



Annual Activity Report 2024

Annexes

Directorate-General
Neighbourhood and
Enlargement
Negotiations

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

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

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

Date: 11 April 2025

Signed: *Victoria Gil Casado*

Director R - Director in charge of Risk Management and Internal Control

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.

Date: 11 April 2025

Signed: *Mathieu Bousquet*

Director A - Director taking responsibility for the completeness and reliability of management reporting on results and on the achievement of objectives

⁽¹⁾ C(2017)2373 of 19.04.2017.

ANNEX 2: Performance tables

General objective 4: A stronger Europe in the world		
Impact indicator 2: Readiness of enlargement countries on political criteria ⁽²⁾		
Source of the data: European Commission		
<p>Explanation: This indicator shows where the enlargement countries stand in terms of their preparations for meeting key areas of the political accession criteria, namely the functioning of the judiciary, fight against corruption, fight against organised crime, freedom of expression and public administration reform. It is given as an overall sum of enlargement countries. It is measured on a scale from 1 to 5.</p> <p>Methodology for calculating the indicator: In each of the areas, the state of play (i.e. the readiness) is assessed according to the following five-tier standard assessment scale:</p> <ol style="list-style-type: none"> 1. Early stage 2. Some level of preparation 3. Moderately prepared 4. Good level of preparation 5. Well advanced 		
Baseline (2019)	Interim Milestone (2022)	Target (2024)
1.99	Increase	Increase
Latest known results (2024): 2.17 ⁽³⁾		
Impact indicator 3: Readiness of enlargement countries on economic criteria		
Source of the data: European Commission		
<p>Explanation: This indicator shows where the enlargement countries stand in terms of their preparations for meeting key areas of the two economic accession criteria, namely the existence of a functioning market economy and the capacity to cope with competitive pressures and market forces within the EU. It is given as an overall sum of enlargement countries. It is measured on a scale from 1 to 5.</p> <p>Methodology for calculating the indicator: In each of the areas, the state of play (i.e. the readiness) is assessed according to the following five-tier standard assessment scale:</p> <ol style="list-style-type: none"> 1. Early stage 2. Some level of preparation 3. Moderately prepared 4. Good level of preparation 5. Well advanced 		
Baseline (2019)	Interim Milestone (2022)	Target (2024)
2.64	Increase	Increase
Latest known results (2024):		

⁽²⁾ There is a similar indicator under the IPA II Programme Statement Specific Objective 1 Composite indicator on the readiness of enlargement countries on fundamental areas of the political accession criteria. However, overall number of cases of early preparation stage are reported.

⁽³⁾ This figure includes the Western Balkans and Türkiye. For the Western Balkans only, the baseline would be 2.05 and the 2024 value 2.285. The value for this indicator has slightly increased compared to the previous year, thanks to improvement of the situation in Albania, Bosnia and Herzegovina, Kosovo, North Macedonia, Montenegro and Serbia. This indicator does not include Ukraine, the Republic of Moldova and Georgia, which became enlargement countries in 2022. The value of this indicator for these three partners cannot be established at this stage.

2.96 ⁽⁴⁾

Impact indicator 4: Governance in the EU's neighbourhood ⁽⁵⁾

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

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

- **Voice and accountability** capture perceptions of the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and free media.
- **Government effectiveness** captures perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies.
- **Political stability and absence of violence / terrorism** ⁽⁶⁾ captures perceptions of the likelihood of political instability and / or politically motivated violence, including terrorism.

Baseline (2017)	Interim Milestone (2022)	Target (2024)
Voice and accountability: Eastern neighbourhood: 33.09 Southern neighbourhood: 27.98	Increase	Increase
Government effectiveness: Eastern neighbourhood: 46.32 Southern neighbourhood: 37.98	Increase	Increase
Political stability and absence of violence / terrorism: Eastern neighbourhood: 27.06 Southern neighbourhood: 13.43	Stabilise	Increase
Latest known results (2023 ⁽⁷⁾):		

⁽⁴⁾ The figure includes Western Balkans and Türkiye. For the Western Balkans only the baseline would be 2.33 and the 2024 value 2.7. The value for this indicator increased slightly thanks to improvement in the functioning market economy criteria of Albania and Kosovo and Serbia and the improvement in the second criteria (the ability to withstand the competitive pressure) in Bosnia and Herzegovina. All other indicators remained the same. This indicator does not include Ukraine, the Republic of Moldova and Georgia, which became enlargement countries in 2022. The value of this indicator for these three partners cannot be established at this stage.

⁽⁵⁾ There is a similar indicator under the ENI Programme Statement Specific Objective 1 Indicator 2. However, this indicator is broader and provides a weighted score based on eight external sources covering also other issues.

⁽⁶⁾ There is a similar indicator under the ENI Programme Statement Specific Objective 5, Indicator 1. However, it measures number of countries in a percentile rank above 0-30 (lowest rank).

⁽⁷⁾ At the time of drafting, the World Bank's Worldwide Governance Indicators (WGI) for 2024 were not yet available.

Voice and accountability:	Eastern neighbourhood: 35.04 Southern neighbourhood: 27.34
Government effectiveness:	Eastern neighbourhood: 44.89 Southern neighbourhood: 35.69
Political stability and absence of violence / terrorism:	Eastern neighbourhood: 19.66 Southern neighbourhood: 17.32

Impact indicator 5: Rule of law in the EU's Neighbourhood ⁽⁸⁾

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

Explanation: This indicator captures perceptions of the extent to which agents have confidence in and abide by the rules of society and in particular the quality of contract enforcement property rights, and the courts, as well as the likelihood of crime and violence.

Baseline (2017)	Interim Milestone (2022)	Target (2024)
Eastern neighbourhood: 33.09	Increase	Increase
Southern neighbourhood: 36.06	Stabilise	Increase

Latest known results (2023 ⁽⁹⁾):

Eastern neighbourhood: 35.30
Southern neighbourhood: 35.48

Impact indicator 6: Control of corruption in the EU's Neighbourhood ⁽¹⁰⁾

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

Explanation: This indicator captures perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as 'capture' of the state by elites and private interests.

Baseline (2017)	Interim Milestone (2022)	Target (2024)
Eastern neighbourhood: 36.38	Increase	Increase
Southern neighbourhood: 38.99	Increase	Increase

Latest known results (2023 ⁽¹¹⁾):

Eastern neighbourhood: 40.01

⁽⁸⁾ Rule of Law is included in the similar indicator under the ENI Programme Statement Specific Objective 1 Indicator 2. However, this indicator is broader and provides a weighted score based on eight external sources covering also other issues.

⁽⁹⁾ At the time of drafting, the World Bank's Worldwide Governance Indicators (WGI) for 2024 were not yet available.

⁽¹⁰⁾ Control of corruption is included in the similar indicator under the ENI Programme Statement Specific Objective 1 Indicator 2. However, this indicator is broader and provides a weighted score based on eight external sources covering also other issues.

⁽¹¹⁾ At the time of drafting, the World Bank's Worldwide Governance Indicators (WGI) for 2024 were not yet available.

