the financing of non-core activities.

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

NB. The absolute values are presented in million EUR.

CLIMA	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)
Procurement	815.025,00 €	21.013.407,55 €	3,88%	- €	- €	0,00%	815.025,00 €	3,88%
Grant Management	57.372,00 €	1.314.600,41 €	4,36%	- €	- €	0,00%	57.372,00 €	4,36%
Indirect Mangement/Others	127.536,00 €	10.184.156,74 €	1,25%	- €	- €	0,00%	127.536,00 €	1,25%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
	- €	- €	0,00%	- €	- €	0,00%	- €	0,00%
OVERALL total estimated cost of control at EC level for expenditure	999.933,00 €	32.512.164,70 €	3,08%	€ -	€ -	0,00%	999.933,00 €	3,08%

ANNEX 8: Specific annexes related to "Assessment of the effectiveness of the internal control systems" (not applicable)

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

Table X : Estimated risk at payment and at closure

DG CLIMA	'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 (<i>adjusted</i> 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
Procurement Contracts	21,01	- 1,02	1,02	21,01	0,00% - 0,15%	0,00 - 0,03	0,00% - 0,00%	0,00 - 0,00	0,00 - 0,03
Contributions Agreement	4,91	- 4,12	3,57	4,36	0,00% - 0,15%	0,00 - 0,01	0,00% - 0,00%	0,00 - 0,00	0,00 - 0,01
Delegation Agreement	0,35	0,00	4,93	5,27	0,00% - 0,15%	0,00 - 0,01	0,00% - 0,00%	0,00 - 0,00	0,00 - 0,01
Grants	1,31	- 1,21	0,40	0,50	0,00% - 0,50%	0,00 - 0,00	0,00% - 0,00%	0,00 - 0,00	0,00 - 0,00
Others	4,93	0,00	0,00	4,93	0,00% - 0,15%	0,00 - 0,01	0,00% - 0,00%	0,00 - 0,00	0,00 - 0,01
DG total	32,51	- 6,35	9,91	36,07		0,00 - 0,06	0,00% - 0,00%	0,00 - 0,00	0,00 - 0,06
					Overall risk at payment in %	0,00% - 0,15% (7) / (5)		Overall risk at closure in %	0,00% - 0,15% (10) / (5)

Notes to the table X

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

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

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

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

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

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

(6) In this column, we disclose the detected error rates or equivalent estimates.

(8) The adjusted average recovery and corrections percentage is mostly based on the 7 years 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 DG over the past years.

(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.

1) Reservations

DG	DG Climate Action
Title of the reservation, including its scope	Reservation related to remaining significant security weakness identified in the Union Registry of the EU Emissions Trading System (EU ETS)
Domain	Central direct management in collaboration with national authorities – Administration of the Union Registry and Union Transaction Log by the Commission
Programme (or other relevant segment) in which the reservation is made and total (annual) amount of this programme	Environment and Climate Action
Reason for the reservation	<p>Since 2010, DG Climate Action has issued a reservation in all its AARs on reputational/legal/financial grounds related to security weaknesses identified in the Union Registry for the EU ETS.</p> <p>The Union Registry – the main information system underpinning the EU ETS, and available to its users through the Internet – is constantly exposed to cyber-threats, entailing the risk of attacks that can result in loss of availability, confidentiality and, most importantly, integrity of its data. The risk of theft or misappropriation of allowances may not only lead to financial loss or legal litigation, would equally cause considerable damage to the Commission's reputation and credibility.</p> <p>Operational since January 2005, the registries system ensures the accurate accounting of allowances issued under the EU ETS. In 2010/11 several successful cyber-attacks occurred against national registries and theft of allowances was reported. Since the migration of the national registries in June 2012 to a single Union Registry, classified as a critical system and operated by the Commission, the Union Registry would have been exposed to a reputational risk and legal/financial liabilities if new cyber-attacks would have succeeded.</p> <p>Periodic risk assessments have evaluated the overall security of the Union Registry. The first risk assessment (2013) was followed by a deeper one in 2014. Also in 2014, an IAS audit confirmed the existence of risks and 9 recommendations were issued. To address those recommendations, DG Climate Action implemented an action plan of more than 40 actions by 2018 and the IAS audit was formally closed in May 2019.</p> <p>The latest risk assessment (2019) confirmed a number of vulnerabilities to be addressed in a 'security plan' involving 12 reinforcing security measures. In compliance with Commission Decision 2017/46 and its implementing rules (CD 2017/8841), the unusually high residual risk situation was escalated in September 2019 to the IT and Cybersecurity Board (ITCB) for advice, as the Director General could not accept the residual risks.</p> <p>In order to address the identified weaknesses and threats, the below measures were taken and the ITCB has continuously been updated on the development:</p> <ul style="list-style-type: none"> - The 2019 risk assessment resulted in a security plan of 12 security measures to implement. The ITCB endorsed and monitors progress on CLIMA's proposal to plan and implement with DIGIT all measures in a two-year timeframe (September 2019-2021). So far of the 12 measures around 75% were completed at the end of 2021. Despite the hard work of CLIMA and DIGIT teams, the implementation of the remaining measures is slower than planned and will continue

