



Annual activity report 2022

annexes

EUROPEAN EDUCATION AND CULTURE
EXECUTIVE AGENCY

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ANNEX 1: Statement of the Head of Unit in charge of Risk Management and Internal Control

For the Head of Unit in charge of risk management and internal control:

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

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

(e-signed)

Marco CARNACCINI

For the Head of Departments taking responsibility for the completeness and reliability of management reporting on results and on the achievement of objectives:

I hereby certify that the information provided in section 1 of the present annual activity report and in its annexes is, to the best of my knowledge, accurate and complete.

(e-signed)

Sophie BEERNAERTS

I hereby certify that the information provided in section 1 of the present annual activity report and in its annexes is, to the best of my knowledge, accurate and complete.

(e-signed)

Alessandra LUCHETTI

⁽¹⁾ C(2017)2373 of 19.04.2017.

ANNEX 2: Performance tables

Overall, the Agency has met its performance targets for 2022 (e.g. value of pre-financing payments executed = 97% of the most recent forecast; number of payments executed on time = 96%). However, for some of the specific objectives the targets were made harder to meet by factual contingencies such as the need to accommodate changes in the call planning as requested by the policy maker and the continued impact of the late adoption of the new programmes, which was not yet fully absorbed in 2021.

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

General objective 5: Promoting our European way of life

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

Specific objective 5.2: Vocational education and training effectively addresses the labour market needs and prepares people for the green and digital transition

From 2020-2024 Strategic Plans

Parent departments: DG EAC, DG EMPL

Related to spending programme: Erasmus+

Main outputs in 2022:

Output	Indicator	Target	Latest known result (situation on 31/12/2022)
Operational effectiveness (selection)	23 calls for proposals published	100%	100%
	6 calls for tenders published	100%	83% (1 call not published)
	3 Eurydice reports published	100%	5 Eurydice reports
	39 evaluation sessions launched (grants)	100%	100%
	8 evaluation sessions launched (service contracts)	100%	38% (3 evaluation sessions launched because some calls were postponed for next calendar year as decided by the policy maker)
	Implementation rate for estimated number of grant agreements and charters of higher education (1641 + 280 charters)	>85%	<85% (1344 grant agreements) + 239 charters

Output	Indicator	Target	Latest known result (situation on 31/12/2022)
	Implementation rate for estimated number of service contracts (8)	>85%	>85%
	Number of Higher Education Institutions taking part in the European University alliances	310	340
	Number of Centres of Vocational Excellence (CoVE) projects to be financed	12	13
Quality assurance of the results of the calls for proposals	% of call budget allocation	>90%	>90%
	% of re-evaluated proposals	Max. 1% of evaluated proposals	0%
Operational effectiveness (monitoring)	Pre-finance payments (in value) executed ²	>95% of the most recent forecast	94%
	% of payments (in number) executed on time	>95% ³	>95%
Quality assurance of the results of the projects	The monitoring plans are in place and approved	100%	100%
Communication actions	Min. one call information activity for each call ⁴ (information meetings/days, videos, webinars)	100%	100%
	Publication of Eurydice thematic newsletters	4 thematic newsletters	4 thematic newsletters

² Valid only for current MFF projects

³ Based on the average of the last 3 years (both current MFF and legacy)

⁴ Depending on the programme, this indicator can be adapted because e.g. one information activity can cover several calls

General objective 5: Promoting our European way of life

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

From 2020-2024 Strategic Plans

Parent departments: DG EAC

Related to spending programme: Erasmus+

Main outputs in 2022:

Output	Indicator	Target	Latest known result (situation on 31/12/2022)
Operational effectiveness (selection)	8 calls for proposals published	100%	75% (6 calls published)
	9 evaluation sessions launched (grants)	100%	100%
	Implementation rate for estimated number of grant agreements (237)	>85%	>85%
Quality assurance of the results of the calls for proposals	% of call budget allocation	>90%	86%
	% of re-evaluated proposals	Max. 1% of evaluated proposals	0.4%
Operational effectiveness (monitoring)	Pre-finance payments (in value) executed	>95% of the most recent forecast	91%
	% of payments (in number) executed on time	>95%	93%
Quality assurance of the results of the projects	The monitoring plans are in place and approved	100%	100%
Communication actions	Min. one call information activity for each call (information meetings/days, videos, webinars)	100%	100%

General objective 5: Promoting our European way of life

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

From 2020-2024 Strategic Plans

Parent departments: DG EAC

Related to spending programme: Erasmus+

Main outputs in 2022:

Output	Indicator	Target	Latest known result (situation on 31/12/2022)
Operational effectiveness (selection)	7 calls for proposals published	100%	86% (1 call not published)
	1 call for tenders published	100%	N/A
	7 evaluation sessions launched (grants)	100%	100%
	1 evaluation session launched (service contracts)	100%	N/A
	Implementation rate for estimated number of grant agreements (325)	>85%	>85%
	Implementation rate for estimated number of service contracts (1)	>85%	>85%
Quality assurance of the results of the calls for proposals	% of call budget allocation	>90%	>90%
	% of re-evaluated proposals	Max. 1% of evaluated proposals	0%
Operational effectiveness (monitoring)	Pre-finance payments (in value) executed	>95% of the most recent forecast	86%
	% of payments (in number) executed on time	>95%	91%
Quality assurance of the results of the projects	The monitoring plans are in place and approved	100%	100%

Output	Indicator	Target	Latest known result (situation on 31/12/2022)
Communication actions	Min. one call information activity for each call (information meetings/days, videos, webinars)	100%	100%

General objective 5: Promoting our European way of life

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

From 2020-2024 Strategic Plans

Parent departments: DG EAC

Related to spending programme: Creative Europe

Main outputs in 2022:

Output	Indicator	Target	Latest known result (situation on 31/12/2022)
Operational effectiveness (selection)	6 calls for proposals published	100%	100%
	9 evaluation sessions launched (grants)	100%	100%
	Implementation rate for estimated number of grant agreements (246)	>85%	>85%
Quality assurance of the results of the calls for proposals	% of call budget allocation	>90%	>90%
	% of re-evaluated proposals	Max. 1% of evaluated proposals	0.3%
Operational effectiveness (monitoring)	Pre-finance payments (in value) executed	>95% of the most recent forecast	>95%
	% of payments (in number) executed on time	>95%	93%
Quality assurance of the results of the projects	The monitoring plans are in place and approved	100%	100%
Communication actions	Min. one call information activity for each call (information meetings/days, videos, webinars)	100%	100%

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

From 2020-2024 Strategic Plans

Parent departments: DG CNECT*Related to spending programme: Creative Europe***Main outputs in 2022:**

Output	Indicator	Target	Latest known result (situation on 31/12/2022)
Operational effectiveness (selection)	19 calls for proposals published	100%	100%
	21 evaluation sessions launched (grants)	100%	100%
	Implementation rate for estimated number of grant agreements (858)	>85%	>85%
	Implementation rate for estimated number of service contracts (7)	>85%	57%: 4 contracts signed but 100% in service coverage. Contracting process was optimised such as to include all services required in less contracts
Quality assurance of the results of the calls for proposals	% of call budget allocation	>90%	>90%
	% of re-evaluated proposals	Max. 1% of evaluated proposals	0%
Operational effectiveness (monitoring)	Pre-finance payments (in value) executed	>95% of the most recent forecast	>95%
	% of payments (in number) executed on time	>95%	>95%
Quality assurance of the results of the projects	The monitoring plans are in place and approved	100%	100%
Communication actions	Min. one call information activity for each call (information meetings/days, videos, webinars)	100%	100%

General objective 6: A new push for European democracy

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

From 2020-2024 Strategic Plans

Parent departments: DG JUST

Related to spending programme: Citizens, Equality, Rights and Values

Main outputs in 2022:

Output	Indicator	Target	Latest known result (situation on 31/12/2022)
Operational effectiveness (selection)	7 calls for proposals published	100%	57% (4 calls published): The target was wrongly set in the AWP. The figures are now reconciliated with the policy maker objective and target is 100% achieved.
	10 evaluation sessions launched (grants)	100%	90%
	Implementation rate for estimated number of grant agreements (516)	>85%	>85%
Quality assurance of the results of the calls for proposals	% of call budget allocation	>90%	>90%
	% of re-evaluated proposals	Max. 1% of evaluated proposals	0%
Operational effectiveness (monitoring)	Pre-finance payments (in value) executed	>95% of the most recent forecast	>95%
	% of payments (in number) executed on time	>95%	>95%
Quality assurance of the results of the projects	The monitoring plans are in place and approved	100%	100%
Communication actions	Min. one call information activity for each call (information meetings/days, videos, webinars)	100%	100%

General objective 5: Promoting our European way of life

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

From 2020-2024 Strategic Plans

Parent departments: DG EAC

Related to spending programme: European Solidarity Corps

Main outputs in 2022:

Output	Indicator	Target	Latest known result (situation on 31/12/2022)
Operational effectiveness (selection)	2 calls for proposals published	100%	100%
	2 call for tenders published	100%	50% (1 call was published earlier than planned in the 2022 AWP)
	3 evaluation sessions launched (grants)	100%	100%
	2 evaluation session launched (service contracts)	100%	100%
	Implementation rate for estimated number of grant agreements (20 + 50 quality label accreditations)	>85%	>85% + 109 quality label accreditations
	Implementation rate for estimated number of service contracts (2)	>85%	>85%
Quality assurance of the results of the calls for proposals	% of call budget allocation	>90%	74.5%: 1 call received less proposals than estimated, therefore budget allocated not fully absorbed
	% of re-evaluated proposals	Max. 1% of evaluated proposals	0%
Operational effectiveness (monitoring)	Pre-finance payments (in value) executed	>95% of the most recent forecast	>95%
	% of payments (in number) executed on time	>95%	89%

Output	Indicator	Target	Latest known result (situation on 31/12/2022)
Quality assurance of the results of the projects	The monitoring plans are in place and approved	100%	100%
Communication actions	Min. one call information activity for each call (information meetings/days, videos, webinars)	100%	100%

Specific objective

- Grassroots sports programmes and infrastructure innovation
- Sport for People and Planet - a new approach on sustainability through sport in Europe

From Decision C(2022) 1848 of 30/3/2022 for the implementation of pilot projects and preparatory actions in the area of education, youth, sport and culture

Parent departments: DG EAC

Main outputs in 2022:

Output	Indicator	Target	Latest known result (situation on 31/12/2022)
Operational effectiveness (selection)	2 calls for proposals published	100%	100%
	2 evaluation sessions launched (grants)	100%	100%
	Implementation rate for estimated number of grant agreements (18)	>85%	>85%
Quality assurance of the results of the calls for proposals	% of call budget allocation	>90%	>90%
	% of re-evaluated proposals	Max. 1% of evaluated proposals	0%
Operational effectiveness (monitoring)	Pre-finance payments (in value) executed	>95% of the most recent forecast	91%
	% of payments (in number) executed on time	>95%	>95%
Quality assurance of the results of the projects	The monitoring plans are in place and approved	100%	100%

Output	Indicator	Target	Latest known result (situation on 31/12/2022)
Communication actions	Min. one call information activity for each call (information meetings/days, videos, webinars)	100%	100%

Specific objective

- Establishing a European heritage hub to support a holistic and cost-effective follow-up of the European Year of cultural heritage

From Decision C(2022) 1848 of 30/3/2022 for the implementation of pilot projects and preparatory actions in the area of education, youth, sport and culture

Parent departments: DG EAC

Main outputs in 2022:

Output	Indicator	Target	Latest known result (situation on 31/12/2022)
Operational effectiveness (selection)	1 call for proposals published	100%	100%
	1 evaluation sessions launched (grants)	100%	100%
	Implementation rate for estimated number of grant agreements (1)	>85%	N/A (grant agreement not yet signed)
Quality assurance of the results of the calls for proposals	% of call budget allocation	>90%	>90%
	% of re-evaluated proposals	Max. 1% of evaluated proposals	N/A (evaluation still on-going)
Operational effectiveness (monitoring)	Pre-finance payments (in value) executed	>95% of the most recent forecast	N/A
	% of payments (in number) executed on time	>95%	N/A
Quality assurance of the results of the projects	The monitoring plans are in place and approved	100%	100%
Communication actions	Min. one call information activity for each call (information meetings/days, videos, webinars)	100%	100%

ANNEX 3: Draft annual accounts and financial reports

Financial Management Area: BGUE

Annex 3 Financial Reports - DG EACEA - Financial Year 2022

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 16 : Commitments co-delegation type 3 in 2022

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2022 (in Mio €) for DG EACEA					
			Commitment appropriations authorised*	Commitments made	%
			1	2	3=2/1
Title 07 Investing in People, Social Cohesion and Values					
07	07 03	Erasmus	817.44	784.43	95.96 %
	07 04	European Solidarity Corps	16.67	16.63	99.80 %
	07 05	Creative Europe	356.10	352.58	99.01 %
	07 06	Rights and Values	125.40	125.32	99.93 %
	07 20	Pilot projects, preparatory actions, prerogatives and other actions	9.47	9.47	99.99 %
Total Title 07			1,325.08	1,288.44	97.23 %
Title 14 External Action					
14	14 02	Neighbourhood, Development and International Cooperation Instrument - Global Europe (NDICI - Global Europe)	165.84	154.44	93.12 %
Total Title 14			165.84	154.44	93.12 %
Title 15 Pre-accession Assistance					
15	15 02	Instrument for Pre-accession Assistance (IPA III)	33.88	33.82	99.81 %
Total Title 15			33.88	33.82	99.81 %
Total Excluding NGEU			1,524.80	1,476.69	96.84 %
Total DG EACEA			1,524.80	1,476.69	96.84 %

* 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).