Specific objective 4.1: The Western Balkans, Ukraine, Moldova, and Georgia are brought closer to the EU based on a credible, merit-based accession perspective and application of the revised enlargement methodology			<i>Related to spending programme: IPA II, IPA III</i>
Result indicator 4.1.1: Degree of readiness of Western Balkans on EU approximation and acquis			
Source of data: Annual Enlargement country reports, European Commission			
Explanation: This indicator shows where the enlargement partners in the Western Balkans stand in terms of their alignment with the EU acquis across all chapters and EU compatible reforms. It is given as the average of Western Balkan beneficiaries. It is measured on a scale from 1 to 5.			
Baseline ⁽¹³⁾ (2019)	Interim Milestone (2022)	Target (2024)	
2.49	Increase	Increase	
Latest known results (2024): 2.65			
Result indicator 4.1.2: Progress of Western Balkans in Public Administration Reform ⁽¹⁴⁾			
Source of data: Annual Enlargement country reports, European Commission			
Explanation: This indicator shows where the Western Balkans stand in terms of the implementation of reforms of public administration to ensure its efficiency and ability to implement and enforce the EU acquis. It is given as the average of Western Balkan beneficiaries. It is measured on a scale from 1 to 5.			
Baseline ⁽¹⁵⁾ (2019)	Interim Milestone (2022)	Target (2024)	
2.5	Increase	Increase	
Latest known results (2024): 2.58			
Result indicator 4.1.3: Implementation of policy guidance in the Economic Reform Programmes			
Source of data: European Commission and ECB			

¹² A number of factors including high-profile scandals, political instability, increased transparency and economic challenges can explain the deterioration of corruption perceptions in the Southern Neighbourhood.

⁽¹³⁾ The baseline provided in the Strategic Plan 2020–2024 included both Western Balkans and Türkiye, and it is corrected here for Western Balkans only.

⁽¹⁴⁾ Public Administration is part of the IPA II Programme Statement Specific Objective 1 Indicator 1 Composite indicator on the readiness of enlargement countries on fundamental areas of the political accession criteria. However, overall number of cases of early preparation stage is reported.

⁽¹⁵⁾ The baseline value of 2.57 provided in the Strategic Plan 2020–2024 referred to Western Balkans and Türkiye. It is corrected here for the Western Balkans only.

Explanation: The indicator quantifies the level of implementation of policy guidance agreed in the Joint Conclusions of the annual Economic and Financial Dialogue between the EU and each of the Western Balkans partners as part of the discussion of the annual national Economic Reform Programmes (ERPs). The score is calculated as the average percentage of implementation for all partners.

Baseline (2020)	Interim Milestone (2022)	Target (2024)
35%	At least 40%	At least 50%
Latest known results (2023⁽¹⁶⁾): 44.2%		

Evaluations ⁽¹⁷⁾ and fitness checks

Output	Indicator	Target
External country evaluation North Macedonia	Evaluation completed	Q1
Latest known results (2024): Evaluation completed		
External evaluation of Budget Support in Albania	Evaluation completed	Q1
Latest known results (2024): Evaluation completed		
External country evaluation Kosovo	Evaluation started	Q1
Latest known results (2024): Evaluation started		
Evaluation of EU cooperation on migration in the Western Balkans	Evaluation started	Q1
Latest known results (2024): Evaluation started		
Evaluation of IPA Roma inclusion projects	Evaluation started	Q1
Latest known results (2024): Evaluation started		
EU's support on public administration reform with a focus on public financial management	Evaluation started	Q1
Latest known results (2024): Evaluation started		

External communication actions

Output	Indicator	Target	Latest known results (2024)
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⁽¹⁶⁾ Latest available data from 2023. The indicator does not reflect the full picture of structural reforms since as of 2024 the “structural reform policy guidance”-parts of the Economic Reform Programmes for Western Balkans have been replaced by reform agendas of each country as foreseen in the Growth Plan for the Western Balkans.

⁽¹⁷⁾ These evaluations are part of the DG NEAR multi-annual strategic evaluations plan. While guided by Better Regulation, it is not an evaluation in the Better Regulation sense.

EU regional communication programme: campaigns, online portal WeBalkans.eu and public diplomacy (Young European Ambassadors (YEAs) Network)	Reach	≥ 5 million (Facebook, Instagram, Twitter)	14 731 251 reach
	Number of followers	≥35 000 (Facebook, Instagram, Twitter)	43 568 followers
	Website (dedicated)		
	Number of page views	≥230 000	93 929
	Integrated campaigns		
	Reach (de-duplicated)	≥6 000 000	7 800 000 (mainstream media) 21 125 000 (social media)
	Young European Ambassadors (YEAs) Network		
	Number of YEAs	≥180	240
	Number of participants in YEA events	≥35 000	73 853
	Numbers for all NEAR regions combined:		Numbers for all NEAR regions combined:
Social media campaigns (21) at central NEAR level to improve awareness in DG NEAR's partner countries and communicate about the support provided by the EU in the framework of the EU's Enlargement policy.	Amount of followers on NEAR X (formerly Twitter)	Over 160 000	158 128
	Reach on NEAR Facebook page and amount of followers on NEAR Facebook	Over 17 million and over 710 000 respectively	7 373 393 reach 705 428 followers
	Number of NEAR Instagram profile visits and amount of followers on NEAR Instagram	Over 110 000 and over 45 000 respectively	138 929 visits 63 169 followers
	Central NEAR Website: (https://neighbourhood-enlargement.ec.europa.eu/index_en)		
News and content on the EU's activities in the Western Balkans, Georgia, Moldova and Ukraine are being promoted on NEAR's central website.	Number of visits	Over 150 000	1 200 623
	Number of visitors	Over 250 000	834 193
	Number of page views	Over 750 000	2 094 409
	Bounce Rate	10%	73.01% (in line with Commission average)

Other important outputs

Output	Indicator	Target
Accession negotiations process with Albania and North Macedonia advanced	1) Completing the analytical examination of the EU acquis (screening process), by finalising and presenting to the Council the remaining screening reports	Q4

Latest known results (2024)

Albania and North Macedonia: Screening reports on cluster 2 (internal market) were presented in May 2024, followed by cluster 6 (external relations) and cluster 3 (competitiveness and inclusive growth) in October 2024, and cluster 4 (green agenda and connectivity) in December 2024. Internal

validation for cluster 5 (resources and agriculture and cohesion) began in December 2024

2) Preparations for the opening of the Fundamentals Cluster get advanced, including, where possible, with submission of Opening Benchmark Assessment Reports to the Council	Q4
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Latest known results (2024)

Albania: The Council approved the opening benchmarks on cluster 1 (Fundamentals) in September 2024 for Albania. The Commission concluded that Albania's roadmaps for public administration reform and rule of law met the requirements for opening negotiations. Albania submitted its roadmap on democratic institutions in October 2024, and an intergovernmental conference was convened to open accession negotiations on the fundamentals cluster.

North Macedonia has yet to meet the Council's criteria, including completing constitutional changes, to open Cluster 1 (Fundamentals). The country also needs to adopt final versions of the roadmaps on rule of law and public administration reform, and the action plan on minorities, before the Opening Benchmark Assessment Report can be prepared.

3) Report to the Council on the state of play under the fundamentals' cluster, in particular chapters "Judiciary and fundamental rights" and "Justice, freedom and security". once the cluster is opened.	Q4
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Latest known results (2024)

Albania: The cluster was opened only in October 2024 thus no further reports to the Council.

North Macedonia has yet to meet the Council's criteria, including completing constitutional changes, to open Cluster 1 (Fundamentals). The country also needs to adopt final versions of the roadmaps on rule of law and public administration reform, and the action plan on minorities, before the Opening Benchmark Assessment Report can be prepared.

Accession negotiations with Serbia and Montenegro progressed	1) Serbia/Montenegro: Draft Common Positions (DCP) and Benchmark assessment reports prepared and submitted to the Council's Enlargement Working Party (COELA) on chapters where the necessary conditions have been fulfilled (NB not possible to close any chapter/cluster before the Rule of Law interim benchmarks are met)	Q4
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Latest known results (2024)

Serbia: 22 of the 35 negotiating chapters have been opened so far. The DCPs for six chapters (2, 3, 10, 16, 19, 28), and the OBARs for two chapters (11, 22) remain under consideration at the Council. There was no intergovernmental conference (IGC) in 2024.