	<p>on in 2022 to be finalised. The reason for the slower progress can largely be attributed to stretched resources as well as to the underestimation of the complexity to develop technical designs in the interplay between CLIMA, the different DIGIT services and external contractors.</p> <p>independent study was launched in 2019 to benchmark the resources and operational model of the Union Registry against other (financial) institutions with comparable systems. The results highlighted significant weaknesses in terms of financial and human resources mobilised, and suboptimal alignment with the kind of IT services observed in financial institutions.</p> <p>the study conclusions and risks levels seem to point to structural issues, a subsequent study was launched in December 2020 on potential alternative operating models for the Union Registry. The evaluation of the options put forward by the consultant at the end of 2021 concluded that there is a pressing need to identify a business model that would significantly reduce the persistently high risks resulting from holding and handling high value assets that the current operating model fails to address.</p> <p>part of the risk management cycle, a new risk assessment will be finalised by April 2022 in order to determine whether the new safeguards managed to lower the residual risks to business acceptable levels, or whether a new operational business model may be required to bridge this gap.</p> <p>Until the security plan is completed and a new risk assessment proves otherwise, the Union Registry and the EU Transaction Log are still exposed to security threats and the subsequent financial, legal and reputational impacts (more details in the section on 'Quantification of the financial impact' below)</p> <p>The unmitigated residual risks at the end of 2021 remain too high to be acceptable. No cyber-attacks have succeeded since 2010 and no security incident has been recorded so far; however, some minor reputational risks materialised in 2020. Under these conditions, no 'reasonable' assurance can currently be provided, that the existing security measures could successfully prevent future attacks to succeed.</p>
<p>Materiality criterion/criteria</p>	<p>The significance of the events of 2010/11 was assessed against the following 3 criteria, that still remain valid:</p> <ul style="list-style-type: none"> - nature of the impact on reputation of the Commission vis-à-vis stakeholders to manage a market based instrument : medium-term negative stakeholder perception with limited impact on ability of the Commission (DG Climate Action) to meet key objectives, - breadth of awareness of the events : international and national press coverage, pro-active communication with the MS in full transparency by the Commission via the dedicated website 'EU Climate Action', via a webpage dedicated to ETS on the Europa server and in the Climate Change Committee. - duration: a series of incidents started in November 2010 continuing in January 2011 led to a suspension of trading of allowances on the 'spot' market that accounts for less than 20% of the ETS. Another incident occurred in a national registry in October 2011.
<p>Quantification of the financial impact (amount at risk)</p>	<p>Non-quantifiable – impossible to assess the financial impact accurately.</p> <p>The trading of EU allowances (emissions rights) are regulated as 'financial instruments' under the revised 'Markets in Financial Instruments Directive (MiFID). The financial risks are proportional to asset value. The carbon price has overall been rising since 2014 (from approximately €6 in 2014 to above €75 by the end of 2021), and at current prices the Union Registry holds allowances in the value of over 200 Billion Euro.</p> <p>More significant is the reputational risk for the Commission as central administrator</p>