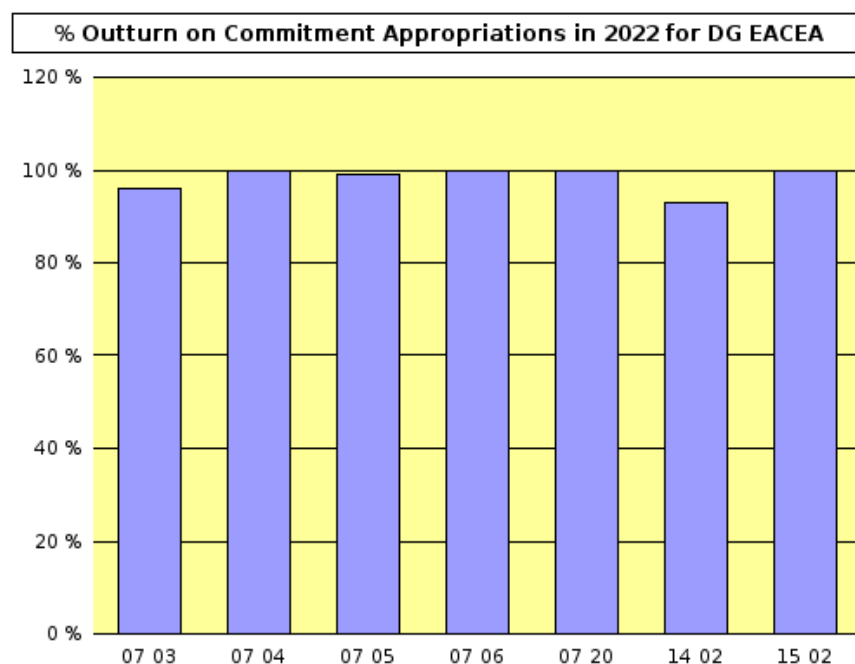


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS in 2022 (in Mio €) for DG EACEA					
			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 07 Investing in People, Social Cohesion and Values					
07	07 03	Erasmus	701.55	653.91	93.21 %
	07 04	European Solidarity Corps	7.97	7.94	99.59 %
	07 05	Creative Europe	291.32	285.14	97.88 %
	07 06	Rights and Values	75.01	74.87	99.81 %
	07 20	Pilot projects, preparatory actions, prerogatives and other actions	3.62	3.62	100.00 %
Total Title 07			1,079.47	1,025.47	95.00%
Title 14 External Action					
14	14 02	Neighbourhood, Development and International Cooperation Instrument - Global Europe (NDICI - Global Europe)	107.53	96.45	89.70 %
Total Title 14			107.53	96.45	89.70%
Title 15 Pre-accession Assistance					
15	15 02	Instrument for Pre-accession Assistance (IPA III)	22.81	22.72	99.62 %
Total Title 15			22.81	22.72	99.62%
Total Excluding NGEU			1,209.81	1,144.64	94.61%
Total DG EACEA			1,209.81	1,144.64	94.61 %

* 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).

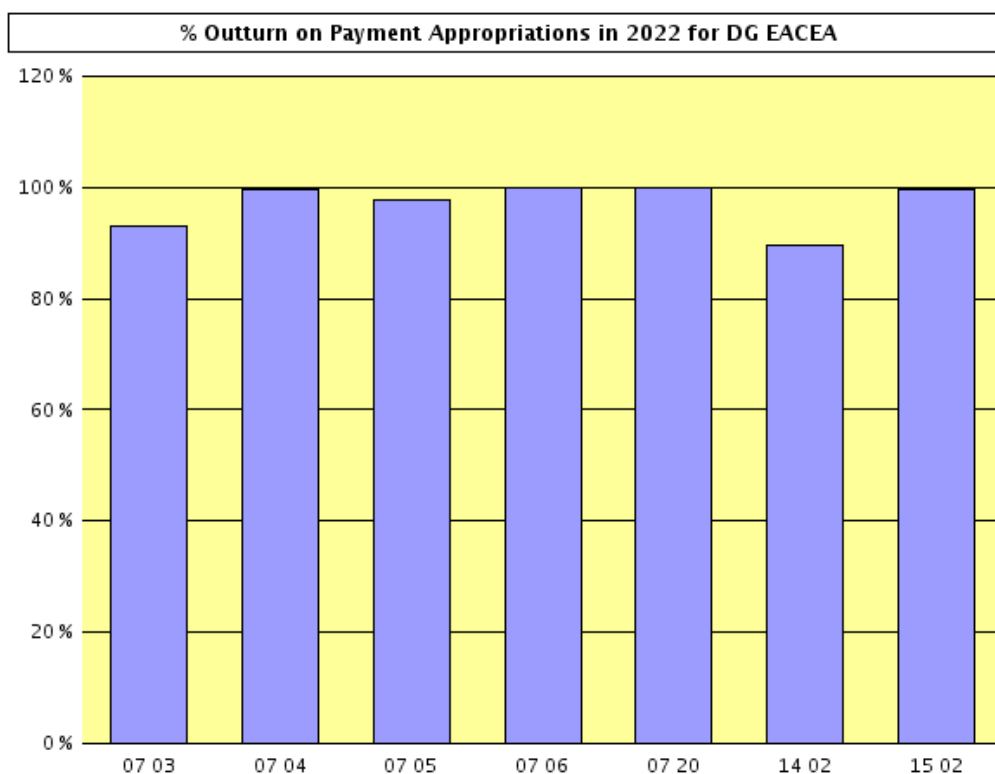


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2022 (in Mio €) for DG EACEA									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2021	Total of commitments to be settled at end of financial year 2022	Total of commitments to be settled at end of financial year 2021
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
07	07 03	Erasmus	784.43	289.69	494.74	63.07%	448.76	943.50	835.53
	07 04	European Solidarity Corps	16.63	0.72	15.92	95.68%	18.72	34.64	28.29
	07 05	Creative Europe	352.58	82.09	270.49	76.72%	154.06	424.56	367.08
	07 06	Rights and Values	125.32	41.41	83.91	66.96%	20.34	104.24	54.96
	07 20	Pilot projects , preparatory actions, prerogatives and other actions	9.47	0.01	9.47	99.92%	1.74	11.20	5.47
Total Title 07			1,288.44	413.92	874.52	67.87%	643.62	1,518.14	1,291.33
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2022 (in Mio €) for DG EACEA									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2021	Total of commitments to be settled at end of financial year 2022	Total of commitments to be settled at end of financial year 2021
			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 - Global Europe (NDICI - Global Europe)	154.44	27.66	126.78	82.09%	162.19	288.97	278.30
Total Title 14			154.44	27.66	126.78	82.09%	162.19	288.97	278.30
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2022 (in Mio €) for DG EACEA									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2021	Total of commitments to be settled at end of financial year 2022	Total of commitments to be settled at end of financial year 2021
			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)	33.82	7.68	26.14	77.29%	23.60	49.73	45.68
Total Title 15			33.82	7.68	26.14	77.29%	23.60	49.73	45.68
Total Excluding NGEU			1,476.69	449.26	1,027.44	69.58%	829.41	1,856.84	1,615.32
Total for DG EACEA			1,476.69	449.26	1,027.44	69.58 %	829.41	1,856.84	1,615.32

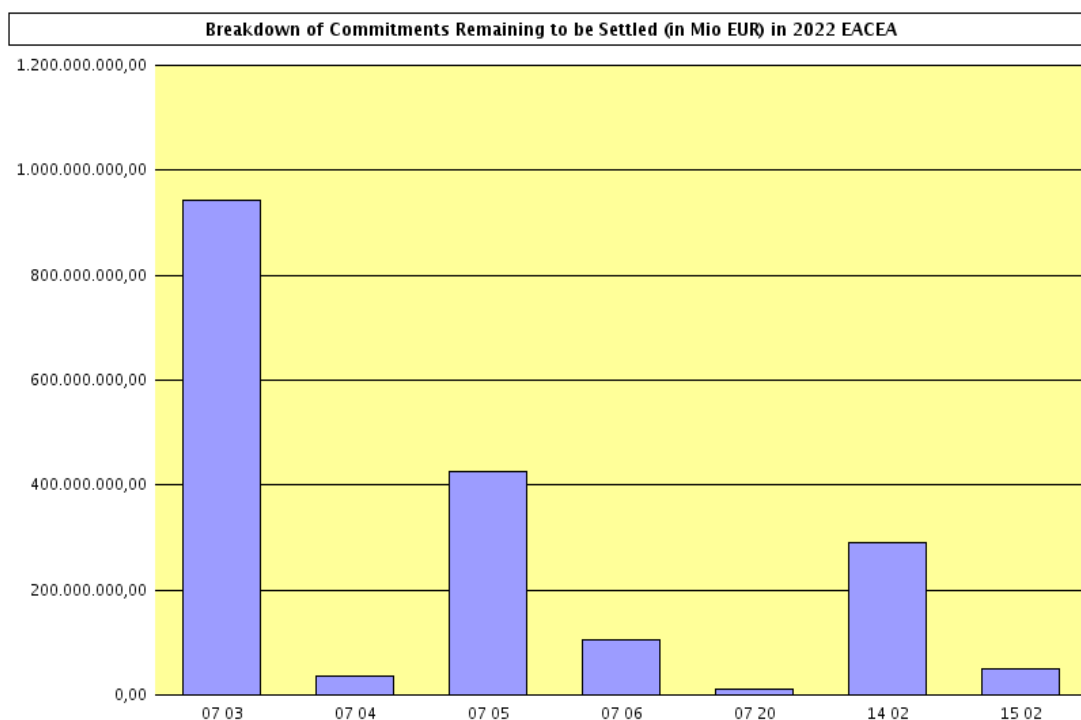


TABLE 4 : BALANCE SHEET for DG EACEA

BALANCE SHEET	2022	2021
A.I. NON CURRENT ASSETS	243,703,369.12	74,995,619.06
A.I.5. Non-Current Pre-Financing	243,703,369.12	74,995,619.06
A.II. CURRENT ASSETS	491,885,657.04	305,669,608.08
A.II.2. Current Pre-Financing	474,318,890.34	287,940,194.96
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	17,566,766.70	17,729,413.12
A.II.6. Cash and Cash Equivalents	0.00	0.00
ASSETS	735,589,026.16	380,665,227.14
P.II. CURRENT LIABILITIES	-174,015,169.95	-145,075,475.56
P.II.4. Current Payables	-29,587,300.67	-20,333,598.99
P.II.5. Current Accrued Charges & Defrd Income	-144,427,869.28	-124,741,876.57
LIABILITIES	-174,015,169.95	-145,075,475.56
NET ASSETS (ASSETS less LIABILITIES)	561,573,856.21	235,589,751.58

Non-allocated central (surplus)/deficit*	-6,353,641,349.03	-5,302,271,743.16
P.III.2. Accumulated Surplus/Deficit	5,792,067,492.82	5,066,681,991.58
TOTAL DG EACEA	0.00	0.00

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

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

TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE for DG EACEA

STATEMENT OF FINANCIAL PERFORMANCE	2022	2021
II.1 REVENUES	-1,201,566.33	-1,789,890.42
II.1.1. NON-EXCHANGE REVENUES	-1,886,041.33	-2,888,817.30
II.1.1.6. RECOVERY OF EXPENSES	-1,886,041.33	-2,888,817.30
II.1.2. EXCHANGE REVENUES	684,475.00	1,098,926.88
II.1.2.1. FINANCIAL INCOME		-4,357.19
II.1.2.2. OTHER EXCHANGE REVENUE	684,475.00	1,103,284.07
II.2. EXPENSES	804,650,378.55	727,175,391.66
II.2. EXPENSES	804,650,378.55	727,175,391.66
II.2.10. OTHER EXPENSES	1,173,215.76	642,761.33
II.2.2. EXP IMLEM BY COMMISS&EX.AGENC. (DM)	803,451,330.98	726,477,357.01
II.2.8. FINANCE COSTS	25,831.81	55,273.32
STATEMENT OF FINANCIAL PERFORMANCE	803,448,812.22	725,385,501.24

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

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

TABLE 5bis : OFF BALANCE SHEET for DG EACEA

OFF BALANCE	2022	2021
OB.1. Contingent Assets	4,763,451.56	6,367,753.55
GR for pre-financing	4,763,451.56	6,367,753.55
OB.2. Contingent Liabilities	0.00	-211,416.00
OB.2.7. CL Legal cases OTHER	0.00	-211,416.00
OB.3. Other Significant Disclosures	-1,683,639,873.71	-1,465,787,175.96
OB.3.2. Comm against app. not yet consumed	-1,683,639,873.71	-1,465,787,175.96
OB.4. Balancing Accounts	1,678,876,422.15	1,459,630,838.41
OB.4. Balancing Accounts	1,678,876,422.15	1,459,630,838.41
OFF BALANCE	0.00	0.00

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

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

TABLE 6 : AVERAGE PAYMENT TIMES for DG EACEA

Legal Times									
Maximum Payment Time (Days)	Total Nbr of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)	Late Payments Amount	Percentage
30	4,800	4,738	98.71 %	7.94	62	1.29 %	47.77	1,957,667.04	0. %
45	3	3	100.00 %	12.67				0.00	0. %
48	2	2	100.00 %	23.00				0.00	0. %
60	2,602	2,373	91.20 %	33.69	229	8.80 %	89.66	20,887,350.23	6. %
90	191	175	91.62 %	45.83	16	8.38 %	113.56	1,345,394.06	10. %

Total Number of Payments	7,598	7,291	95.96 %		307	4.04 %		24190411.33	2. %
Average Net Payment Time	19.87483548			17.24			82.45		
Average Gross Payment Time	27.26283232			23.3443972			120.3224756		

Suspensions							
Average Report Approval Suspension	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
0	33	1,695	22.31 %	7,598	176,610,015.66	15.43 %	1,144,610,491.73

Late Interest paid in 2022			
DG	GL Account	Description	Amount (Eur)
EACEA	65010000	Interest expense on late payment of charges	8,876.79
EACEA	65010100	Interest on late payment of charges New FR	16,955.02
			25,831.81

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

TABLE 7 : SITUATION ON REVENUE AND INCOME in 2022 for DG EACEA

Chapter		Revenue and income recognized			Revenue and income cashed from			Outstanding balance
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	
		1	2	3=1+2	4	5	6=4+5	
40	Revenue from investments and accounts	0.00	206.69	206.69	0.00	0.00	0.00	206.69
61	Cohesion, resilience and values	16,207,130.35	3,541,378.47	19,748,508.82	12,055,466.44	2,384,113.13	14,439,579.57	5,308,929.25
67	Completion for outstanding recovery orders prior to 2021	-1,677,682.62	14,236,518.69	12,558,836.07	-1,677,682.62	1,981,290.28	303,607.66	12,255,228.41
Total DG EACEA		14,529,447.73	17,778,103.85	32,307,551.58	10,377,783.82	4,365,403.41	14,743,187.23	17,564,364.35