Montenegro: All screened chapters are open. Key milestone has been achieved with IBAR on chapters 23 and 24 accepted at IGC in June 2024 where closing benchmarks for RoL chapters were set. Three negotiation chapters (7, 10 and 20) have been provisionally closed at IGC in December 2024, bringing total of closed chapters to six.

	2) Benchmark assessment report on interim benchmarks (once met) and the DCP with the closing benchmarks for chapter 23 and 24 are prepared	Q2 and Q4
Latest known results (2024) Serbia: Work is ongoing with the authorities on identifying the critical gaps to fulfil the interim benchmarks under chapters 23 and 24. IBAR to be drafted once the Interim Benchmarks are met. Montenegro: IBARs on RoL chapters were presented in COELA in June 2024 and with the Montenegro country report additional assessment on RoL was presented to Member States in November 2024.		
	3) Report to Member States on rule of law progress in Montenegro and Serbia	Two reports in 2024
Latest known results (2024) Serbia: The rule of law non-paper was presented in COELA. The annual report was published in Q4 2024. Montenegro: IBARs on RoL chapters were presented in COELA in June 2024 and with the Montenegro country report additional assessment on RoL was presented to Member States in November 2024.		
Accession negotiation process with BiH launched and progressing, once the necessary criteria are met	Report to Council on progress	Q1
Latest known results (2024) Following the March 2024 European Council decision to open EU accession negotiations, the Commission has started the explanation of the acquis (part of the screening). The process will continue once Bosnia and Herzegovina has appointed a Chief Negotiation. The Commission is also preparing a negotiating framework and will present it to the Council in due time. The Commission continued to encourage Bosnia and Herzegovina to take “all relevant steps” as needed for the Council to adopt the negotiating framework.		
The accession preparations and reforms in the enlargement countries are monitored and reported on	Publication of the next enlargement package (communication and individual reports – staff working documents)	Q4
Latest known results (2024) Enlargement package published Q4 2024		

The Stabilisation and association agreements (SAA) and the implementation of structural reforms in the Western Balkans (WB) are monitored	SA Council and Committee, SA Sub-committees / Special Groups meetings held with the Western Balkans partners as planned. Each Western Balkans partner: - 1 SA Council - 1 SA Committee - 7 subcommittees +1 PAR Special Group + Normalisation Special Group for Kosovo*	Q4
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Latest known results (2024)

6 out of 7 SA Sub-committees and 1 Special Group for **Albania** took place as planned in 2024. The Internal Market and Competition Sub-committee did not take place. 5 out of 7 SA Sub-committees and 1 Special Group for **North Macedonia** took place as planned in 2024. The Trade, Industry, Customs and Taxation Sub-committee did not take place. The Innovation, Information Society and Social Policy Sub-committee will take place in 2025 instead of 2024. As in 2023, no SA Committee took place in 2024. Similarly, no SA Councils with Albania and North Macedonia took place in 2024.

The policy dialogue with **Bosnia and Herzegovina** is continuing under the Stabilisation and Association Agreement. Following the SA Committee held in Brussels on 19 September 2024, Subcommittee meetings from the 8th cycle have been initiated.

With **Kosovo**, the meetings of the Stabilisation and Association Agreement (SAA) bodies and the IPA Monitoring Committee have been put on hold in application of the EU measures decided vis-à-vis Kosovo.

With **Serbia** and with **Montenegro**, within the SAA framework, all sub-committees and the SA Committee took place; no SA Council meeting was held.

Accession negotiation process with Ukraine and Moldova launched and progressing	1. Preparing the negotiating framework	Q1
	2. Conducting the analytical examination of the EU acquis ("screening") and producing screening reports and Draft Common Positions for the clusters	Q4

Latest known results (2024)

Ukraine: The Council adopted the negotiating framework in June. The first intergovernmental conference marking the formal launch of the accession negotiations took place the same month. Bilateral screening meetings started in July.

Moldova: The Council approved the Negotiating Framework on 21 June. The bilateral screening process was launched in July starting with the fundamentals cluster. The screening report on the fundamentals cluster has been prepared. The preparation of the draft common position for the cluster is ongoing.

Progress on the enlargement path of Georgia in line with the 2023 Enlargement Package	Follow up with Georgia on the implementation of the recommendations from the Enlargement Package	Q4
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Latest known results (2024)

At its meeting on 27 June the European Council concluded that the accession process with Georgia is de facto at a halt. This was due in particular to the adoption in May of the "law on transparency of foreign influence" and backsliding on the steps set out in the Commission's recommendation for candidate status. The Commission's Enlargement Report published on 30 October also highlighted backsliding on disinformation, on polarisation, on fundamental rights and involvement of CSOs.

Continued implementation of Association Agreements/DCFTA with Ukraine, Georgia and Moldova	1 Association Council, 1 Association Committee and 6 Sub committees, held with each Ukraine, Georgia and Moldova	Q4
Latest known results (2024)		
<p>Ukraine: One meeting of the Association Council (March); 6 meetings of sub-committees to prepare next the Association Committee</p> <p>The 8th EU-Moldova Association Council took place on 21 May, and the 8th EU-Moldova Association Committee took place on 2 December. 4 Sub-committees on Freedom Security and Justice, Customs, Trade and Sustainable Development and Geographical Indications took place.</p> <p>Due to the negative developments in Georgia a limited number of meetings were held. The Association Council took place on 20 February; however the Association Committee meeting was not held. 2 sub committees on Customs and on Trade and Sustainable Development took place.</p>		
TAIEX and Twinning activities in support of the enlargement methodology	Number of activities implemented (online or physical)	80 activities
Latest known results (2024)		
56 screening meetings in 2024 and 376 activities for enlargement countries		

Specific objective 4.2: Economic development in the Western Balkans is strengthened and regional cooperation and neighbourly relations are improved		<i>Related to spending programme: IPA II, IPA III</i>
Result indicator 4.2.1: Total length of the indicative extension of the TEN-T rail and road core network to the Western Balkans supported by the EU through a) new construction and b) rehabilitation.		
Source of data: WBIF Monitoring Information System, WBIF Annual Reports, European Commission; Transport Community Treaty Secretariat		
Explanation: This indicator shows progress in completion of the TEN-T rail and road core network in the Western Balkans supporting connectivity amongst the Western Balkans and between the Western Balkans and the EU. It is measured in km.		
Baseline (2019)	Interim Milestone (2022)	Target (2024)
147 km	502 km	748 km
Latest known results (2024): ⁽¹⁸⁾ 838 km		
Result indicator 4.2.2: Attitudes on Regional Cooperation and EU Integration		
Source of data: Balkan Public Barometer, Regional Cooperation Council		
Explanation: This indicator measures the attitude of the Western Balkan citizens towards regional cooperation. It aims to capture to what extent they see it as a positive influence on the political, economic or security situation their societies.		
Baseline (2018)	Interim Milestone (2022)	Target (2024)

⁽¹⁸⁾ Includes 148 km of two railway projects approved in 2024 (Velika Plana - Parcin & Belgrade Centre - Velika Plana).

51%	53%	55%
Latest known results (2024): ¹⁹ 54%		
Result indicator 4.2.3: Percentage of intra-regional trade to GDP		
Source of data: National statistics, Regional Cooperation Council		
Explanation: This indicator measures the regional trade openness as the total of intraregional trade flows as percentage of the region's GDP. It aims at capturing the results of the regional economic integration efforts, whilst considering the economic growth of the region.		
Baseline (2018)	Interim Milestone (2022)	Target (2024)
9,6%	10,5%	11,5%
Latest known results (2024): ²⁰ 10,13%		

Main outputs in 2024:

Other important outputs

Output	Indicator	Target
Implementation of IPA III bilateral action programmes	Number of Commission Decisions / Financing Proposals / amount of financial assistance committed and disbursed	2024 bilateral decisions adopted Number of annual bilateral Financing Decisions: 6 Total value: EUR 339 million Energy Support Package: 100% disbursed 2024-2027 Four Multi-annual Financing Decisions adopted (total value EUR 709.5 million)

¹⁹ The most likely factors which slowed the improvement of public perception of regional and EU integration are related to the stalemate in regional economic cooperation, separatist rhetoric and anti-EU narratives in some mainstream and social media. Accelerated integration efforts under the Western Balkan's Growth Plan are likely to bring concrete benefits to the citizens and improve their perceptions.