	<p>of the system which is critical and impossible to quantify.</p> <p>The EU ETS is a key element of the “European Green Deal”, and a potential interest of certain groups to disrupt the system cannot be entirely discarded. Not with the intention to steal, but simply with the intention to damage the reputation of the Commission or the reliability of the ETS as an effective tool to combat climate change.</p>
<p>Impact on the assurance</p>	<p>The event falls within the scope of the declaration as it is a core activity of EU climate policy. The critical in-house system is managed by the Commission (DG Climate Action) with high visibility and media coverage and to which considerable human and financial resources are and will continue to be allocated in the future.</p> <p>The EU ETS is one of the main instruments for achieving and implementing the revised 2030 target: at least 55% net greenhouse gas emissions reduction compared to 1990 levels.</p> <p>However, the weakness does not invalidate the declaration of <u>reasonable</u> assurance by the Director General</p>
<p>Responsibility for the weakness</p>	<p>The Commission (DG Climate Action), as central administrator, has a key role in the functioning of the EU ETS in managing the Union Registry and the Union Transaction Log.</p>
<p>Responsibility for the corrective action</p>	<p>IAS formally closed the 2014 security audit on the security of the EU ETS IT system in DG Climate Action in May 2019. The auditors in their closure note acknowledged, however, that the inherent risk linked to the system remains very high and that they will continue to monitor closely the evolution of this cyber-security risk.</p> <p>The latest risk assessment of 2019, endorsed by DIGIT, revealed ‘critical’ and ‘very critical’ risk levels. Despite good collaboration and continued efforts between DIGIT and DG Climate Action implementing security measures over the years, the risk of successful cyberattack remains too high to be acceptable.</p> <p>While the implementation of the measures of the 2019 security plan for the Union Registry shall continue, the ulterior causes of this persistent high risk seem to point to structural issues that DG Climate Action and/or DIGIT cannot solve alone.</p> <p>DG Climate Action will (i) finalise a new risk assessment in Q2 2022 which will consider the security measures already implemented, with a view to identify feasible and cost-effective measures to alleviate further the risks identified; and (ii) set up an inter-service group to carry out a thorough analysis and further develop the alternative operating model options for the Union Registry.</p> <p>In the meantime, the DG will, with the support of DG DIGIT, continue mitigating risks and ensuring the safety of the current system until a long-term solution has been found and implemented.</p> <p>Conclusion</p> <p>Despite fulfilling all the requirements, the mitigating measures implemented did not lower the risks to business acceptable levels. Unfortunately, the increased risks and threats coupled with the growth in value (due to the rising carbon price in recent years) seem to outpace the implementation rate of the security measures that DG Climate Action and DIGIT can sustain.</p> <p>This may add to the structural issues that the studies in 2019 and 2020 referred. Namely, that the resources and financial know-how is not proportionate to the total value of assets managed, and that the IT services of the Commission do not and cannot match those of the financial industry. Also, that there is a need to consider alternative operating models for the Union Registry and that it appears to be increasingly necessary to migrate to a new operating model for the ETS Registry.</p> <p>The unmitigated residual risks at the end of 2021 remain too high to be acceptable. The ensuing financial and reputational risks are still material.</p>

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

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

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

Source of data: SEC(2020)146

Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (31/12/2021)
33% of female in middle management positions (4 middle managers)	DG CLIMA will need to make 1 female appointment to middle management position by December 2022	Still to be defined	42% 1 female appointment to middle management position in 2021