TABLE 8 : FINANCIAL IMPACT OF EX-ANTE AND EX-POST CONTROLS in 2022 for DG EACEA

EX-ANTE CONTROLS	Irregularity	OLAF notified	Total undue payments recovered
NON ELIGIBLE IN COST CLAIMS	6,557,588.35		6,557,588.35
CREDIT NOTES	70,546.00		70,546.00
RECOVERY ORDERS ON PRE-FINANCING	1,257,814.47		1,257,814.47
Sub-Total	7,885,948.82		7,885,948.82

EX-POST CONTROLS	Irregularity	OLAF notified	Total undue payments recovered
INCOME LINES IN INVOICES			
RECOVERY ORDERS OTHER THAN ON PRE-FINANCING	1,749,570.61	135,548.78	1,885,119.39
Sub-Total	1,749,570.61	135,548.78	1,885,119.39
GRAND TOTAL (EX-ANTE + EX-POST)	9,635,519.43	135,548.78	9,771,068.21

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2022 for DG EACEA

	Number at 1/01/2022	Number at 31/12/2022	Evolution	Open Amount (Eur) at 1/01/2022	Open Amount (Eur) at 31/12/2022	Evolution
2001	1	1	0.00 %	8,660.55	8,660.55	0.00 %
2005	1		-100.00 %	51,093.08		-100.00 %
2006	3	3	0.00 %	420,646.93	420,646.93	0.00 %
2007	2	1	-50.00 %	116,333.36	56,180.80	-51.71 %
2008	3	2	-33.33 %	426,046.61	388,888.00	-8.72 %
2009	2	1	-50.00 %	177,359.81	135,440.00	-23.64 %
2010	7	6	-14.29 %	1,057,094.52	917,409.52	-13.21 %
2011	3	1	-66.67 %	141,030.73	11,264.11	-92.01 %
2012	8	6	-25.00 %	170,600.97	136,970.65	-19.71 %
2013	12	12	0.00 %	348,521.50	348,521.50	0.00 %
2014	15	15	0.00 %	2,785,962.82	2,785,962.82	0.00 %
2015	21	15	-28.57 %	1,737,597.13	1,260,213.70	-27.47 %
2016	15	11	-26.67 %	235,082.49	178,307.96	-24.15 %
2017	21	17	-19.05 %	1,750,775.72	1,491,013.79	-14.84 %
2018	13	12	-7.69 %	1,723,198.04	1,694,658.84	-1.66 %
2019	17	10	-41.18 %	744,715.44	424,833.64	-42.95 %
2020	28	22	-21.43 %	2,121,986.14	1,922,178.27	-9.42 %
2021	76	22	-71.05 %	4,003,998.77	1,474,150.12	-63.18 %
2022		72			4,151,663.91	
	248	229	-7.66 %	18,020,704.61	17,806,965.11	-1.19 %

TABLE 10 :Recovery Order Waivers >= 60 000 € in 2022 for DG EACEA

Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
3233220018	3241002514	-139,685.00	Private Companies		
3233220074	3241714658	-105,000.00	Private Companies		
3233220080	3241106872	-72,165.34	Private Companies		
3233220081	3241500573	-88,683.14	Private Companies		
3233220082	3241500609	-122,738.17	Private Companies		
3233220085	3241500572	-72,731.10	Private Companies		
3233220105	3241503460	-131,049.60	Private Companies		
3233220123	3240912754	-60,152.56	Private Companies		

Total DG EACEA	-792,204.91
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Number of RO waivers	8
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There are 15 waivers below 60 000 € for a total amount of -381.010,85

TABLE 11 : Negotiated Procedures in 2022 for DG EACEA

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
Total		

TABLE 12 : Summary of Procedures in 2022 for DG EACEA

Internal Procedures > € 60,000

Procedure Legal base	Number of Procedures	Amount (€)
Negotiated procedure without prior publication (Annex 1 - 11.1)	2	212,800.00
Open procedure (FR 164 (1)(a))	5	70,487,861.16
Total	7	70,700,661.16

Additional Comments: The 2 negotiated procedures reported above are covered under FR(2018) point 11.1(h) of Annex 1

TABLE 13 : BUILDING CONTRACTS in 2022 for DG EACEA

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

TABLE 14 : CONTRACTS DECLARED SECRET in 2022 for DG EACEA

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

TABLE 15 : FPA duration exceeds 4 years - DG EACEA

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TABLE 16 : Commitments co-delegation type 3 in 2022 for DG EACEA

Annex 3 Financial Reports - EACEA - Financial Year 2022

Table 1 : Commitments

Table 2 : Payments

Table 3 : Commitments to be settled

Table 4 : Balance Sheet

Table 5 : Statement of Financial Performance

Table 5 Bis: Off Balance Sheet

Table 6 : Average Payment Times

Table 7 : Income

Table 8 : Recovery of undue Payments

Table 9 : Ageing Balance of Recovery Orders

Table 10 : Waivers of Recovery Orders

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2022 (in Mio €) for EACEA					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
Title 1 DEP DE PERSONNEL					
1	1 1	Rémunérations, indemnités et charges	15.47	15.46	99.93 %
	1 2	Développement professionnel et dépenses sociales	2.34	2.28	97.42 %
Total Title 1			17.81	17.74	99.60 %
Title 2 Infrastructure et dépenses de fonctionnement					
2	2 1	Dépenses d'immeubles	5.24	5.22	99.62 %
	2 2	Dépenses de technologie de l'info et communication	2.17	2.13	98.14 %
	2 3	Biens meubles et dépenses de fonctionnement courant	0.75	0.69	92.05 %
Total Title 2			8.16	8.04	98.53 %
Title 3 Dépenses de support aux programmes					
3	3 1	Dépenses liés à la gestion des programmes	4.53	4.36	96.32 %
Total Title 3			4.53	4.36	96.32 %
Total EACEA			30.50	30.14	98.83 %

* 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).
For the purpose of the AAR, EACEA reports in the current Annex only for the appropriations for which its Authorising Officer is responsible for. For the co-delegated appropriations accountable DG is PMO.

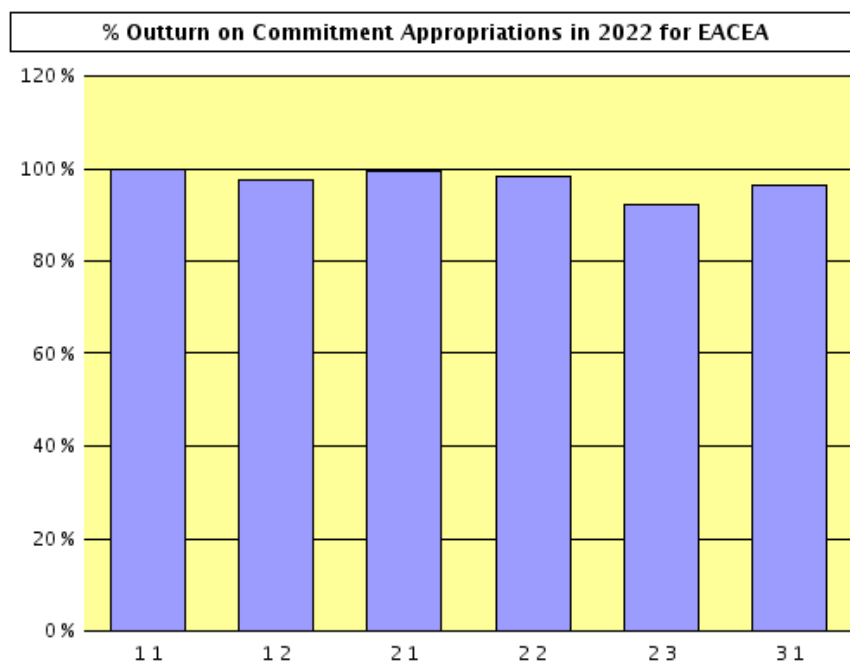


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2022 (in Mio €) for EACEA					
			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 1 DEP DE PERSONNEL					
1	1 1	Rémunérations, indemnités et charges	16.03	15.52	96.88 %
	1 2	Développement professionnel et dépenses sociales	2.79	2.09	74.93 %
Total Title 1			18.81	17.61	93.62%
Title 2 Infrastructure et dépenses de fonctionnement					
2	2 1	Dépenses d'immeubles	7.14	5.51	77.13 %
	2 2	Dépenses de technologie de l'info et communication	2.83	2.57	91.04 %
	2 3	Biens meubles et dépenses de fonctionnement courant	0.85	0.57	67.50 %
Total Title 2			10.81	8.65	80.01%
Title 3 Dépenses de support aux programmes					
3	3 1	Dépenses liés à la gestion des programmes	7.23	3.92	54.24 %
Total Title 3			7.23	3.92	54.24%
Total EACEA			36.86	30.19	81.90 %

* 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).

For the purpose of the AAR, EACEA reports in the current Annex only for the appropriations for which its Authorising Officer is responsible for. For the co-delegated appropriations accountable DG is PMO.

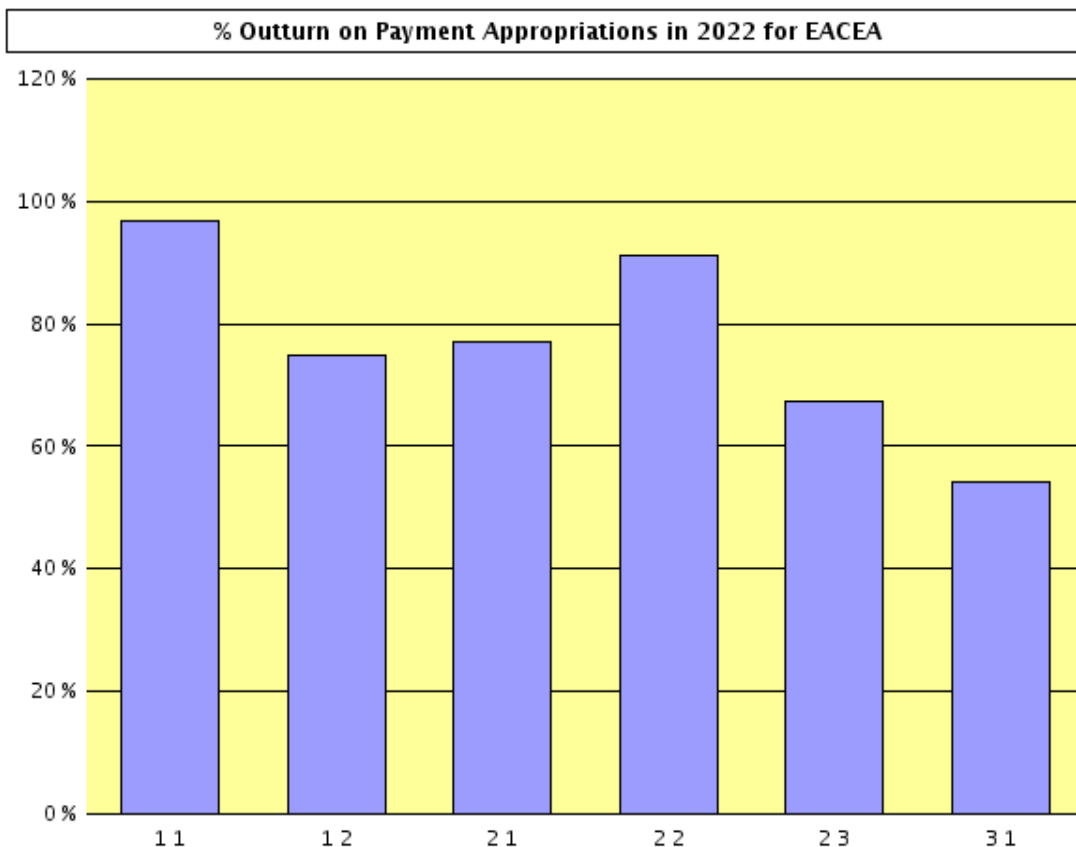


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2022 (in Mio €) for EACEA									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2021	Total of commitments to be settled at end of financial year 2022	Total of commitments to be settled at end of financial year 2021
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
1	1 1	Rémunérations, indemnités et charges	15.46	14.99	0.47	3.01%	0.00	0.47	0.56
	1 2	Développement professionnel et dépenses sociales	2.28	1.84	0.44	19.34%	0.00	0.44	0.45
Total Title 1			17.74	16.83	0.91	5.11%	0.00	0.91	1.01

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2022 (in Mio €) for EACEA									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2021	Total of commitments to be settled at end of financial year 2022	Total of commitments to be settled at end of financial year 2021
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
2	2 1	Dépenses d'immeubles	5.22	4.22	1.00	19.21%	0.00	1.00	1.90
	2 2	Dépenses de technologie de l'info et communication	2.13	1.93	0.20	9.58%	0.00	0.20	0.66
	2 3	Biens meubles et dépenses de fonctionnement courant	0.69	0.55	0.14	20.69%	0.00	0.14	0.09
Total Title 2			8.04	6.69	1.35	16.79%	0.00	1.35	2.65

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2022 (in Mio €) for EACEA									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2021	Total of commitments to be settled at end of financial year 2022	Total of commitments to be settled at end of financial year 2021
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
3	3 1	Dépenses liés à la gestion des programmes	4.36	1.67	2.69	61.70%	0.00	2.69	2.70
Total Title 3			4.36	1.67	2.69	61.70%	0.00	2.69	2.70