²⁰ Intraregional trade flows have been negatively impacted by trade hinderances between Kosovo and Serbia as well as by major blockages in regional economic integration in 2023-2024. This has resulted in slower than expected growth in trade flows.

Latest known results (2024):

Bilateral

The 2024 IPA III annual action plans for the 5 Western Balkans (AAP for Kosovo was not adopted due to the measures; the earmarked funding EUR 55.455 million will be transferred to IPA 2025-2027) were adopted in April – July 2024, for a total amount of EUR 286.6 million.

- Albania (EUR 67.35 million)
- Bosnia and Herzegovina (EUR 50.7 million)
- Montenegro (EUR 26.6 million)
- North Macedonia (EUR 58.6 million)
- Serbia (EUR 83.37 million)

Energy support package Budget support component – only final tranche disbursed to Albania (EUR 8 million).

10 multi-annual operational programmes 2024-2027 adopted in 2024 in favour of Albania, Montenegro, North Macedonia and Serbia (for a total of around EUR 700 million).

Multi-country

- The IPA III multi-country action plan for 2024 was adopted in February 2024 totalling to EUR 132.126 million, as last amended in June 2024.
- The IPA III multi-annual action plan for Civil Society Facility and Media Programme 2024-2025 was adopted in April for a total amount of EUR 132.4 million.
- The IPA III multi-annual action plan for WBIF and provisioning of the Common Provisioning Fund for the 2024-2027 was adopted in April 2024 for a total amount of EUR 1.009 billion and EUR 927 699 049. Additionally, the budgetary commitment for the corresponding 2024 budget of the adopted IPA III multi-country multi-annual action plans for WBIF 2021-2027 has been completed.

Implementation of Economic and Investment Plan flagship investment projects advanced together with additional Public Sector Blending provided by the WBIF, deployment of WBIF Private Sector Blending operations and deployment of the EFSD+ Guarantees	Call for investments	Endorsed by Operational Board by Q2 and (if needed) Q4
	Projects pipeline for blending and guarantees	Regularly screened for endorsement by the Operational Boards
	Number of Public Sector Infrastructure projects supported	10
	Number of new Contribution Agreements for Private Sector Blending operations signed	4 Contribution Agreements signed
	Amount IPA support provided	EUR 50 million IPA support provided
	Progress in approval of new advanced projects	Endorsed by Operational Board by Q2 and (if needed) Q4
	Number of new EFSD+ Guarantee Agreements signed	6+ new EFSD+ guarantee agreements signed by Q4
	Number of EFSD+ Carry-forward Guarantee Agreements signed	3 remaining EFSD+ carry-forward guarantee agreements signed by Q4

Latest known results (2024):

On 7 July 2024, the WBIF Operational Board endorsed 7 investment grants (EUR 279.3 million), 10 Technical assistance projects (EUR 11.7 million) and 4 Private Sector Development projects (EUR 11.7 million).

- Three Contribution arrangements under the EWBIF for more than EUR 440 million were signed, and two more were signed with the EBRD (EUR 13 million) and KFW (EUR 24 million) under the private sector development component.
- 6 EFSD+ guarantee agreements signed by Q4, of which 1 carry-forward guarantee.

Implementation of Growth Plan for the Western Balkans and preparation of investment pipeline for the Recovery and Growth Facility	Reform Agendas agreed Identify pipeline for new investment proposals in transport, energy and digital sectors	6 Reform Agendas agreed Draft pipeline submitted to the WBIF Call by Q3
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Latest known results (2024):

5 Reform Agendas approved (Bosnia and Herzegovina is not yet finalised).

The WBIF Project Financiers Group took place on 16 December 2024, discussed and endorsed the technical screening of the first batch of investments to be supported by the Reform and Growth Facility. The investments should be formally adopted at the next Board meeting, tentatively in March 2025.

Implementation of the Common Regional Market 2021-2024 for the Western Balkans supported	At least three Mobility Agreements enter into force and the fourth one fully ratified	Q4
	Adoption of the regional agreement on Freedom of Movement and Stay for third party citizens	Q4
	Adoption and implementation of nine new CEFTA decisions in the areas of e-commerce, parcel delivery, authorised economic officers, geo-blocking, veterinary working group, intellectual property rights, work permits, medicine import authorizations, risk management, and trade-related statistics	Q4
	Three new regional EU-funded programmes signed in support to trade and private sector development in Western Balkans	Q4

Latest known results (2024):

Four Mobility Agreements – ratification process by all WB6 advanced. Good progress on Pillar 2 with the unblocking of CEFTA decision making and the adoption of 8 agreements/decisions necessary for further regional economic integration. The Common Regional Market Action Plan 2 was adopted including actions to deepen integration within the region and with the EU single market; also creating synergies with the individual Reform Agendas of the Growth Plan for the WBs.

Contracts signed with:

1. WB6 Chamber Investment Forum (one year Jan-Dec'24 + a 3-month no-cost extension to March'25).
2. CEFTA Secretariat in relation to the Systematic Exchange of Electronic Data (SEED+), EUR4 million, from January 2024 until December 2026;
3. GIZ in relation to Support to Regional Integration, EUR1 million budget top-up, duration extended until January 2025.

Support to the Western Balkans' efforts to strengthen the Rule of Law through regional cooperation and cooperation with the EU:		
a) Progress with trial monitoring project for cases of high-level corruption and organised crime	a) Updated analytical report on systemic issues identified in the administration of justice in cases of organised crime and corruption in five Western Balkans developed by OSCE	Q3
Latest known results (2024): The updated analytical report on systemic issues identified in the administration of justice in cases of organised crime and corruption in five Western Balkans was presented by OSCE in June 2024.		
b) Assessment of performance of Western Balkans justice systems	b.1) Relevant results of justice performance action implemented by the Efficiency of Justice of the Council of Europe (CEPEJ) included in Enlargement package	Q2
	b.2) The first round of Justice surveys on judicial performance is delivered by the World Bank.	Q4
Latest known results (2024): b.1) Yes reference is made to the justice performance action implemented by the Efficiency of Justice of the Council of Europe (CEPEJ) included in Enlargement package. b.2) Delayed to Q1 2025.		
c) Deeper links and understanding of EU security tools and networks promoted in the region	c.1) Meetings of the Regional Network of Counter- Terrorism and P/CVE Coordinators sharing latest state of play in terrorism threats and challenges	2 meetings
	c.2) Achievements of the targets under the regional programmes of Europol, CEPOL and Eurojust	At least 80% of the targets
	c.3) Intensified participation of the region in EMPACT: operational law enforcement cooperation on priority crime areas with focus on organised trans-border crime	At least 350 cases of participation in EMPACT operational actions
Latest known results (2024): c.1) Two meetings of the Regional Network of Counter- Terrorism and P/CVE Coordinators took place (April Tirana, October Sarajevo) enabling the six coordinators to exchange on latest trends and plan for the next Joint Action Plan on Counterterrorism. c.2) 90% for the Europol/CEPOL Western Balkans partnership against Crime And terrorism (ended in April). 60% for Eurojust which is ongoing until end 2026. c.3) Participation in EMPACT has increased (454 participation in OAP meetings).		