Indicator 2: DG CLIMA staff engagement index

Source of data: Commission staff survey

Baseline (2018)	Target (2024)	Latest known results (31/12/2021)
75%	76%-80% and maintain above the Commission average (72% in 2021)	74% compared to the Commission average of 72% ³³

Main outputs in 2021:

Description	Indicator	Target	Latest known results
Local HR Strategy for DG CLIMA	Strategy approved by DG and corporate services	Q1 2021	To be adopted by Q1 2022 ³⁴

³³ It corresponds to a reduction of 1% compared to 2018. While DG Climate Action's staff engagement remains high, i.e. 2% above the Commission average, staff has suffered in the last two years from the high workload and difficult working circumstances due to the COVID-19 pandemic. In addition, with the greater political focus on climate aspects following the European Green Deal, the Directorate-General was subject to major organisational changes

³⁴ In view of the very exceptional year in the field of human resources, the work done until the very end of the year, DG CLIMA postponed the finalisation of his local HR Strategy to Q1 2022 in order to reflect the latest developments in the field

Description	Indicator	Target	Latest known results
Implementation of local actions to foster work engagement through new working practices	Staff satisfaction survey	Q4 2021	Many actions foreseen in 2021 have been implemented or are organised on rolling basis, among others, the following initiatives were successfully taken: • Organise sessions to present the DG current and future work challenges for our units and directorates • Encourage creation of project teams or task forces to foster cooperation between units and directorates. • Ensure a better identification of training needs via consultation of managers • Involvement and consultation of staff and managers in the change process
Implementation of the 2021 Learning and Development Plan	Local training initiatives implemented Awareness raised to corporate training offers identified in the plan via newsletters	Q4 2021 All courses identified and mentioned in AMC3 newsletters by Q4 2021	Around 60% of allocated budget for Learning and Development could be committed by 31/12/21 ³⁵ . All courses identified and mentioned in AMC3 newsletter have been advertised.
Programme of internal communication actions such as: - Lunchtime conferences - Debriefing breakfasts with Senior Management	Series of presentations organised and participation rate	On average, 50 participants for lunchtime conferences and 120 participants for debriefs with Senior Management	20 internal webinars. On average around 80 participants.

³⁵ 2021 was a particular year for Learning and Development because of the persistence of the COVID-19 crisis and the related uncertainty. In particular, the planned team events or presential meetings could not take place.

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: DG CLIMA Annual Activity Report

Baseline (2019)	Target (2024)	Latest known results (31/12/2021)
Below 2% of relevant expenditure	< 2% of relevant expenditure	0.00%-0.15%

Main outputs in 2021:

Description	Indicator	Target	Latest known results
Effective controls: legal and regular transactions	Risk at payment	remains < 2 % of relevant expenditure	0.00%-0.15%
	Estimated risk at closure	remains < 2 % of relevant expenditure	0.00%-0.15%
Effective controls: safeguarded assets and information	Degree of implementation of the 12 security measures in the Union Registry ³⁶	80%	73% ³⁷
Efficient controls	Timely execution of payment	At least 97% of payments made within the time limits, as those defined by the financial regulation	99%
Economical controls	Overall estimated cost of controls	Maintain the cost of controls (as a percentage of the budget managed) below or equal to 2019 levels (i.e. 4.2%)	3.08%
Open recommendations from European Court of Auditors (ECA) and Internal Audit Service (IAS)	Number of recommendations from ECA and IAS overdue for more than 6 months	None	1 ³⁸

³⁶ Expressed as a percentage, representing the average of the degree of implementation of the 12 measures

³⁷ Below target due to the underestimation of the complexity of the measures and the interplay between DIGIT Services and CLIMA as well as short resources.

³⁸ 1 overdue recommendation from a performance audit ('to further improve market integrity by addressing emission market regulation and oversight) – the implementation is delayed as the revision of Market Abuse Regulation was postponed by 18 months to 30/06/2022.