Total :			30.14	25.19	4.95	16.42 %	0.00	4.95	6.36
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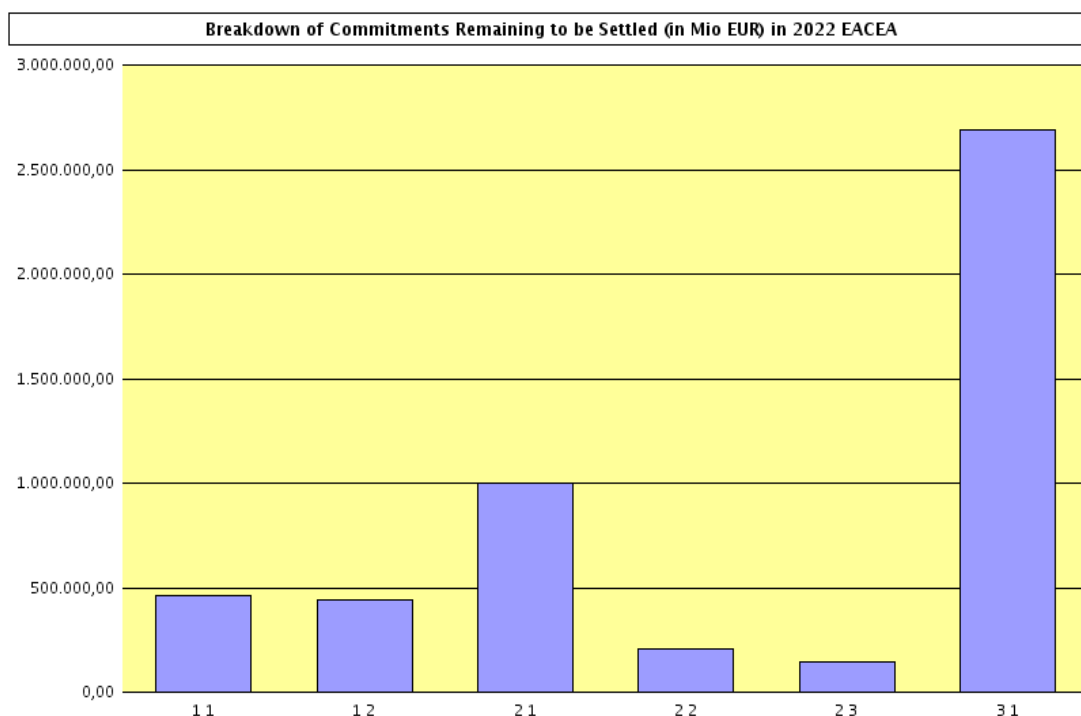


TABLE 4 : BALANCE SHEET for EACEA

BALANCE SHEET	2022	2021
A.I. NON CURRENT ASSETS	1,365,372.99	2,028,818.99
A.I.1. Intangible Assets	1,148,124.00	1,950,619.00
A.I.2. Property, Plant and Equipment	217,248.99	78,199.99
A.II. CURRENT ASSETS	6,865,010.70	7,512,291.41
A.II.2. Current Pre-Financing	0.00	0.00
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	6,865,010.70	7,512,291.41
A.II.6. Cash and Cash Equivalents	0.00	0.00
ASSETS	8,230,383.69	9,541,110.40
P.II. CURRENT LIABILITIES	-5,726,714.96	-5,575,122.19
P.II.4. Current Payables	-1,751,120.55	-1,088,663.09
P.II.5. Current Accrued Charges & Defrd Income	-3,975,594.41	-4,486,459.10
LIABILITIES	-5,726,714.96	-5,575,122.19
NET ASSETS (ASSETS less LIABILITIES)	2,503,668.73	3,965,988.21
P.III.2. Accumulated Surplus/Deficit	-3,965,988.21	-2,948,461.64
Non-allocated central (surplus)/deficit*	1,462,319.48	-1,017,526.57
TOTAL	0.00	0.00

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

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

TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE for EACEA

STATEMENT OF FINANCIAL PERFORMANCE	2022	2021
II.1 REVENUES	-57,706,511.72	-52,728,815.21
II.1.1. NON-EXCHANGE REVENUES	-57,703,938.20	-52,478,876.50
II.1.1.8. OTHER NON-EXCHANGE REVENUES	-57,703,938.20	-52,478,876.50
II.1.2. EXCHANGE REVENUES	-2,573.52	-249,938.71
II.1.2.2. OTHER EXCHANGE REVENUE	-2,573.52	-249,938.71
II.2. EXPENSES	59,168,831.20	51,711,288.64
II.2. EXPENSES	59,168,831.20	51,711,288.64
II.2.10. OTHER EXPENSES	17,150,760.85	16,028,188.35
II.2.6. STAFF AND PENSION COSTS	42,018,070.35	35,683,100.29
STATEMENT OF FINANCIAL PERFORMANCE	1,462,319.48	-1,017,526.57

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

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

TABLE 5bis : OFF BALANCE SHEET for EACEA

OFF BALANCE	2022	2021
OB.3. Other Significant Disclosures	-6,740,585.83	-5,418,539.96
OB.3.2. Comm against app. not yet consumed	-1,849,378.00	-2,408,441.73
OB.3.5. Operating lease commitments	-4,891,207.83	-3,010,098.23
OB.4. Balancing Accounts	6,740,585.83	5,418,539.96
OB.4. Balancing Accounts	6,740,585.83	5,418,539.96
OFF BALANCE	0.00	0.00

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

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

TABLE 6: AVERAGE PAYMENT TIMES FOR 2022 for EACEA

Legal Times									
Maximum Payment Time (Days)	Total Nbr of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)	Late Payments Amount	Percentage
30	398	374	93.97 %	14.20320856	24	6.03 %	52.45833333	1,896,286.91	12. %
34	2	2	100.00 %	28.5				0.00	0. %
40	1	1	100.00 %	7				0.00	0. %
45	1	1	100.00 %	27				0.00	0. %
60	25	24	96.00 %	12.58333333	1	4.00 %	94	12,773.16	1. %

Total Number of Payments	427	402	94.15 %		25	5.85 %		1,909,060.07	11. %
Average Net Payment Time	16.529274			14.19154229			54.12		
Average Gross Payment Time	16.78220141			14.460199			54.12		

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	11	10	2.34 %	427	103,574.48	0.59 %	17,685,119.32

DG	GL Account	Description	Amount (Eur)

TABLE 7 : SITUATION ON REVENUE AND INCOME IN 2022 for EACEA

Chapter		Revenue and income recognized			Revenue and income cashed from			Outstanding balance
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	
		1	2	3=1+2	4	5	6=4+5	
1 1	Subvention:	59,427,758.00	0.00	59,427,758.00	59,427,758.00	0.00	59,427,758.00	0.00
2 3	Remboursement de dépenses diverses	891.58	0.00	891.58	891.58	0.00	891.58	0.00
Total EACEA		59,428,649.58	0.00	59,428,649.58	59,428,649.58	0.00	59,428,649.58	0.00

TABLE 8 : FINANCIAL IMPACT OF EX-ANTE AND EX-POST CONTROLS in for EACEA

EX-ANTE CONTROLS		Total undue payments recovered
NON ELIGIBLE IN COST CLAIMS		
CREDIT NOTES		
RECOVERY ORDERS ON PRE-FINANCING		
Sub-Total		

EX-POST CONTROLS		Total undue payments recovered
INCOME LINES IN INVOICES		
RECOVERY ORDERS OTHER THAN ON PRE-FINANCING		
Sub-Total		
GRAND TOTAL (EX-ANTE + EX-POST)		

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2022 for EACEA

	Number at 1/01/2022	Number at 31/12/2022	Evolution	Open Amount (Eur) at 1/01/2022	Open Amount (Eur) at 31/12/2022	Evolution
2021	2		-100.00 %	1,598.32		-100.00 %
2022		1			1,260.23	
	2	1	-50.00 %	1,598.32	1,260.23	-21.15 %

TABLE 10 :Recovery Order Waivers >= 60 000 € in 2022 for EACEA

	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
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Total DG	
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Number of RO waivers	
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There are no waivers below 60 000 €

Annex 3 Financial Reports - for EDF - Financial Year 2022

Table 1 : Commitments

Table 2 : Payments

Table 3 : Commitments to be settled

Table 4 : Balance Sheet

Table 5 : Statement of Financial Performance

Table 5 Bis: Off Balance Sheet

Table 6 : Average Payment Times

Table 7 : Income

Table 8 : Recovery of undue Payments

Table 9 : Ageing Balance of Recovery Orders

Table 10 : Waivers of Recovery Orders

Table 11 : Negotiated Procedures

Table 12 : Summary of Procedures

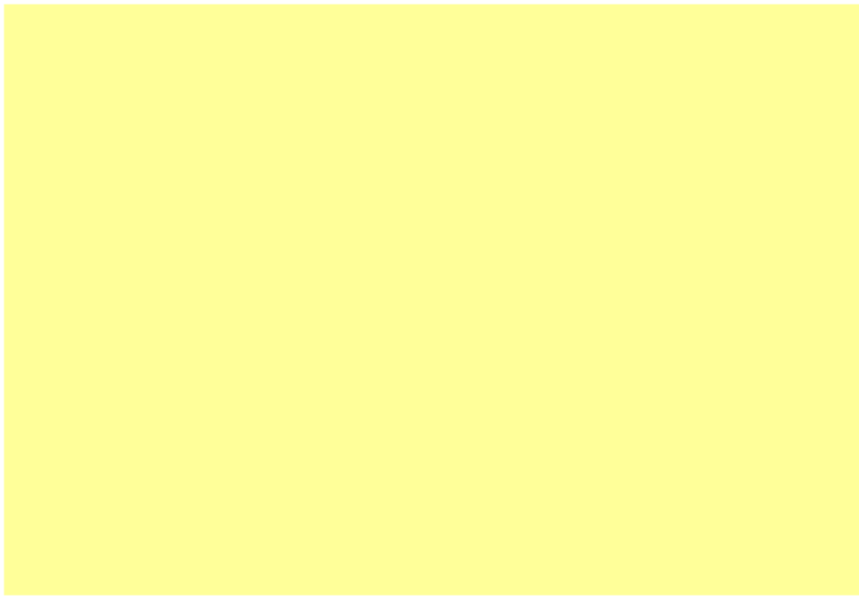
Table 13 : Building Contracts

Table 14 : Contracts declared Secret

Table 15 : FPA duration exceeds 4 years

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS until 2022 (in Mio €) for EACEA						
EDF N°	Fund Source	Cumulative Commitment appropriations authorised	Commitment appropriations authorised in the year	Cumulative Commitments made	Commitments made in 2022	%
		1		2		3=2/1
11	11			53.41	-0.82	
10	10			70.07	0.00	
				123.49	-0.82	

% Outturn on Commitment Appropriations in 2022 for FEDF



11

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TABLE 1: OUTTURN ON PAYMENT APPROPRIATIONS until 2022 (in Mio €) for EACEA						
EDF N°	Fund Source	Cumulative Payments appropriations authorised	Payment appropriations authorised in the year	Cumulative Payments made	Payments made in 2022	%
		1		2		3=2/1
11	11			48.09	6.40	
10	10			66.47	0.03	
				114.55	6.43	

% Outturn on Payment Appropriations in for

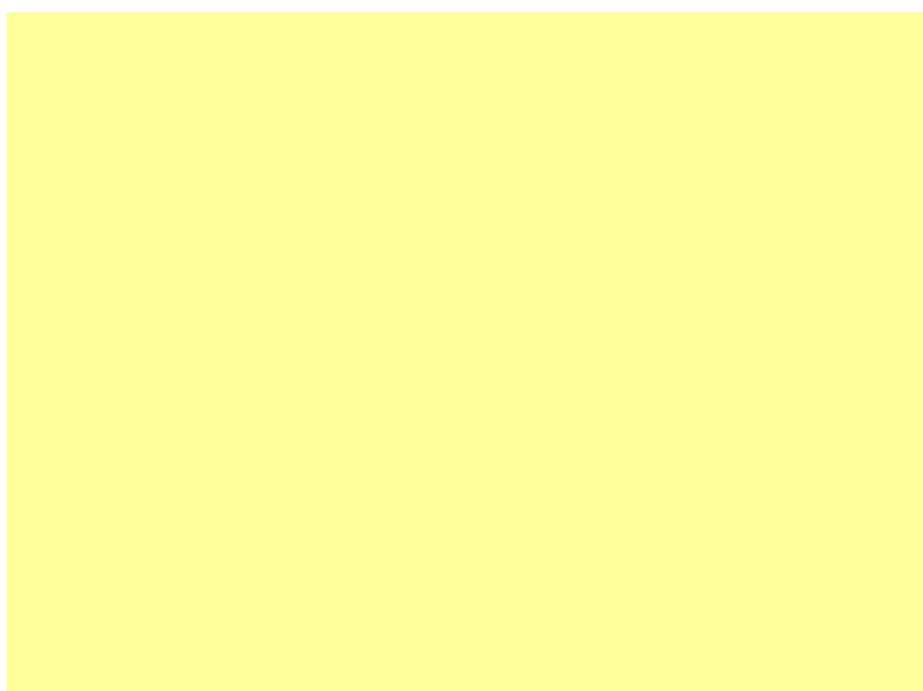


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2022 (in Mio €) for EACEA										
EDF N°	Fund Source	Commitments outstanding at the end of previous				Commitments of the current year				Total commitm. outstanding at the end of the year
		Commitm. carried forward from previous year	Decommitm./Revaluations/Cancellations	Payments	Commitm. outstanding at year-end	Commitm./Decommitm./Revaluations/Cancellations	Payments	Commitm. outstanding at year-end		
		1	2	3	4=1+2-3	5	6	7=5-6	8=4+7	
11	11	12.54	-0.82	6.40	5.33	0.00	0.00	0.00	5.33	
10	10	3.64	0.00		3.64		0.03	-0.03	3.61	
		16.18	-0.82	6.40	8.96	0.00	0.03	-0.03	8.93	

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2022 (in Mio €)									
EDF N°	Fund Source	Commitments	Contracted	Payments	% to be settled	to be settled at end 2022	to be settled at end 2021	RAL Evolution	
								1	2
11	11	53.41	53.41	48.09	90.03%	5.33	12.54	-7.22	-57.53%
10	10	70.07	64.94	66.47	94.85%	3.61	3.64	-0.03	-0.81%
		123.49	118.36	114.55	92.76%	8.93	16.18	-7.25	55.22%

TABLE 6: AVERAGE PAYMENT TIMES in 2022 for EACEA

Legal Times							
Maximum Payment Time (Days)	Total Number of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
30	2				2	100.00 %	135.50
60	69	64	92.75 %	28.08	5	7.25 %	72.60