d) Re-designing the methodology for the collection of data on countering organised crime and corruption (i.e. track record) in the Western Balkans: Guidance elements on the track record recalibration provided	d) Capacity building and training will be organised by DG NEAR and JRC, as to empower partner countries to report through the new e- platform.	Q2
Latest known results (2024): In 2024, partner countries encoded quantitative data on corruption and organized crime cases from 2018-2023 into the e-platform, guided by DG NEAR and the JRC. An online stocktaking exercise with the EU Delegations, partner countries, and over 150 data feeders refined the methodology for the next iteration. Agreed changes will be implemented in Q1 2025, with formal training on new features starting in Q2 2025.		
Support to democratic governance and Civil society in enlargement countries:		
a) Links among civil societies of the Western Balkans and Türkiye deepened	Number of regional Civil Society Organisation networks that receive new action grants from the EU	More than 15
Latest known results (2024): 12 regional Civil Society Organisation networks have received new action grants from the EU on various policy areas, such as: digital, monitoring of the Reform Agendas, support to the green agenda, human rights, media, youth engagement, Roma. Moreover, the third phase of the Regional Programme on Local Democracy in the Western Balkans was approved and will start operations in early 2025.		
b) Strategic engagement and policy dialogue with civil society and media: Publication of the 2023 assessment against the DG NEAR guidelines on EU support for civil society in the enlargement region 2021-27	Publication of 2023 Assessment	Q3
Latest known results (2024): Publication of the 2023 assessment against the DG NEAR guidelines on EU support for civil society in the enlargement region 2021-27. The Assessment was officially launched in Belgrade during the Annual Civil Society Forum in June 2024.		
c) Support provided to enhance the quality of democratic governance in the Western Balkans	At least 50% of electoral recommendations in the thematic areas covered by the regional action implemented by ODIHR are implemented	Q3
Latest known results (2024): There were 25 recommendations implemented and 49 evaluated. 166 out of 292 evaluated (period 2021-2024) so above 50%.		
TAIEX activities strengthening regional cooperation implemented	Number of activities implemented (online or physical)	35 activities
Latest known results (2024): 32 activities in 2024		

Specific objective 4.3: A sustainable basis for improved relations with Türkiye is ensured		<i>Related to spending programme: IPA II, IPA III</i>
Result indicator 4.3.1: Number of formal high-level dialogues at ministerial level per year (including on migration)		
Source of data: European Commission		
Explanation: This indicator shows the number of high-level meetings between EU and Türkiye as a measure of political cooperation.		
Baseline (2019)	Interim Milestone (2022)	Target (2024)
2	Increase	Increase
Latest known results (2024): 3 High Level Dialogues and 1 meeting of the Customs Union Joint Committee.		
Result indicator 4.3.2: Share of EU goods and services in imports to Türkiye		
Source of data: Eurostat: https://ec.europa.eu/trade/policy/countries-and-regions/countries/turkey/		
Explanation: This indicator illustrates trade relations between EU and Türkiye. If relations are improved, notably through the modernisation of the CU, the share of imports originating from the EU in particular on services should increase.		
Baseline (2018)	Interim Milestone (2022)	Target (2024)
32,3%	Increase	Increase
Latest known results (2024): 32.1% ⁽²¹⁾		
Result indicator 4.3.3: Detections of illegal border-crossings at the EU borders with Türkiye		
Source of data: Frontex https://frontex.europa.eu/assets/Publications/Risk_Analysis/Risk_Analysis/Annual_Risk_Analysis_2020.pdf		
Explanation: This indicator shows the number of illegal border-crossings detected by EU member states at the EU side of the EU-Türkiye border		
Baseline (2019)	Interim Milestone (2022)	Target (2024)
85 078	Decrease	Decrease
Latest known results (2024): 69 436		

Evaluations ⁽²²⁾ and fitness checks

⁽²¹⁾ Actions to be taken are to modernise the customs union and to extend the scope of the preferential bilateral relationship to services.

⁽²²⁾ These evaluations are part of the DG NEAR multi-annual strategic evaluations plans. While guided by Better Regulation, it is not an evaluation in the Better Regulation sense.

Output	Indicator	Target
Evaluation of the EU cooperation with Türkiye	Evaluation started	Q3
Latest known results (2024): The new strategic approach to evaluation endorsed in 2024 by DG NEAR senior management resulted in the cancellation of several planned evaluations, this being one of them.		
Main outputs in 2024:		
Other important outputs		
Output	Indicator	Target
Continuation of the engagement with Türkiye, in line with the European Council conclusions	Number of high-level meetings, if political situation allows	4 meetings
Latest known results (2024): 3 High Level Dialogues, 1 visit by President Von der Leyen and several visits of Commissioners.		
Continuous implementation of the EU-Turkey Association Agreement	Number of meetings held in 2024	5 meetings
Latest known results (2024): 3 meetings of Association Sub-committees.		
Follow-up on the implementation of the EU-Turkey Customs Union	Number of meetings of the Customs Union Joint Committee held	1 meeting in Q4
Latest known results (2024): 1 meeting of Customs Union Joint Committee in Q4 2024.		
	Finalised assessments of Turkish draft legislation relevant for the removal of technical barriers to trade (as a percentage of Turkish requests submitted in 2023)	80%
Latest known results (2024): 50%		
	Continuation of regular EU-Türkiye technical meetings in various areas including those with relevance for the Customs Union	2 technical meetings
Latest known results (2024): 7 technical meetings: CBAM, DPP, rail interoperability, EUDR, ESPR and textiles strategy, IED 2.0.		
Support Directorate-General for Trade (DG TRADE) in following discussions by Member States on the mandate and on initiating negotiations on the modernisation of the Customs Union, when political conditions are ripe	Mandate approved by Council	Q4
Latest known results (2024): High Level Dialogue on Trade was held in Q3 2024.		

Support for refugees and host communities in Türkiye	Number of meetings of the Steering Committee of the EU Facility for Refugees in Turkey, monitoring the implementation of the Facility	1 meeting in Q2
Latest known results (2024): No meeting of the Steering Committee was held in 2024		
Support for refugees and host communities in Türkiye	Progress in Facility implementation (funds under NEAR responsibility) as measured by the Facility Monitoring Reports	All Facility projects progressing as per their implementation schedule
Latest known results (2024): Annual report finalised in 2024 Monitoring reports published in Q4 2024.		
Support for refugees and host communities in Türkiye	Finalisation of programming of additional refugee support: EUR 1 billion for 2024	Q2
Latest known results (2024): EUR 1 billion programmed in Q4 2024.		
Support for refugees and host communities in Türkiye	Adoption of relevant Commission decisions under IPA III and NDICI	EUR 1 billion Q2
Latest known results (2024): IPA and NDICI Decisions adopted in Q4 2024.		
Continuous monitoring of developments and providing policy recommendation on democracy, rule of law, judiciary, security as well as fundamental rights and freedoms	Adoption of the 2024 country report on Türkiye (staff working document as part of Enlargement package)	Q4
Latest known results (2024): Country report on Türkiye adopted in Q4 2024.		
Support political priorities through the Instrument for Pre-Accession Assistance III and the EFSD+ in Türkiye	Adoption of the 2024 Annual Action Programme	Q3
	Number of meetings of the Turkey Investment Platform (TIP) Operational Board	1 meeting in Q2
Latest known results (2024): Adoption of 2024 Annual Action Programme in Q4 2024. EFSD+ Operational Board took place, covering among others Türkiye in Q4.		
TAIEX and Twinning activities, contributing to improved EU-Türkiye relations	Number of activities implemented (online or physical)	15 activities
Latest known results (2024): 24 TAIEX events implemented. No twinning projects implemented in Türkiye.		