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

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

Source of data: DG CLIMA annual activity report, DG CLIMA anti-fraud strategy, OLAF reporting

Baseline (2018)	Target (2024)	Latest known results (31/12/2021)	
100% of actions points of the 2016 anti-fraud strategy (AFS)	100% of action points (of the revised AFS) implemented on time	Partially implemented ³⁹	
Main outputs in 2021:			
Description	Indicator	Target	Latest known results
Adoption of the revised anti-fraud strategy and implementation of the actions with target date 2021	% of implementation of actions planned for 2021 in the anti-fraud strategy	100% implementation of actions planned for 2021	Partially implemented ⁴⁰
Awareness trainings organised for target population as identified in DG CLIMA's anti-fraud strategy	% of target population having attended training sessions on anti-fraud	100% of target population	Postponed ⁴¹

³⁹ The partial implementation is due to the delay in execution of 2021 anti-fraud outputs

⁴⁰ DG CLIMA revised its anti-fraud strategy in July 2021, in consequence some actions were postponed to 2022

⁴¹ The awareness trainings with OLAF experts for policy officers, due to the availability problems, were postponed to 2022

Objective: DG CLIMA is using innovative, trusted digital solutions for better policy-shaping, information management and administrative processes to forge a truly digitally transformed, user-focused and data-driven Commission⁴²

Indicator 1: Degree of implementation of the digital strategy principles by the EU ETS Union registry

Source of data: a state-of-play on the implementation of the 11 core principles defined by the EC Digital Strategy for the EU ETS Union registry. It reflects the degree of implementation of each of the 11 principles (“2-well implemented”/ “1-partially implemented”/ “0-not implemented”), and is expressed as a percentage of the implementation (a total score of 22 being 100%).

Baseline (2018)	Interim milestone (2022)	Target (2024)	Latest known results (31/12/2021)
23%	50%	73%	53%

Indicator 2: Percentage of DG CLIMA key data assets for which corporate principles for data governance have been implemented

Source of data: Key data assets as defined in CLIMA’s contribution to the Commission’s data inventory of November 2019, the baseline estimate represents a numerical average of a preliminary assessment by local data correspondent and data stewards of the degree of current application of the four principles to each of the seven identified key data assets under CLIMA responsibility. What is measured is the extent to which corporate principles for data governance are implemented for CLIMA ’s key data assets

Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (31/12/2021)
50%	66%	80%	64%

Indicator 3: Percentage of staff attending awareness raising activities on data protection compliance

Source of data: EU-Learn

Baseline (2018)	Interim milestone (2021)	Target (2024)	Latest known results (31/12/2021)
25%	50%	100% of staff	32% ⁴³

⁴² No information is reported for the following indicator “Review of existing ARES files to identify those that can be usefully shared with other DGs”. This is due to a lack of data (data collection was discontinued in 2021), mainly because the priority of the DG in the field of document management has shifted to introducing paperless processes, managing sensitive information and protecting personal data (Cf. [DG CLIMA Management plan 2022](#)).

⁴³ It does not include bilateral and multilateral in-house coaching, which would add around 15% of CLIMA staff. Target of 50% by 2021 not reached despite advertisement made in the DG of the dedicated training sessions: new courses were announced duly, promoted through the CLIMA News, and in personal correspondence and exchanges with desk officers. Still the attendance rate was not satisfactory, so efforts in terms of awareness raising will be stepped up in 2022.