Total Number of Payments	71	64	90.14 %		7	9.86 %	
Average Net Payment Time	34.24			28.08			90.57
Average Gross Payment Time	40.97			34.84			97.00

Suspensions							
Average Report Approval Suspension Days	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
0	37	13	18.31 %	71	754,880.25	11.74 %	6,427,829.85

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

TABLE 8 : FINANCIAL IMPACT OF EX-ANTE AND EX-POST CONTROLS for EACEA

EX-ANTE CONTROLS	Irregularity	Total undue payments recovered
NON ELIGIBLE IN COST CLAIMS	496,225.55	496,225.55
CREDIT NOTES		
RECOVERY ORDERS ON PRE-FINANCING		
Sub-Total	496,225.55	496,225.55

EX-POST CONTROLS	Irregularity	Total undue payments recovered
INCOME LINES IN INVOICES		
RECOVERY ORDERS OTHER THAN ON PRE-FINANCING		
Sub-Total		
GRAND TOTAL (EX-ANTE + EX-POST)	496,225.55	496,225.55

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2022 for EACEA

	Number at 1/01/2022	Number at 31/12/2022	Evolution	Open Amount (Eur) at 1/01/2022	Open Amount (Eur) at 31/12/2022	Evolution

TABLE 10 :Recovery Order Waivers >= 60 000 € in 2022 for EACEA

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

Total DG EACA	
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Number of RO waivers	
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There are no waivers below 60 000 €

ANNEX 4: Financial scorecard

Financial Management Area: BGUE

The Annex 4 of each Commission service summarises the annual result of the standard financial indicators measurement. Annexed to the Annual Activity Report 2022, 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)⁵:

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

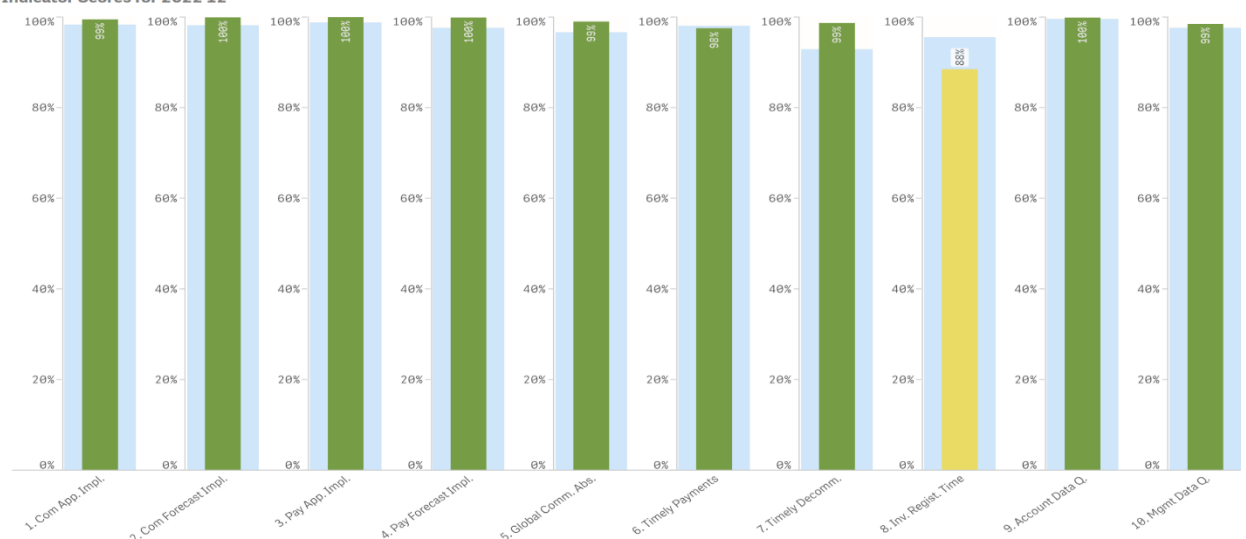
For each indicator, its value (in %) for the Commission service is compared to the common target (in %). The difference between the indicator's value and the target is colour coded as follows:

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

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

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

EACA Indicator Scores for 2022 12



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

⁵ 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 ⁶	EACA Score	EC Score
1. Commitment Appropriations Implementation	Ensure efficient use of commitment appropriations expiring at the end of Financial Year		99%	98%
2. Commitment Forecast Implementation	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year		100%	98%
3. Payment Appropriations Implementation	Ensure efficient use of payment appropriations expiring at the end of Financial Year		100%	99%
4. Payment Forecast Implementation	Ensure the cumulative alignment of the payment implementation with the payment forecast in a financial year		100%	98%
5. Global Commitment Absorption ⁷	Ensure efficient use of already earmarked commitment appropriations (at L1 level)		99%	97%
6. Timely Payments	Ensure efficient processing of payments within the legal deadlines	The performance slightly increased. The results indicate a level of compliance with the payment deadlines of 98% of the total amount paid on time (97% in 2021). EACEA performance exceeds the target of	98%	98%

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

⁷ Due to technical limitation: 1. 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. 2. it is technically not possible to exclude the decommitment of RAL (C8) which is subsequently re-committed for a new purpose. As a result, the actual Indicator score may be slightly higher than the one reported for DGs using the GF commitments.

		>96%		
7. Timely Decommitments	Ensure efficient decommitment of outstanding RAL at the end of commitment life cycle		99%	93%
8. Invoice Registration Time	Monitor the accounting risk stemming from late registration of invoices in the central accounting system ABAC		88%	95%
9. Accounting Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the accounts		100%	100%
10. Management Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the management decisions		99%	98%

Financial Management Area: EACA

The Annex 4 of each Commission service summarises the annual result of the standard financial indicators measurement. Annexed to the Annual Activity Report 2022, 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)⁸:

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

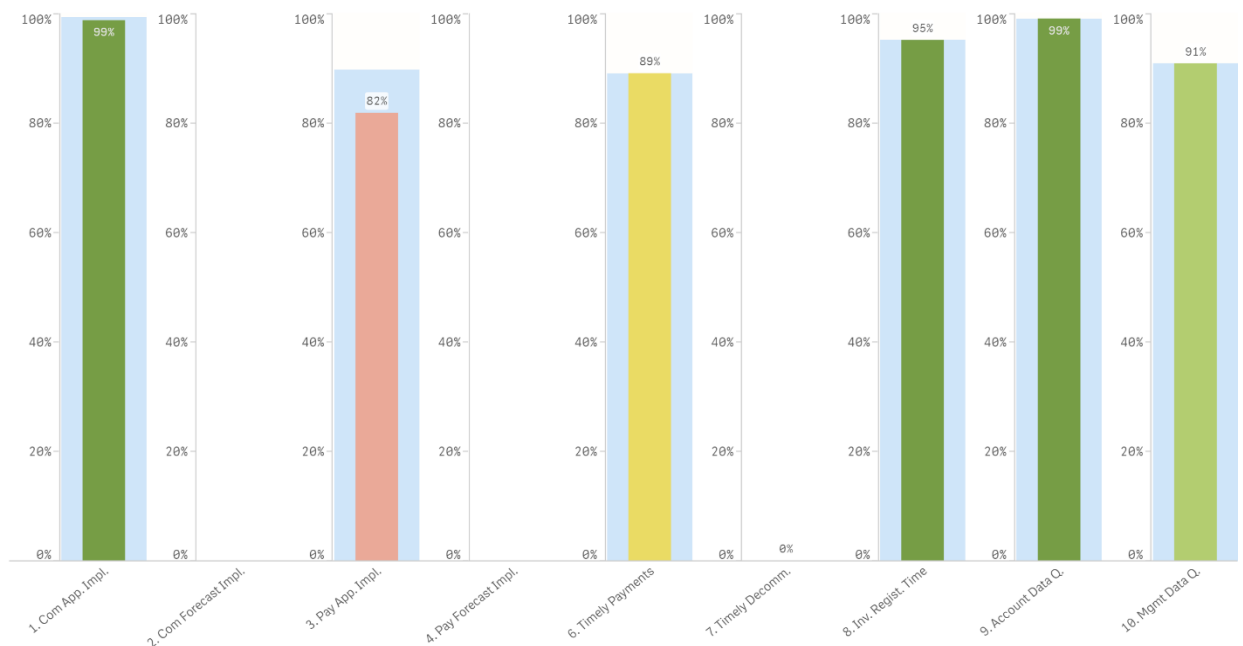
For each indicator, its value (in %) for the Commission service is compared to the common target (in %). The difference between the indicator's value and the target is colour coded as follows:

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

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

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

EACA Indicator Scores for 2022 12



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

⁸ 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 ⁹	EACA Score	EC Score
1. Commitment Appropriations Implementation	Ensure efficient use of commitment appropriations expiring at the end of Financial Year		99%	99%
2. Commitment Forecast Implementation	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year	The indicator is not applicable for DG EACA in 2022 due to the lack of underlying transactions recorded by DG EACA in 2022.	-	-
3. Payment Appropriations Implementation	Ensure efficient use of payment appropriations expiring at the end of Financial Year		82%	90%
4. Payment Forecast Implementation	Ensure the cumulative alignment of the payment implementation with the payment forecast in a financial year	The indicator is not applicable for DG EACA in 2022 due to the lack of underlying transactions recorded by DG EACA in 2022.	-	-
5. Global Commitment Absorption ¹⁰	Ensure efficient use of already earmarked commitment appropriations (at L1 level)	The indicator is not applicable for DG EACA in 2022 due to the lack of underlying transactions recorded by DG EACA in 2022.	-	-
6. Timely Payments	Ensure efficient processing of payments within the legal deadlines	The results increased considerably in 2022 compared to the previous year. This indicates a level of compliance with the payment deadlines of 89% of the total amount paid on time (76% in 2021).	89%	89%
7. Timely Decommitments	Ensure efficient decommitment of outstanding RAL at the end of commitment life cycle	The indicator is not applicable for DG EACA in 2022 due to the lack of underlying transactions recorded by DG EACA in 2022.	-	-
8. Invoice Registration	Monitor the accounting risk stemming from		95%	95%

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

¹⁰ Due to technical limitation: 1. 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. 2. it is technically not possible to exclude the decommitment of RAL (C8) which is subsequently re-committed for a new purpose. As a result, the actual Indicator score may be slightly higher than the one reported for DGs using the GF commitments.

Time	late registration of invoices in the central accounting system ABAC			
9. Accounting Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the accounts		99%	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		91%	91%

Financial Management Area: FEDF

The Annex 4 of each Commission service summarises the annual result of the standard financial indicators measurement. Annexed to the Annual Activity Report 2022, 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)¹¹:

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

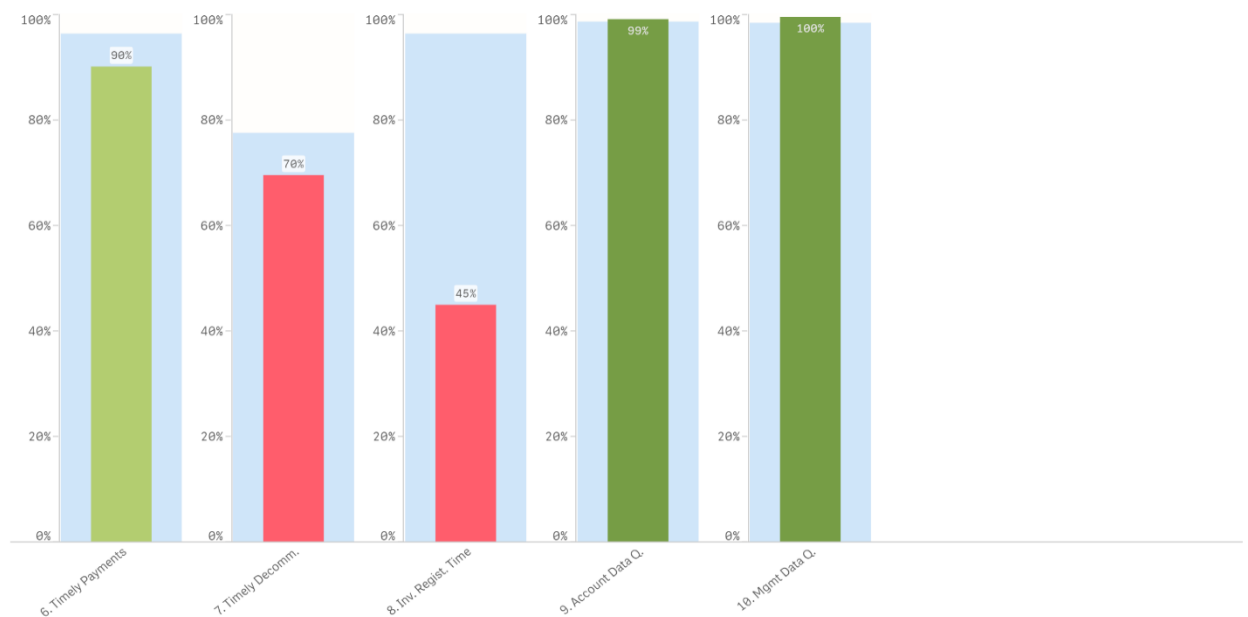
For each indicator, its value (in %) for the Commission service is compared to the common target (in %). The difference between the indicator's value and the target is colour coded as follows:

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

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

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

EACA Indicator Scores for 2022 12



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

¹¹ 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 ¹²	EACA Score	EC Score
1. Commitment Appropriations Implementation	Ensure efficient use of commitment appropriations expiring at the end of Financial Year	The indicator is not applicable for DG EACA in 2022 due to the lack of underlying transactions recorded by DG EACA in 2022.	-	-
2. Commitment Forecast Implementation	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year	The indicator is not applicable for DG EACA in 2022 due to the lack of underlying transactions recorded by DG EACA in 2022.	-	-
3. Payment Appropriations Implementation	Ensure efficient use of payment appropriations expiring at the end of Financial Year	The indicator is not applicable for DG EACA in 2022 due to the lack of underlying transactions recorded by DG EACA in 2022.	-	-
4. Payment Forecast Implementation	Ensure the cumulative alignment of the payment implementation with the payment forecast in a financial year	The indicator is not applicable for DG EACA in 2022 due to the lack of underlying transactions recorded by DG EACA in 2022.	-	-
5. Global Commitment Absorption ¹³	Ensure efficient use of already earmarked commitment appropriations (at L1 level)	The indicator is not applicable for DG EACA in 2022 due to the lack of underlying transactions recorded by DG EACA in 2022.	-	93%
6. Timely Payments	Ensure efficient processing of payments within the legal deadlines	90% of the total amount paid in 2022 was within the legal deadlines (91% in 2021)	90%	96%
7. Timely Decommitments	Ensure efficient decommitment of outstanding RAL at the end of commitment life cycle	The Agency is improving this percentage (25% in 2021). It will continue to address this EDF indicator through accounting quality controls (decommit on time) and trainings	70%	78%
8. Invoice Registration Time	Monitor the accounting risk stemming from late registration of invoices in the central	The Agency is addressing this percentage (35% in 2021). It will continue to address this EDF indicator through accounting quality controls	45%	96%

¹² 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%.