Specific objective 4.4: Take the Eastern Partnership to the next level		Related to spending programme: ENI, NDICI
Result indicator 4.4.1: Number of partnership priorities, Association agendas, or equivalent documents, which are revised, adopted or agreed		
Source of data:		
Explanation: The indicator monitors the number of key bilateral policy documents (Partnership priorities, Association Agendas, or equivalent documents) revised and adopted during the period. Since the indicator measures the evolution during 2020-2024 period, the base is set at 0. It does not imply that no action was taken in the past.		
Baseline (beginning 2020)	Interim Milestone (2022)	Target (2024)
0	4	5
Latest known results (2024): 5		
Armenia: Partnership Priorities (adopted in 2018) remain in force and guide cooperation. The Comprehensive and Enhanced Partnership Agreement entered into force in March 2021. Negotiations on a new EU-Armenia Partnership Agenda with a view to strengthening relations started in 2023.		
Azerbaijan: Partnership Priorities were extended in August 2021 until 2024. Negotiations on a new framework agreement are ongoing.		
Georgia: The Association Agenda covering the period 2021-2027 (last updated in 2022) remains valid.		
Moldova: The EU-Moldova Association Agenda for 2021-2027 adopted on 22 August 2022 remains valid.		
Ukraine: The Association Agenda (last update in 2015) remains valid.		
Result indicator 4.4.2: Percentage of Eastern Partnership post-2020 deliverables completed		
Source of data: European Commission		
Explanation: Based on the 5 policy objectives of the Eastern Partnership (EaP) post-2020, this new set of deliverables has been prepared in the second half of 2020 and endorsed at the EaP Summit in early 2021. Similar to the current reform agenda, monitoring of the new set of deliverables will be done regularly by the EU together with partner countries in a public report.		
Baseline (2020)	Interim Milestone (2022)	Target (2024)
0	120% of 2020 end results	170% of 2020 end results
Latest known results (2024): 170%		
Despite the complex geopolitical landscape, significant progress has been made in achieving this target, demonstrating the resilience and adaptability of the EaP. While the ongoing war in Ukraine and other persistent geopolitical challenges in the region, such as democratic backsliding and tensions in the South Caucasus, continue to hinder the full realisation of all 2020 deliverables, the approach has been adapted to achieve these important milestones.		
Result indicator 4.4.3: Number of grassroots civil society organisations benefitting from (or reached by) EU support		
Source of data: European Commission		
Explanation: The indicator measures the outreach of our civil society programmes, as a broad base of civil society is crucial for the EU to be an open and receptive foreign policy actor. Grassroots actors often play a vital role in giving voice to citizens, including in situations of restricted space.		
Baseline (2020)	Interim Milestone (2022)	Target (2024)
approx. 1,200	approx. 1,700	approx. 2,500

Latest known results (2024):

3,787 local civil society organisations and independent media outlets have been supported.

Main outputs in 2024:**Evaluations ⁽²³⁾ and fitness checks**

Output	Indicator	Target
EU's support on public administration reform with a focus on public financial management	Evaluation started	Q1

Latest known results (2024):

Evaluation started

External communication actions

Output	Indicator	Target	Latest known results 2024
Regional Communication Programme:	Social media		
Campaigns, events and communication activities aimed at improving perception of the EU and EU support in the EaP region The fight against disinformation that might undermine EU's efforts is strengthened	Number of impressions	More than 42 350 000 (Facebook, Instagram, Twitter, LinkedIn)	43 345 000
	Followers' growth rate	173 000 (Facebook, Instagram, Twitter, YouTube, LinkedIn)	174 683 followers (+7 844 growth)
	Number of posts	Over 2 400 (Facebook, Instagram, Twitter, LinkedIn)	2 835
	Number of engagements	3%	1.75%
	Number of #hashtag mentions	Over 20 000	20 000
	Website (dedicated)		
	Number of visits	800 000	928 913
	Number of visitors	650 000	689 408

⁽²³⁾ These evaluations are part of the DG NEAR multi-annual strategic evaluations plan. While guided by Better Regulation, it is not an evaluation in the Better Regulation sense.

	Number of page views	1 200 000	2 792 057
	Conversion rate	2%	1.2%
	Bounce Rate	70%	10.68%
	Integrated Communication Campaigns		
	Reach	More than 25 000 000	24 000 000
	Number of Young people acting as Young European Ambassadors	More than 1 000 (and 2 200 who benefitted from the mandate between 2016-2023)	1 170
	Events		
	Number of engagements	1 000 public engagements (online and offline)	400
	Number of attendees (online)	More than 50 000	45 937
	Indirect audience reach (online)	Over 2 500 000	1 225 306
	Numbers for all NEAR regions combined:		Numbers for all NEAR regions combined:
Social media campaigns at central NEAR level to improve awareness in DG NEAR's partner countries and communicate about the support provided by the EU in the framework of the EU's Neighbourhood policy, including on the Eastern Partnership	Amount of followers on NEAR Twitter	Over 160 000	158 128
	Reach on NEAR Facebook page and amount of followers on NEAR Facebook	Over 17 million and over 710 000 respectively	7 373 393 reach 705 428 followers
	Number of NEAR Instagram profile visits and amount of followers on NEAR Instagram	Over 110 000 and over 45 000, respectively	138 929 visits 63 169 followers
	Central NEAR Website (https://neighbourhood-enlargement.ec.europa.eu/index_en)		
News and content on the EU's activities in the Eastern Partnership are being promoted on NEAR's central website	Number of visits	Over 150 000	1 200 623
	Number of visitors	Over 250 000	834 193
	Number of page views	Over 750 000	2 094 409
	Bounce Rate	10%	73.07% (in line with Commission average)
Other important outputs			

Output	Indicator	Target
Progress achieved in the implementation of the Civil Society Facility and EU4 Dialogue programmes	Number of contracts signed under the Civil Society Facility Establishment and implementation of the new Framework Partners Agreement	15 new contracts 10 framework partnerships concluded
	Number of confidence-building measures (CBMs) related activities implemented in the South- Caucasus Region	10
Latest known results (2024): 9 new contracts were signed under the CSF in 2024. This number is below the target as the need for direct awards and rapid response due to a crisis situation was lower than initially foreseen. 10 framework partnerships were concluded in 2024. More than 10 CBM related activities were carried out in 2024.		
Support provided to Armenia following the developments in Nagorno-Karabakh	Disbursement of a EUR 15 million Budget Support Programme	Q4
Latest known results (2024): EUR 15 million was disbursed in two tranches in 2024.		
Reinforced international cooperation to fight organised crime and corruption in the Eastern Partnership	At least 500 law enforcement personnel trained. Open Government Partnership Action Plans adopted and implemented	Q4 Q4
Latest known results (2024): 609 law enforcement personnel were trained in 2024. Four OGP action plans are in place with Armenia, Georgia, Moldova and Ukraine. Azerbaijan is currently suspended from OGP.		
TALEX activities strengthening regional cooperation in the Eastern Partnership implemented	Number of activities implemented (online or physical)	25 activities
Latest known results (2024): 40 activities were implemented during 2024.		
Progress achieved in the implementation of the EIP for the EaP	Number of SMEs supported	70 000 SMEs are supported through the EU4business initiative
Latest known results (2024): In 2023 (results 2024), 67 264 SMEs were supported in the entire EaP region through the EU4Business initiative. This brings the total number of SMEs supported since 2021, to 223 311 SMEs.		
	Financing plan for the digital and electricity cables in the Black Sea and of the maritime Black Sea connection	Feasibility study for the electricity cable is finalised in 2024. Financing for the Black Sea digital cable is structured

Latest known results (2024):

In July 2024, the feasibility study for the electricity cable across the Black Sea was finalised and shared with the Georgian government.