Main outputs in 2021:

Description	Indicator	Target	Latest known results
Improved implementation of corporate principles for data governance	Percentage to which these principles have been implemented for CLIMA key data assets	60%	64%
Awareness-raising and training session on SNC information and on DG CLIMA special handling policy	Number of trainings organised	3 Awareness-raising and training sessions on SNC information and on DG CLIMA special handling policy	3 Awareness-raising and training sessions on SNC information and on DG CLIMA special handling policy
Use of electronic workflows for financial transactions	Percentage of CLIMA financial transactions in paperless mode	93%	99%
Proactive dissemination of up-to-date information on personal data protection	Number of trainings organised for specific groups and information on DG CLIMA intranet	2 trainings for managers and newcomers, bilateral trainings on specific topics when needed + totally revamped intranet dedicated pages	15 targeted bi- and multilateral topical trainings, partial update of intranet personal data protection page and 6 publications in CLIMA News

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

Main outputs in 2021:

Description	Indicator	Target	Latest known results
<p>Analysis of DG CLIMA missions trends to assess the potential for reducing CO2 emissions (e.g. optimising the number of participants, promoting more sustainable travelling options, promoting videoconferencing / virtual events as an alternative)</p>	<p>Analysis completed CLIMA travel policy written and communicated to staff, in line with corporate policy</p>	<p>Q4 2021</p>	<p>Also due to the measures against covid, in 2021 CLIMA's emissions from air travel reduced dramatically [Sven to add figure from DG HR], showing that considerable reduction are possible. However, DG CLIMA is in the process of assessing carefully what reduction of emissions from air travel is possible long-term in a post-covid operation. This also depends on the locations of future COPs, which are not all known yet. To the COP in 2021 in Glasgow, many CLIMA staff had traveled by train.</p>

Description	Indicator	Target	Latest known results
<p>Staff awareness actions on reducing GHG emissions regarding staff commuting, on green purchases amongst service's staff (e.g. green office supplies') and on waste reduction and sorting</p>	<p>Number of participants Number of trainings Number of newsletter</p>	<p>1 lunchtime conference on <i>"The Greening the Commission – what does it mean for CLIMA staff?"</i></p> <p>1 training targeted at staff procuring office supplies</p> <p>1 training targeted at staff organising meetings</p> <p>At least 3 newsletter articles (or some "tips" to be sent to all staff)</p> <p>Promotion of EU mobility week and VeloMai Corporate events</p>	<p>As the lead DG - DG HR - has decided to move the adoption of the "Greening the Commission Communication" to 2022, the respective training has also been moved to 2022. CLIMA provided detailed input to the "Greening the Commission Communication", including on carbon removals, net climate impacts of teleworking, and comparison of corporate and EU-wide reductions. CLIMA participated in Commission-wide EMAS campaigns. CLIMA staff participated again enthusiastically in the VeloMai competition, ranking 2. best of all Commission DGs, although many staff were teleworking as a measure against Covid. In the Commission's Walking challenge, CLIMA obtained a good 10th place.</p>
<p>Implementation of the EC Guidelines for sustainable meetings and events; and of tips for Greener events followed (e.g. reduce / eliminate single-use plastics, gadgets / gifts, plant-based catering etc.)</p>	<p>% of meetings and events organised by DG CLIMA to which the guidelines are applied</p>	<p>100%</p>	<p>Also in line with the measures against Covid, basically all CLIMA meetings in 2021 were virtual meetings. CLIMA is assessing to what extent this practice can be maintained also in post-Covid operation.</p>

Description	Indicator	Target	Latest known results
<p>Participation in the end-of-year energy saving action, by closing down DG/service's buildings during the end-of-year holiday period</p> <p>'BEST" initiative for 'Building Energy Savings Together'</p>	<p>CLIMA participating in the action in closing its building</p>	<p>-1% in total energy consumption (compared with the previous year)</p> <p>Reduction of energy and consumption (compared with previous year)</p>	<p>CLIMA participated in the end of year energy saving action. Due to a delay in the energy utility's invoicing the Commission could at the date of the publication of this report unfortunately not yet establish the exact saving.</p>

ANNEX 11: Implementation through national or international public-sector bodies and bodies governed by private law with a public sector mission (not applicable)

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

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

ANNEX 14: Reporting on the Recovery and Resilience Facility (not applicable)