¹³ Due to technical limitation: 1. 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. 2. it is technically not possible to exclude the decommitment of RAL (C8) which is subsequently re-committed for a new purpose. As a result, the actual Indicator score may be slightly higher than the one reported for DGs using the GF commitments.

	accounting system ABAC	(register invoices on time) and trainings (such as technicalities on how to correct an invoice in ABAC)		
9. Accounting Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the accounts		99%	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		100%	98%

ANNEX 5: Materiality criteria

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

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

Whenever possible, it is essential to quantify the potential impact in monetary terms or the amount considered at risk to make a judgement on the significance of a weakness. As regards the legality and regularity of the underlying transactions, the Agency uses the standard quantitative materiality threshold of 2% of the payments (ABB) made of the relevant ABB (sub)activity. However, as the Commission's 'standard' breakdown per ABB activities at 4-digit level are too broad (especially in the education area) and cover programmes/activities for which there are significant differences in the size and types of projects, the Agency assesses the materiality per programme managed by the Agency (ABB at 6-digit level). This concerns the following programmes: Lifelong Learning (LLP), Erasmus Mundus, Culture, Youth, Citizenship, MEDIA and Tempus for the 2007-2013 programming period, the Erasmus+, Creative Europe and Europe for Citizens programmes for 2014-2020, and Erasmus+, Creative Europe, European Solidarity Corps, and the Citizens, Equality, Rights and Values (CERV) programme for 2021-2027. The Agency relies on the best estimate of the error rate because in view of the different volumes and sizes of transactions (= grants) by programme, it would not be cost-effective to have a representative error rate from a fully statistically representative sample for each individual programme. Since 2012, following guidance from the Commission's central services, the Agency has calculated multi-annual, cumulative error rates for the programmes it manages in order to increase the representativeness of the figures. For the 2012 Annual Activity Report (AAR) the calculation covered 2 consecutive years, and subsequently the Agency calculated the error rates over a 3-year period for reporting in the AAR 2013, over a 4-year period for reporting in the AAR 2014, and so on. In determining the need to make a potential reservation, the Agency follows the so-called '3+1 steps' approach, i.e. the four stages of analysis needed to come to a sound conclusion on whether to qualify the AOD's declaration with a reservation and, if so, to estimate its impact in monetary terms:

Step 1: calculating the multi-annual best-estimated detected error rate in a random sample of transactions (i.e. values of closed grant projects). A multi-annual, cumulative 'detected' and 'residual' error rate is calculated for each of the programmes managed by the Agency over the reference years. In order to check the legality and regularity and sound

financial management of EACEA's underlying transactions, the Agency engages an external audit firm to conduct ex post controls (i.e. financial audits on-the-spot) on a 'random' selection of closed projects¹². The project can be closed by either final payment and/or recovery order and in some cases a zero payment to clear the pre-financing. The multi-annual error rate is calculated as follows for all audits finalised in the reference years. Detected error (amount) = A-B Detected error rate (%) = (A-B)/C Where A = the Agency-share of the eligible costs initially accepted after ex ante controls, on the basis of which the final payment or recovery order was calculated and paid (and on the basis of which the pre-financing was cleared). B = the Agency-share of eligible costs finally accepted after ex post controls (audits). C= the Agency-share of audited population, proportional to the EACEA co-financing rate of the audited project. The co-financing rate is calculated as the amount paid by EACEA over the amount declared at project closure by the beneficiary. The 'residual' error rate (RER) is the estimation of the errors in the payments not audited and not corrected after audit. The application of the detected error rate to the non-audited and not cleaned part of the payments, plus the non-corrected errors in the audited part after corrections, is compared to the total audited and not-audited population. The percentage identified with this process is a measure of the possible error still present in the population and not detected by the control system. Step 2: estimating the actual financial exposure for each programme as 'multiannual amount at risk' as RER applied to the value of the multiannual authorised payments (relevant expenditure) for the programmes concerned.

This step establishes a link between the control results and the actual payments made. Indeed, the audits have examined costs declared in support of projects closed in previous years. The multi-annual amount at risk is the amount that may have been paid in excess to beneficiaries assuming that the projects closed within the same period used for the calculation of the error rate are affected by the same error rates as found above. The multi-annual net amount at risk is calculated by multiplying the 'detected' error rate (weighted average of error rate of random and risk-based audits) by the value of the closed projects for which a final payment and/or recovery order was done (relevant expenditure or funding) within the same period used for the calculation of the error rate, and subtracting the corrections (from risk-based and random audits) made on the audited population. The relevant expenditures exclude new pre-financing amounts but include the pre-financings 'cleared', whose ownership has been transferred to the grants' beneficiaries. Step 3: assessing the materiality, by relating the 'multi-annual amount at risk' for the activity considered to the payments made (ABB), within the same period used for calculation of the error rate, for the relevant programmes managed by the Agency, for determining whether a reservation would be due. The multi-annual materiality of the amount at risk is calculated by programme. It is calculated by comparing the amount at risk with the total amounts of payments (ABB payments) made within the same period used for the calculation of the error rate for each programme. For determining whether a reservation is due, the multi-annual materiality is the criterion, and a reservation is issued if the materiality of the amount at risk exceeds 2% of the total annual payments for the concerned programme. Step 4: calculation of the impact of a reservation on the overall declaration (if applicable) by assessing its 'weight' on the overall operational budget in terms of payments managed by the Agency in the reporting year.

Since 2019⁽¹⁴⁾, a 'de minimis' threshold for financial reservations has been introduced. Quantified annual activity report 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.

⁽¹⁴⁾ Agreement of the Corporate Management Board of 30/4/2019.

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

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

Grants – direct management

Stage 1 – Programming, evaluation and selection of proposals

A - Preparation and publication of the calls for proposals¹⁵

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

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

¹⁵ According to the yearly Work Programme adopted and published by the parent DGs

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

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

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

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
The evaluation, ranking and selection of proposals are not carried out in accordance with the established procedures, and or the calls for proposals.	Clear and complete evaluation procedure fully compliant, intensive trainings given to staff and experts on assessment of lump sums Adequate assignment of staff and appointment of expert evaluators Assessment by staff (e.g. project officers) and by independent experts (contractors). Close supervision and	100% of eligible proposals are evaluated in compliance with the evaluation committee procedure and with FR -all evaluation committee members have followed the compulsory training and signed a declaration of non-conflict of interested -100% assessment for technical expertise and independence of	Effectiveness - Number of closed cases related to evaluation procedure which concludes that an error was made by the Agency (Art. 22, Ombudsman, Court cases) vs total number of closed cases related to evaluation procedure - Number of request for review related to evaluation procedure which led to a modification of the decision for this reason vs total Number of request for review related to evaluation procedure - % of proposals successfully challenged through the remedies vs total number of proposals received and vs number of complaints received

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

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

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

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

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

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

	suspension/interruption of payments, penalties or liquidated damages. Referring grant to OLAF. Grant termination Time to pay monitoring Recovery order process monitoring.		
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Stage 4 - Ex-Post controls

A - Reviews, audits and monitoring

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

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
The ex-ante controls (as such) fail to prevent, detect and correct erroneous payments or attempted fraud.	An independent audit contractor not involved in operational or financial circuits, performing ex-post audits. A detailed multi-annual Ex-post audit strategy, implemented through an annual audit plan. Identification of potential	Random sample: MUS random sample sufficiently large to draw valid management conclusions, including on ex ante controls quality Risk-based sample: determined in accordance with the selected risk criteria, aimed at maximising return on audit (either financial or	Effectiveness: Number of audits finalised in a year (trend). Audit coverage. Residual error rate below tolerable threshold. Number of audit findings showing ex ante control weaknesses (trend) Efficiency: Number of audits closed per FTE, number of audit closed over total ongoing audits Economy: estimation of annual cost of staff involved in the coordination and execution of the ex-post audit strategy + annual the costs paid to the external audit firms for the

	improvements on ex-ante controls via the ex-post controls outcomes.	pedagogical aim for recurrent beneficiaries etc.) and complement ex ante controls.	outsourced audits/ EACEA share of amount audited in the year Total annual cost of audits compared with benefits (total Recovery Orders issued after audits)
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B- Implementing results from ex-post audits/controls

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

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

ANNEX 7: Specific annexes related to "financial management"

1. Free content:

Further details on sections 2.1.1

Reporting requirements

Art 193 FR on non-retroactivity of grants: 270 cases reported in 2022 concerning projects started before the date of signature of the grant agreements, as the applicant has demonstrated the need for starting the action prior to signature. They refer to Erasmus+ (45 cases) and MEDIA (225 cases) and they are due respectively to the constraints of the start of the academic year and linked to market calendars for certain actions supporting the development or production of audio-visual (e.g. release date or shooting of a film are pre-defined and not always fully compatible with the calls timing).

Effectiveness: the control results and benefits

Legality and regularity of the transactions

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

Stage 1: Evaluation and selection of proposals

The overall control objective is to ensure that only the highest-quality proposals which meet the policy objectives and priorities are selected. In order to meet this objective, the Agency has put in place a set of rules and procedures including equal treatment of all applications. The benefits of this phase are: compliance with the rules, good quality and reliable evaluation process, and selection of projects giving the highest added value for the EU. These benefits are non-quantifiable.

Stage 2: Contracting

The overall control objective of this stage is to translate each of the selected proposals into legally binding grant agreements or decisions in a way that ensures an optimal allocation of EU funds. As a result of the contracting process, in 2022 the Agency concluded grant agreements/decisions amounting to more than EUR 1 476 million in commitments. The benefits of the contracting exercise are clarity and legal security both for the beneficiaries and the Agency and for all the selected applications. These benefits are non-quantifiable.

Stage 3: Monitoring and execution

The overall control objective of this stage is to ensure that the projects are performing according to their schedule¹⁶ and objectives, and that payments or recoveries comply with the regulatory and contractual provisions. In terms of the benefits of controls at this stage, the non-quantifiable benefits refer to the increased level of assurance for the Agency stemming from promptly identifying and addressing implementation risks, as well as for the beneficiaries, who receive assistance from Agency staff in facing difficulties related to project implementation. The quantifiable benefits correspond to the detection of ineligible costs when analysing the payment requests, which may lead to recovery orders.

Stage 4: Ex post controls

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

In addition, another important control objective is to provide management with prompt information regarding the trend of the detected error rate, in order to take the necessary corrective actions (if necessary). Concretely, EACEA does this with a monthly report on the multiannual detected error rate for each programme and for each programming period. Other measures such as synthetic reports highlighting the preliminary audit results immediately after the audit fieldwork, monthly reporting including data on audits not yet finalised, specific follow-up on audits with an error rate above average or difficult to close (dashboard) are available for the management to put in place any necessary actions with no delays. Concerning effectiveness, another relevant indicator monitored by the Agency is the total closed risk-based audit projects with findings (recoveries) over the total risk-based audit projects closed in the reporting year. This indicator in 2022 is equal to 56%, slightly above the 54% in 2021. The quality of the risk-based selection improved in relation to past years and it is being closely followed. As illustrated, controls are in place for each grant management stage and cover the entirety of the Agency's expenditure. Overall, they are effective, thus ensuring that the error rate level and the materiality of the amount at risk remain below 2% for the programming period (2014-2020¹⁷), so that no reservations on programmes are granted for the current reporting year.

Fraud prevention, detection and correction See section 2.1.1b of the AAR

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

¹⁶ The execution of the projects is monitored through different tools, well-illustrated in EACEA Monitoring Strategy, including ex ante controls with a focus on: (1) assessment of the progress achieved in the implementation of the project; (2) a plausibility check on the declared costs; and (3) compliance with the legality and regularity requirements.

¹⁷ The same assumptions are applied to 2021-2027 programming period, given the lack of audit results and the stability of the Agency programmes' portfolio across the two MFFs.

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

Stage 1: Evaluation and selection of proposals

In terms of speed in managing this specific phase, the Agency shows the time to inform its beneficiaries in section 2.1 of the AAR text. The quality of the selection and evaluation phase is indirectly proved by the Agency's **100% success rate for judicial proceedings** in general, as well as for those **referring to selection and evaluation of proposals**, closed since 2006; these latter proceedings represent a very tiny proportion of the evaluated applications.

Overview of legal cases since 2006*

	Total since the start of the Agency	open / ongoing cases during calendar year 2022	closed cases at 31/12/2022	Cases still ongoing (not yet closed at 31-12-2022)	Total closed judicial proceedings with favorable outcome for the Agency at 31/12/2022	Total closed judicial proceedings with unfavorable outcome for the Agency at 31/12/2022	Total closed criminal complaints without decision on the substance at 31/12/2022	Success rate for the Agency
Legal cases	34	5	31	3	29	0	2	100%
which concern the ex-ante phase	6	2	3	1	3	0	0	100%

*The figures include judicial proceedings before the EU Courts, judicial proceedings before national courts (except judicial recoveries) and criminal complaints with claim for damages lodged by the Agency (and not by e.g. OLAF, etc.).

In percentage of total applications evaluated

Total judicial proceedings	0.018%
which concern the ex-ante phase	0.003%

Benefits of control in the selection and evaluation phase

The **number of requests for review** is one indicator in use for monitoring the quality of the proposal evaluation process. To have a more meaningful statistically indicator, EACEA uses a particular reference period for the evaluation review cases. For 2022, the evaluation review data relates to calls that notified applicants of the results between 1 July 2021 and 30 June 2022. This better represents the work on evaluation review during 2022. A total of 4.63% of the received requests for review resulted in changes of the decision in 2022.