Progress was made in 2024 in structuring the financing for the Black Sea digital cable but, considering the unstable security situation in the Black Sea, the European company identified to lay the cable decided to pull out from the project until further notice.

Bilateral and regional assistance under Annual Action Plan (AAP) programmed and implementation started	Bilateral action documents 2024 and Regional Action Programme adopted by the Commission	4 Annual Action Programmes; 1 Special Measure; 1 Regional Action Programme (East); 1 Neighbourhood Investment Platform decision
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Latest known results (2024):

3 Annual Action Programmes for Armenia, Azerbaijan and Moldova, 1 Special Measure for Belarus, 1 Regional Action Programme East and 1 Neighbourhood Investment Programme East decisions were adopted during 2024.

The adoption of the Annual Action Programme for Georgia was postponed to 2025 due to political situation.

Assist Moldova through the Moldova Support Platform	Continue chairing the financial assistance and economic recovery and resilience working group to mobilise assistance from both the EU and other donors	3 meetings
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Latest known results (2024):

In total three meetings were held. One meeting of the financial assistance and economic recovery and resilience working group was held during 2024. The 'Moldova Support Platform' was restructured into the 'Moldova Partnership Platform' to reflect the shift from ad hoc and emergency support to a long-term partnership. As part of this restructuring, the financial assistance working group was replaced by the working group on 'sustainable economic and strategic infrastructure development' and co-chaired by the Commission. Two meetings of this group (one being a preparatory meeting) were held.

Specific objective 4.5:

Stability, resilience, economic development and regional integration are reinforced through our cooperation and policy dialogue in the Southern Neighbourhood

Related to spending programme: ENI, NDICI

Result indicator 4.5.1: Number of state institutions and non-state actors supported on security, border management, countering violent extremism, conflict prevention, protection of civilian population and human rights

Source of data: EU Results Framework ⁽²⁴⁾, Global Europe Results Framework ⁽²⁵⁾

Explanation: This indicator measures the EU assistance to good governance and capacity building in

⁽²⁴⁾ The methodological notes of the EU Results Framework indicators used in the present report are available here: <https://europa.eu/capacity4dev/eu-rfi>

⁽²⁵⁾ The methodological notes of the Global Europe Results Framework indicators used in the present report are available here: <https://europa.eu/capacity4dev/eu-rfi>

support of security, protection of civil population and enforcement of human rights		
Baseline (2018)	Interim Milestone (2022)	Target (2024)
Neigh. South: 420	Stable trend	Stable trend
Latest known results (2024): ENI – Neighbourhood South: 2 022 GERF – Neighbourhood South: 44		
Result indicator 4.5.2: Number of countries supported by the EU to strengthen revenue mobilisation, public financial management and/or budget transparency		
Source of data: EU Results Framework, Global Europe Results Framework		
Explanation: This indicator measures the support of the EU to the Southern Neighbourhood countries for the improvement of public finance management measures		
Baseline (2018)	Interim Milestone (2022)	Target (2024)
Neigh. South 0	Increase	Increase
Latest known results (2024): ENI – Neighbourhood South: 5 (Algeria, Egypt, Morocco, Palestine, Tunisia) GERF – Neighbourhood South: 6 (Jordan, Morocco, Palestine, Tunisia, Regional)		
Result indicator 4.5.3: Number of partnership priorities, Association agendas, or equivalent documents, which are revised, adopted or agreed		
Source of data: European Commission		
Explanation: The indicator monitors the number of key bilateral policy documents (Partnership priorities, Association Agendas, or equivalent documents) revised and adopted during the period.		
Baseline (2020)	Interim Milestone (2022)	Target (2024)
8 documents	8	8
Latest known results (2024): 8		

Main outputs in 2024:

Evaluations ⁽²⁶⁾ and fitness checks

Output	Indicator	Target
Evaluation of EU cooperation with Palestine*	Evaluation finalised	Q1 ⁽²⁷⁾
Latest known results (2024): Evaluation finalised		
EU's support on public administration reform with a focus on public financial management	Evaluation started	Q1

⁽²⁶⁾ This evaluation is part of the DG NEAR multi-annual strategic evaluations plan. While guided by Better Regulation, it is not an evaluation in the Better Regulation sense

* This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue.

⁽²⁷⁾ The evaluation is currently in its final stage but due to the war and to the limitations faced, it will be delayed.

Latest known results (2024):

Evaluation started

External communication actions

Output	Indicator	Target	Latest known results (2024)
Regional Communication Programme	Social media		
Campaigns, events and communication activities aimed at improving perception of the EU and EU support in the Southern Neighbourhood. The fight against disinformation that might undermine EU's efforts, should be strengthened.	Number of impressions	20 000 000 (Facebook, Instagram, Twitter, LinkedIn)	20 144 100
	Followers' growth rate	420 000 (Facebook, Instagram, Twitter, YouTube; LinkedIn)	434 200 followers
	Number of posts	Over 1 500 Facebook, Instagram, Twitter, LinkedIn)	1 485 posts and 1 138 IG stories
	Number of engagements	1 500 000 (Facebook, Instagram, Twitter, LinkedIn)	220 596
	Number of #hashtag mentions	300 000	not applicable (see notes)
	Website (dedicated)		
	Number of visits	300 000	331 084
	Number of visitors	200 000	252 081
	Number of page views	400 000	512 609
	Conversion rate	50%	n/a
	Integrated communication campaigns		
	Reach	5 000 000	6 223 995
	Number of young people acting as EU Jeel Connectors & EU Goodwill Ambassadors	More than 200	361
	Events		
	Number of attendees (presence & online)	Over 100 000	9 401 value still to be confirmed
	Indirect audience reach (online)	Over 1 000 000	1 500 000

	Number for all NEAR regions combined:		Numbers for all NEAR regions combined:
Social media campaigns at central NEAR level to improve awareness in DG NEAR's partner countries and communicate about the support provided by the EU in the framework of the EU's Neighbourhood policy, including on the Southern Neighbourhood	Amount of followers on NEAR Twitter	Over 160 000	158 128
	Reach on NEAR Facebook page and amount of followers on NEAR Facebook	Over 17 000 000 and over 710 000 respectively	7 373 393 reach 705 428 followers
	Number of NEAR Instagram profile visits and amount of followers on NEAR Instagram	Over 110 000 and over 45 000 respectively	138 929 visits 63 169 followers
	Central NEAR Website (https://neighbourhood-enlargement.ec.europa.eu/index_en)		
News and content on the EU's activities in the Southern Neighbourhood are being promoted on NEAR's central website.	Number of visits	Over 150 000	1 200 623
	Number of visitors	Over 250 000	834 193
	Number of page views	Over 750 000	2 094 409
	Bounce Rate	10%	73.07% (in line with Commission average)

Notes:

Hashtag: No longer applicable in 2024 (in 2023, there was a special hashtag linked to the European Year of Skills)