Evaluation review requests received from call result notifications sent 1/7/2021 - 31/6/2022	Received:			Total	Resulting in changes of decision:			Percentage of received complaints leading to a change of decision
	Art. 22 complaints received in 2022	Ombudsman complaints received in 2022			Evaluation review requests received from call result notifications sent 1/7/2021 - 31/6/2022	Art. 22 complaints received in 2022	Ombudsman complaints received in 2022	
104	3	1	108	5	0	0	5	4.63%

Of the five evaluation review requests that resulted in a change of decision, four were from the call ERASMUS-2021-ECHE-CERT. This call was for a certification scheme and has no financial award/impact. All four of these requests were to review the 'ineligible' status that was initially given to the applications. ERASMUS-2021-ECHE-CERT was the first of the annual Erasmus Charter for Higher Education (ECHE) calls for which EACEA was responsible for applicants' requests for review. Therefore the four cases from ERASMUS-2021-ECHE-CERT explain why the overall 2022 figures on requests for review are slightly higher than in previous years.

The fifth case that resulted in a change of decision followed a request to review the substance of the evaluation for a proposal to the call

The same piece of information is provided across 7 years, for comparison.

	2016	2017	2018	2019	2020	2021*	2022+
Number of requests for review received	129	117	188	102	102	75	108
In % of total of proposals received	1.1%	0.9%	1.6%	1%	1.1%	0.7%	1.7%
Number of cases that led to a change of decision	3	4	3	3	0	1	5
<i>compared to the total number of requests for review received</i>	2.33%	3.42%	1.6%	2.94%	0%	1.33%	4.63%
<i>compared to the total number of applications received</i>	0.02%	0.03%	0.02%	0.03%	0%	0.01%	0.08%

* For the 2021 and 2022 column, the reference period of evaluation review cases is different from the previous years, where the calendar year was used as a reference period. For 2021, the evaluation review data relates to calls that notified results to applicants between 1/7/2020 and 30/6/2021. This better represents the work on evaluation review during 2021, because evaluation reviews started in the second half of the year could be finalised in the following calendar year.

+ In analogy to the methodology applied for 2021, the evaluation review data for 2022 relates to calls that notified results to applicants between 1/7/2021 and 30/6/2022. The number of requests for review received does not include two requests under Article 22 that by 31/12/2022 did not yet have an outcome.

There were no Ombudsman cases in 2022 that could have led to a change of decision as regards the evaluation of proposals.

Stage 2: Contracting

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

Stage 3: Monitoring and execution

The two main efficiency indicators for this stage concern the level of **execution of commitment appropriations** and their speed. Both indicators give information on the efficiency of the monitoring. With regard to the **operational budget**, in 2022 the **execution of commitment credits** was EUR 1 476.69 million or 97% of the available budget (all type of credits included). Budget **execution regarding commitments (C1, C5, EO credits)** raises up to 99,4% for 2022. The reason for not reaching the target of 100%

lays beyond the responsibility of the Agency (an amount of funding was made available and but not executable this year¹⁸).

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

Stage 4: Ex post controls

For this stage the main efficiency indicator is the value of corrections made by implementing audit results, by means of recovery orders and/or offsetting. In 2022, this value amounts to EUR 2.05 million and is a bit lower compared to the EUR 2.8 million reported in 2021, due to the almost fully completed phasing out of the programmes generation related to 2007-2013 MFF, the most prone to error (and consequent recoveries).

The benefit per audited project is equal to EUR 32 002, which considerably increased compared to previous years. The average cost of an audit is largely covered by the benefit, especially considering that one audit assignment may include more than one project.

Year	2020	2021	2022
Number of audited projects closed in the year	147	157	64
Total recoveries in EUR	1 824 992	2 852 408	2 048 104
Benefit per closed audited project in EUR	12 415	18 168	32 002

In addition to these quantifiable benefits, there are a number of non-quantifiable ones linked to ex post controls, which are equally important, such as the preventive and dissuasive effect of ex post audits, especially with recurrent beneficiaries. It also has a learning effect for beneficiaries, helping to reduce errors in future cost declarations. Similarly, ex post controls allow for the identification of risks and lessons learnt both related to beneficiaries and to potential weaknesses of ex ante controls. The Agency monitors two additional efficiency indicators at year-end, relating to the **speed of issuing the pre-information letter and the recovery order**¹⁹. In 2022, the pre-information letters were sent on average **101 days** after receipt of the final audit report, 25 days more compared to last year's figure (76 days in 2021, 49 in 2020 and 31 days in 2019). The time between Final Audit Report (FAR) and sending pre-info letter was higher in 2022

¹⁸ NDICI Decision derogating to the annuality principle

¹⁹ Respectively: Average time between the final report reception date and the moment the pre-info letter was sent (in days) and Average time between the day the pre-info letter is sent and the date when the RO is issued (in days).

because of a high number of appeals against the audit results in FAR. The time for issuing a recover order in 2022 was equal on average to **64 days** (compared to 83 days in 2021 and 66 in 2020). The first indicator shows a worse performance compared to the past. On the contrary, the average time to issue a recovery order in 2022 decreased as the indicator was calculated based on the last pre-information letter sent after appeal.

Economy: the cost of controls

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

Stage 1: Evaluation and selection of proposals

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

in EUR	2021	2022
Number of eligible proposals	3 020	9 351
Expert's costs	2 532 690	5 769 990
Expert's costs per proposal	839	617
Commitments made in EUR	801 253 497	1 476 692 774
Expert cost in % of commitments	0.3%	0.4%

As in 2022 EACEA managed a higher number of proposals (almost three time as much), compared to 2021, the experts costs is also higher (almost twice as much as 2021), but the expert costs per proposal is equal to 617 EUR in 2022²⁰, thus lower and more economical than in 2021.

To conclude, given that EACEA managed calls for proposals for a significant amount of almost EUR 1 477 million, the cost of experts represents a tiny percentage of it.

Stage 2: Contracting

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

²⁰ Amount paid to experts used for evaluation divided by number of eligible proposals finalised in 2022

administrative workload and using standardised models of contracts and decisions, available in the eGrants tool.

Stage 3: Monitoring

The main cost drivers of this phase are represented by staff costs, on-site monitoring missions, meetings and IT-specific costs specifically related to systems for the management of grants. In 2022 mission costs represent slight amount of EUR 0.05 million due to the difficulties of visiting beneficiaries on site during and after the COVID-19 pandemic. The main non-quantifiable benefits of this stage are the assurance that the projects are running as intended, thus increasing the probability of success and the provision of appropriate feedback on policy development. The most relevant quantifiable benefit is the **financial impact of the ex-ante controls** performed on the cost claims before proceeding to payment, allowing for rejection of non-eligible costs claimed. In 2022 this financial benefit is estimated equal to EUR 7.89 million (versus EUR 10.8 million in 2021 and EUR 19.4 million in 2020). This decrease could be expected considering the fact that no payments were made under programmes of MFF 2007-2013, which had the highest probability of errors. The programme of MFF 2014-2020 has lower errors probability as more simplification measures have been implemented. The financial benefit of the ex-ante controls will be reduced in the future by further simplification under the programmes of new MFF 2021-2027.

Stage 4: Ex post controls

The total cost of ex post controls includes the cost of internal resources (staff) who are involved in this stage, the cost of outsourced ex post audits and the mission costs of the EACEA team. In 2022 the total costs of ex post controls amounts to EUR 1.3 million (EUR 1.3 million in 2021 and EUR 1.4 million in 2020) as shown in the table Y below. This is nearly the same amount as in 2021 and it slightly decreases compared to the average value of the last 3 years (EUR 1.31 million). The benefit of ex post controls (EUR 1.89 million in 2022) is below the same indicator of 2021 (EUR 2.8 million), but it exceeds the total ex post control costs.

2. Compulsory for all departments:

Table Y on the estimated “cost of controls” at Commission level

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

NB. The absolute values are presented in EUR.

- Overview of EACEA's estimated cost of controls at Commission (EC) level

EXPENDITURE

The absolute values are presented in EUR

EACEA	Ex ante controls***			Ex post controls			Total	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Relevant Control System (RCS) / Other as defined in Annex 6 of the AAR*	EC total costs	related payments Made	Ratio (%)** (a)/(b)	EC total costs	total value verified and/or audited	Ratio (%) (d)/(e)	EC total estimated cost of controls (a)+(d)	Ratio (%)** (g)/(b)
Selection, contracting, monitoring	59,405,161.67 €	1,118,056,451.00 €	5.31%			0.00%	59,405,161.67 €	5.31%
Ex post controls	- €	- €	0.00%	1,263,187.80 €	48,346,970.83 €	2.61%	1,263,187.80 €	0.00%
OVERALL total estimated cost of control at EC level for expenditure	59,405,161.67 €	1,118,056,451.00 €	5.31%	1,263,187.80 €	48,346,970.83 €	2.61%	60,668,349.47 €	5.43%

"Details of the estimated cost of controls related to shared/pooled control activities carried out by REA and hosted by DG RTD (Common Implementation Centre including Common Audit Service) for the Research and Innovation family are reported in the Annual activity reports of REA and RTD."

ANNEX 8: Specific annexes related to "assessment of the effectiveness of the internal control systems"

Efficiency of controls: Key control indicator Time to Grant (TTG)

The EACEA target for TTG was not reached in 2022 mainly due to a backlog in validation process (legal and financial) for EACEA's beneficiaries, before contractualisation. The activity in question is fully outsourced to REA and the backlog risk on budget execution and operations was detected by EACEA as part of its continuous monitoring and supervision activity.

This backlog materialized for the first time in 2022 (it never had place in past years) and in early October, controls in place at EACEA detected that some **44%** of total projects finally signed in 2022 were stuck pending validation. EACEA and REA agreed to put in place adequate mitigating measures allowing to reduce, by early December 2022, such backlog to **8%** of total contracts signed in 2022.

The action plan entailed the prioritisation of beneficiaries for REA validation based on two criteria: 1) the economic size of contract and 2) the number of participants in the consortium. With these criteria it was possible to schedule beneficiaries' validation maximising budget execution, processing speed and minimising workload for REA. As a consequence, EACEA attained more than satisfactory TTG and budget execution.

These circumstances confirm that the control system is solid and functions as expected: from one side it was able to detect the negative impact of external factors and from the other side allowed for the identification of root causes leading to the implementation of effective actions, mitigating the final impact to a TTG at 89% and not 100%. EACEA in addition took advantage of the situation to improve information and communication towards its beneficiaries, in view to increase their reactivity and speed during grant agreement preparation (GAP).

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

3. Annex related to "Control results" - Table X: Estimated risk at payment and at closure

- for Executive Agencies:

EA EACEA	Payments made (2022;MEUR)	minus new prefinancing [plus retentions made] (in 2022;MEUR)	plus cleared prefinancing [minus retentions released and deductions of expenditure made by MS] (in 2022;MEUR)	Relevant expenditure (for 2022;MEUR)	Detected error rate or equivalent estimates	Estimated risk at payment (2022;MEUR)	Adjusted Average Recoveries and Corrections (adjusted ARC; %)	Estimated future corrections [and deductions] (for 2022;MEUR)	Estimated risk at Closure (2022;MEUR)
-1	-2	-3	-4	-5	-6	-7	-8	-9	-10
Erasmus+ 2014-2020	237.35	- 196.64	368.58	409.29	0.95% - 0.95%	3.88 - 3.88	0.11% - 0.11%	0.46 - 0.46	3.42 - 3.42
Creative Europe 2014-2020	77.92	- 16.77	42.12	103.27	0.95% - 0.95%	0.98 - 0.98	0.11% - 0.11%	0.12 - 0.12	0.86 - 0.86
Europe for Citizens 2014-2020	9.91	- 0.29	13.78	23.40	0.95% - 0.95%	0.22 - 0.22	0.11% - 0.11%	0.03 - 0.03	0.20 - 0.20
EU Aid Volunteers 2014-2020	1.16	0.00	4.96	6.13	0.95% - 0.95%	0.06 - 0.06	0.11% - 0.11%	0.01 - 0.01	0.05 - 0.05
Solidarity Corps 2014-2020	0.13	0.00	0.52	0.66	0.95% - 0.95%	0.01 - 0.01	0.11% - 0.11%	0.00 - 0.00	0.01 - 0.01
Erasmus+ 2021-2027	506.05	- 500.18	37.71	43.57	0.95% - 0.95%	0.41 - 0.41	0.11% - 0.11%	0.05 - 0.05	0.36 - 0.36
Creative Europe 2021-2027	204.74	- 203.06	4.05	5.73	0.95% - 0.95%	0.05 - 0.05	0.11% - 0.11%	0.01 - 0.01	0.05 - 0.05
CERV 2021-2027	64.63	- 64.44	1.01	1.20	0.95% - 0.95%	0.01 - 0.01	0.11% - 0.11%	0.00 - 0.00	0.01 - 0.01
Solidarity Corps 2021-2027	3.83	- 3.83	0.00	0.00	0.95% - 0.95%	0.00 - 0.00	0.11% - 0.11%	0.00 - 0.00	0.00 - 0.00
Experts	5.90	0.00	0.00	5.90	0.50% - 0.50%	0.03 - 0.03	0.00% - 0.00%	0.00 - 0.00	0.03 - 0.03
Procurement	33.01	- 0.29	0.76	33.48	0.50% - 0.50%	0.17 - 0.17	0.00% - 0.00%	0.00 - 0.00	0.17 - 0.17
EDF	6.43	- 6.37	6.07	6.13	0.95% - 0.95%	0.06 - 0.06	0.11% - 0.11%	0.01 - 0.01	0.05 - 0.05
Sub-total	1 151.07	- 991.87	479.55	638.76		5.89 - 5.89	0.11% - 0.11%	0.68 - 0.68	5.21 - 5.21
operating budget	59.08	0.00	0.00	59.08	0.50% - 0.50%	0.30 - 0.30	0.00% - 0.00%	0.00 - 0.00	0.30 - 0.30
total EA (operational + operating)	1 210.15	- 991.87	479.55	697.83		6.18 - 6.18	0.10% - 0.10%	0.68 - 0.68	5.50 - 5.50
					Overall risk at payment in %	0.89% - 0.89% (7) / (5)		Overall risk at closure in %	0.79% (10) / (5)

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

EACEA	Payments made (2022;MEUR)	minus new prefinancing [plus retentions made] (in 2022;MEUR)	plus cleared prefinancing [minus retentions released and deductions of expenditure made by MS] (in 2022;MEUR)	Relevant expenditure (for 2022;MEUR)	Detected error rate or equivalent estimates	Estimated risk at payment (2022;MEUR)	Adjusted Average Recoveries and Corrections (adjusted ARC; %)	Estimated future corrections [and deductions] (for 2022;MEUR)	Estimated risk at Closure (2022;MEUR)
-1	-2	-3	-4	-5	-6	-7	-8	-9	-10
Total EDF	6.43	6.37	6.07	6.13					

Notes to the table X

(1) Relevant Control Systems [if possible] differentiated per relevant portfolio segments and at a level which is lower than the 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 departments. For Cross-SubDelegations (Internal Rules Article 12), the reporting remains with the Delegating departments.

(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 departments, even for Cross-SubDelegations.

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

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

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

(5) For the purpose of equivalence with the ECA's scope of the 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 [& adds the retentions made], and adds the pre-financing actually cleared [& subtracts the retentions released; and any deductions of *expenditure made by MS*] 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. For the 2014-2020 programming period, the Agency follows a conservative approach. To estimate the average error rate, EACEA uses as a basis for all programmes risk-based and random audits results related to that MFF. For 2022, the overall average error rate is estimated at 0.95%. (1.73% last year). The decrease in the average error rate is due to the complete closure of 2007-2013 projects (no payment/relevant expenditures linked to that MFF have been executed in 2022). The Agency also uses 0.95% as the AOD's best estimate for EDF and those programmes for which it does not have enough available audit results to show a meaningful error rate for both 2014-2020 and 2021-2027 MFF.

For low-risk types of expenditure, where there are indications that the equivalent error rate might be close to 'zero' (e.g. administrative expenditure, operating contributions to

agencies), the rate used by the Agency is 0.5% as a conservative estimate, as EACEA has not a more precise estimate based on evidence

(8) The adjusted average recovery and corrections percentage is [*mostly / to some extent*] based on the 7 years historic Average of Recoveries and financial Corrections (ARC), which is the best available indication of the corrective measures each department applied over the past years as a result of ex post controls. The AOD *has prudently adjusted* this historic average *from 0.3% to 0.11%* to take into account factors from the past years that would no longer be relevant for the current programmes (namely higher ex-post corrections of previously higher errors in earlier generations of grant programmes 2007-2013 completely phased out in order to come to the best and most conservative estimate of the ex-post future corrections to be applied to the reporting year's relevant expenditure for the current programmes. The adjusted figure is based on multi-annual results of the random and risk based ex post controls only (ex post audits) carried out on expenditures of 2014-2020 MFF (2007-2013 results have been excluded). The same figure has been applied to relevant expenditures pertaining to 2021-2027 MFF, given the absence of representative results from ex-post controls.

When comparing the estimated future corrections calculated this year (based on 0.11% figure) and the amount of corrections actually implemented in the reporting period, the estimate looks very prudent. Nevertheless, considering the large majority of simplified cost schemes used in the current MFF, EACEA foresees a lower error rate and lower future recoveries in the coming years, thus and average of recoveries and corrections closer and closer to the currently estimated figure.

(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.

4. Reservations

Not applicable

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

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

Indicator: Number and percentage of female representation in middle management same definition as in the strategic plan

Source of data: SYSPER

Baseline (2021)	Target (2022)	Latest known results (31/12/2022)
20%	25%	27% (4 out of 15 occupied middle management posts)

Indicator: EACEA staff engagement index

Source of data: Commission staff survey

Baseline (2021)	Target (2022)	Latest known results (31/12/2022)
67%	To maintain or increase	Same as on 31/12/2021: 67%

Main outputs in 2022:

Description	Indicator	Target	Latest known results
Connecting EACEA (e.g.) actions to provide insight into the work of the Agency and how it fits into the bigger picture	Level of satisfaction	70%	87%
EACEA Empowered	Number of awareness-raising activities	3	6
Additional staff engagement initiatives linked to the Staff Survey Development Plan	Level of completion of the Staff Survey Development Plan	100% within Q4	Staff survey action plan 2022-2023 approved in September 2022

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.

Main outputs in 2022:

Description	Indicator	Target	Latest known results
Effective controls: Legal and regular transactions	Risk at payment	remains < 2 % of relevant expenditure	0.9%

Description	Indicator	Target	Latest known results
	Estimated risk at closure	remains < 2 % of relevant expenditure	0.8%
Efficient controls	Budget execution and time-to-pay	remains 99% of payment appropriations ²¹ and remains >96% of payments (in value) on time	100% budget execution of payment appropriations and 98% of payments (in value) on time
Efficient controls	Budget execution and time-to-grant	remains 100% of commitment appropriations ²² and 100% in 9 months	99% budget execution of commitment appropriations and 89.2% of grant agreements signed in 9 months
Economical controls	Overall estimated cost of controls	remains in line with the average trend (as % of total funds managed) NB average of last 3 years is 7.2%	5.4%

Objective: The risk of fraud is minimised through the application of effective anti-fraud measures and the implementation of the Commission Anti-Fraud Strategy (CAFS)²³ aimed at the prevention, detection and correction²⁴ of fraud

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

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

Baseline (2021)	Interim milestone (2022)	Latest known results (31/12/2022)
80% of the AFS 2018-2020 action points implemented	60% of action points implemented in time	50% of actions implemented (revision of the anti-fraud procedure still ongoing and additional IT reports to develop)
30% of action points implemented from the AFS 2021-2023		

²¹ Type of credits: C1, C5, E0

²² Type of credits: C1, C5, E0

²³ Communication from the 'Commission Anti-Fraud Strategy: enhanced action to protect the EU budget', COM(2019) 176 of 29 April 2019 – 'the CAFS Communication' – and the accompanying action plan, SWD(2019) 170 – 'the CAFS Action Plan'.

²⁴ Correction of fraud is an umbrella term, which notably refers to the recovery of amounts unduly spent and to administrative sanctions.

Main outputs in 2022:

Description	Indicator	Target	Latest known results
<p>Training</p> <p>New leaflet on anti-fraud matters for newcomers</p> <p>Newsletters on antifraud subjects</p>	<p>Fraud awareness for prevention is increased for target population(s) as identified in the EACEA anti-fraud strategy and the ICAT survey</p>	<p>1 training or lunch conference per year</p> <p>All newcomers receiving the anti-fraud for newcomers' leaflet in the month of their arrival</p> <p>Publication of at least 6 newsletters on anti-fraud subjects per year</p>	<p>2 trainings provided (+3 presentations of anti-fraud matters in the welcome event for newcomers)</p> <p>A leaflet is available on anti-fraud intranet</p> <p>7 newsletters published</p>
<p>Training on detection</p> <p>Guidelines on how to address double funding and plagiarism in eGrants</p> <p>Guidelines on detection of fraud in simplified grants</p>	<p>Fraud awareness for detection is increased for target population(s) as identified in the EACEA anti-fraud strategy</p>	<p>1 OLAF training session per year</p> <p>Publication by Q2 2022</p> <p>Publication by Q4 2022</p>	<p>1 in-house training and 1 OLAF training advertised</p> <p>These guidelines are part of the procedures to be followed in eGrants</p> <p>These guidelines are part of the procedures to be followed in eGrants</p> <p>Fraud detection in simplified grants is part of the training on detection of fraud</p>
<p>Updated table of OLAF fraud cases</p>	<p>Sanction: Regular monitoring of the implementation of fraud cases to OLAF</p>	<p>OLAF recommendations implemented within 6 months of the reception of their report</p>	<p>Timely reporting to OLAF (follow up tables).</p> <p>2 cases under analysis (of which 1 out of the deadline due to its complexity and number of projects concerned);</p>
<p>Harmonisation and sharing of best practices among DGs and Agencies on all anti-fraud matters</p>	<p>Strengthened Cooperation: Participation and contribution to FPDNET NETWORK chaired by OLAF and FAIR network and working groups</p>	<p>4 times per year for each network and/or upon request</p>	<p>Participation to 4 meetings for each network</p> <p>Participation to 8 meetings of working groups on harmonized fraud risk assessment and EPPO (drafting of working Arrangements)</p>

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

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

Source of data: GovIS2, Internal assessment

Baseline (2021)	Interim milestone (2022)	Latest known results (31/12/2022)
50%	80%	82%

Indicator: Percentage of implementation of the corporate principles for data governance for EACEA's key data assets

Source of data: EACEA

Baseline (2020)	Interim milestone (2022)	Latest known results (31/12/2022)
0%	50%	56%

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

Source of data: EACEA

Baseline (2018)	Interim milestone (2022)	Latest known results (31/12/2022)
16% of staff in post for 6 months or longer trained on the newest GDPR requirements	65% of staff in post for 6 months or longer trained on the newest GDPR requirements	67%

Main outputs in 2022:

Description	Indicator	Target	Latest known results
Full eGrants on-boarding	The whole grant management life cycle for all the actions in the current MFF is supported by eGrants	100%	100% (except PPPAs for which eGrants is used partially: from the call publication to the evaluation of submitted proposals)
eProcurement on-boarding	EACEA uses eProcurement corporate solutions to support all the processes for which a module is available.	100%	100%

Description	Indicator	Target	Latest known results
Roll-out of the new collaboration solutions based on M365/Teams, expanding them when possible to support EACEA's core business (e.g. Selection Roadmap, using Project Online)	<ul style="list-style-type: none"> - Percentage of cross-cutting processes that are supported by the new collaboration tools - Percentage of units that use the new collaboration tools - 5% of staff per unit effectively act as Champions 	<p>70%</p> <p>100%</p> <p>100%</p>	<p>100%</p> <p>100%</p> <p>In 8 out of 14 Units, more than 5% have followed two training courses. At Agency level 10% have been reached. Staff continue to be trained</p>
The use of corporate solutions to support our external platforms (stakeholder engagement, community building, online training) is maximised	When available, corporate solutions are used. Otherwise, the technical solutions are chosen with future convergence in mind	100%	100%
An up-to-date IT security plan (ITSP) exists for the legacy grant management systems and other platforms	Existence of the ITSPs	50% of the systems have an up-to-date ITSP	40% of the Information Systems have an IT Security plan. In 2023 the agency will make a big step forward by using the service provided by DIGIT.S
Implementation of the first steps towards data governance for the Agency's key data assets	Determination of the Agency's key data assets and assignment of data owners	Descriptions of the Agency's key data assets made available to the Commission via the JRC data base	EACEA's key data assets were added to the corporate data catalogue accessible to all EC staff. The Agency adopted its strategy for the deployment of data governance. Data Owners and Stewards were appointed.
Training on raising awareness of data protection compliance	Number of trainings given	Minimum 3 training sessions	4 training sessions

Objective: EACEA takes account of their environmental impact in their actions and actively promote measures to reduce the related day-to-day impact of the administration and its work and promote climate and biodiversity mainstreaming, with the support of their respective EMAS Correspondents.

Main outputs in 2022:

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

Description	Indicator	Target (2021 as baseline)	Latest known results
Staff awareness actions to reduce energy use in the framework of EMAS corporate campaigns and/or awareness actions about EA's total energy consumption in collaboration with OIB/OIL where appropriate	Number of actions	At least one lunchtime conference (baseline 2021: one lunchtime conference)	1 lunchtime conference – Digital mindfulness
Participation in the end of the year energy saving action, by closing down EA's buildings during the Christmas and New Year's holiday period.	Number of buildings participating	100 % of EACEA buildings participating ²⁵	100 % of EACEA buildings participating
Paperless working methods at EA level (such as paperless working: e-signatories, financial circuits, collaborative working tools) and staff awareness actions to reduce office paper use in the framework of EMAS corporate campaigns and/or raise awareness about EA's office paper use in collaboration with OIB/OIL where appropriate.	Number or % of staff informed/participated	Address all staff	N/A: EACEA focused more on campaign on energy savings than paperless working methods

²⁵ EACEA partially occupies 3 Commission buildings, but the main EACEA building is J-59, therefore the target refers to J-59.

II. Reducing CO₂, equivalent CO₂ and other atmospheric emissions:

Description	Indicator	Target (2021 as baseline)	Latest known results
Staff awareness actions on reducing GHG emissions (such as actions on sustainable commuting during EU Mobility week and VeloWalk corporate events) and/or raise staff awareness on sustainable commuting in collaboration with OIB or OIL (e.g. availability of bike parking facilities, lockers and showers, promote the reduction of parking spaces' use amongst staff).	% of staff participating in VeloWalk	10% increase in staff participating in VeloWalk	>10% (73 staff members in comparison with 11 in 2021)
Staff awareness on digital pollution and gradual change of behaviours avoiding heavy emails, encouraging the use of ICT platforms, avoiding unnecessary storage of data.	Number of events organised	One campaign of digital pollution (baseline 2021: n/a)	1 lunchtime conference – Digital mindfulness 1 campaign on collection of electronic items Participation of the Green EACEA group in the “digital frugality” campaign

III. Reducing and management of waste:

Description	Indicator	Target (2021 as baseline)	Latest known results
Staff awareness actions about waste reduction and sorting in the framework of EMAS corporate campaigns and/or staff awareness actions about EA's waste generation in collaboration with OIB/OIL where appropriate (for example, promote and label the waste sorting schemes in place).	Number of actions	At least one action (baseline 2021: one action)	Replacement of individual bins

V. Supporting biodiversity

Description	Indicator	Target (2021 as baseline)	Latest known results
Staff awareness actions on supporting biodiversity (for example for urban sites, sponsor the creation and maintenance of urban gardens, insect hotels and green roofs within EC-premises with the support of volunteers)	Number of actions	At least one awareness-raising action (baseline 2021: n/a)	N/A: Commission services did not supply with the necessary infrastructure EACEA's building in order for the Agency to organise then a relevant event

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

Not applicable

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

Not applicable

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

Not applicable

ANNEX 14: Reporting on the Recovery and Resilience Facility

Not applicable