Other important outputs

Output	Indicator	Target
2024 NDICI annual programmes are adopted	Adoption of the NDICI/Global Europe annual programmes	Q4
Latest known results (2024):		
All NDICI annual programmes are adopted, except for Tunisia and Palestine (EUR 278.6 M carried over)		
Endeavour to organise a Brussels VIII Conference on the Future of Syria and the Region or	Number of ministerial conferences, including consultation with Syrian civil	One Ministerial conference and one Day of Dialogue with the Syrian civil society

alternative fora, including a regular civil society consultation mechanism	society held	
Latest known results (2024): The Brussels VIII Conference on “Supporting the future of Syria and the region” took place on April 30 (Day of dialogue) and May 27 (Ministerial) in Brussels. During the Ministerial meeting, the donor community pledged a total amount of EUR 7.5 billion (EUR 5 billion in grants and EUR 2.5 billion in loans). The EU and Member States represented 76% of the pledges in grants (EUR 3.8 billion). The Day of Dialogue gathered more than 600 participants.		
Assistance to the countries affected by the Syrian Crisis provided, building inter alia on lessons learned of EU Trust Fund for Syria Project pipeline developed in 2024	Number of countries for whom actions are adopted in 2024	Four (Türkiye, Lebanon, Jordan and Syria)
Latest known results (2024): Special measures for Lebanon (2024-2025), Jordan (2024) and Syria (2024) were adopted to continue supporting hosting countries for the benefit of refugees, vulnerable hosting communities and population in Syria. Regarding Türkiye, three individual measures have been adopted to continue supporting hosting countries for the benefit of refugees and host communities.		
The Libya’s transition process is supported	The technical assistance programme provided by the Commission is up and running	Q4
Latest known results (2024): The political negotiations process is currently stalled. However, DG NEAR continued to provide Technical Assistance programmes to support Libya’s transition and stabilisation. For instance, in 2024, new bilateral programmes were approved in the field of Investment, Support to Recovery and Development and Support to Justice and the Rule of Law.		
Union for the Mediterranean (UfM) regional cooperation and sector policy dialogue with partner countries supported	Number of UfM meetings	2 Ministerial conferences (Higher Education and Trade); 3 4 Senior Official meetings; Ad hoc Working Group on the UfM reform
Latest known results (2024): No Ministerial conferences took place because of the regional context (war in Gaza), European elections, and the change of the Commissioner. 3 Senior Officials meetings took place (February, May, September) The Ad hoc Working Group will resume its activities in 2025.		
a) The secretariat of the UfM is financed through the EU grant.	a) Signature of the operating grants	a) 01/01/2023 for the operating grant 2023
Latest known results (2024): a) Grant finalised before the end of the year due to SUMMA transition		

b) The secretariat implements the annual work programme adopted by Senior Officials	b) Progress towards results mentioned in the annual work programme	b) over 80% of the forecasted results are achieved
Latest known results (2024): b) The results have been achieved		
Strengthened security cooperation in line with the Global Strategy and the European Neighbourhood Policy security dimension: Technical expertise on fighting organised crime provided by key partners such as Interpol and EU Agencies CEPOL, EUROPOL, EUROJUST(27), FRONTEX/EBCGA(28), ECDC(29) and EMCDDA(30), to justice and law enforcement entities in the partner countries	a) Achievement of the targets (%) mentioned in the logical frameworks of the ongoing programmes with EU Agencies CEPOL, EUROPOL, EUROJUST, ECDC and FRONTEX/EBCGA and with Council of Europe	a) At least 70% of the targets mentioned in the individual logical frameworks is realised
Latest known results (2024): 70% of reported targets corresponding to projects' individual logical frameworks have been achieved.		
	b) Number of new contracts signed for AAP 2023 Security package	b) 2 new contracts
Latest known results (2024): Contribution agreement signed with the Council of Europe (value: EUR 3.5 million). Activities started on 1 January 2024 One contribution agreement signed with CEPOL (value: EUR 6 million). Activities started on 1 October 2024		
Strategic engagement and policy dialogue with civil society continued	Number of regular coordination meetings with strategic partners and a regional meeting of Civil Society Forum Neighbourhood South	One Civil Society Forum Four coordination meetings Start of implementation of the Civil Society Facility
Latest known results (2024): Civil Society Forum was organized as an event "Post-October 7th Perceptions of Civil Society in the MENA Region" and it was held on 26 June in Brussels. In 2024, 4 coordination meetings were held in different formats: workshops, thematic working groups, dialogues and webinars. The Civil Society Facility started in 2023 and the implementation continued in 2024.		
TAIEX activities in support of cooperation in the Southern Neighbourhood	Number of activities implemented (online or physical)	50 activities
Latest known results (2024): 54 activities implemented		

General objective 4: A stronger Europe in the World		
Specific objective 4.6: Ukraine's short-term recovery, and medium-term reconstruction and modernization are supported		<i>Related to spending programme: Ukraine Facility</i>
Main outputs 2024		
Other important outputs		
Output	Indicator	Target
Framework, Financing and Loan Agreement with Ukraine on the Ukraine Facility	Agreements concluded and entered into force	Q1
Latest known results (2024): The Ukraine Facility Regulation (UFR) was adopted on 29 February 2024. This explains why all main outputs were delivered as of Q2/2024. EU-Ukraine Framework Agreement on the Ukraine Facility; Loan Agreement for exceptional bridge financing; Financing and Loan Agreement linked to the Ukraine Plan all in force by July 2024		
Implementation of Ukraine Facility bilateral action programmes (Pillar III)	Commission Decision (Annual Action Programme); Financing Proposal for pillar 3	Q4
Latest known results (2024): Annual Work Programme 2024 for pillar III adopted by June 2024.		
Establishment of the Ukraine Investment Framework (Pillar II)	Design of Governance completed, and adoption of the Rules of Procedure adopted by the Ukraine Investment Framework Board	Q1/Q2
Latest known results (2024): Ukraine Investment Framework (UIF) fully operational by April 2024.		
Implementation of the increase in amount of existing guarantee agreements provided under EFSD+	Signature of amended Guarantee Agreements or addendum to Guarantee Agreements.	Q2/Q3
Latest known results (2024): Five guarantee agreements signed under the new UIF (total EUR 940 million), focusing only on investments in Ukraine.		
Implementation of Ukraine Plan	Finalising the Ukraine Plan, the Commission's assessment of the Plan and proposal for a Council Implementing Decision	Q1/Q2
Latest known results (2024): Ukraine submitted the Ukraine Plan in March. The Commission's proposal for a Council implementing decision on the approval of the assessment of the Ukraine Plan was adopted in April		
Regular payments of Pillar I of Ukraine Facility	Budget support provided as per Pillar 1 of Ukraine Facility and following the adoption of the	As per schedule in the CID (Q2, Q3, Q4)

	reform and investment measures as reflected in the CID following submission by Ukraine of the Ukraine Plan	
Latest known results (2024):		
The Loan Agreement for regular payments under the Ukraine Plan entered into force in June, enabling the release of the pre-financing. Two regular payments under the Ukraine Plan followed in August and December		
Establishment of the Audit Board	Audit Board Operational	Q1/Q2
Latest known results (2024):		
Commission decision establishing the Audit Board adopted in June		
Selection of the Audit Board members took place throughout the year; formal appointment by the College is expected in February 2025. The procurement of the services of the Kyiv-based secretariat of the Audit Board was completed in December for deployment as of January 2025		
TAIEX and Twinning activities in support of recovery and reconstruction in Ukraine	Number of activities implemented (online or physical)	20 activities
Latest known results (2024):		
43 TAIEX activities in support of recovery and reconstruction in Ukraine. One Twinning project ended and three new contracts were signed in the second half of the year		

General objective 1: A European Green Deal		
Impact indicator 3: Climate mainstreaming in the European Union budget		
Source of data: European Commission Draft Budget Reports		
Explanation: Proportion of climate related spending (mainstreaming) in the EU budget		
Baseline (2014 to 2020, previous MFF))	Interim Milestone	Target (2021-2027, current MFF)
21% ⁽²⁸⁾	25 ⁽²⁹⁾	25% ⁽³⁰⁾
Latest known results (2024 ⁽³¹⁾):		
34.32%		
Specific objective 1: The implementation of the external dimension of the European Green Deal is supported in partner countries		<i>Related to spending programme: ENI, NDICI, IPA II, IPA III</i>
Result indicator 1.1: Greenhouse Gas (GHG) emissions avoided (tonnes CO ₂ eq) with EU support		
Source of data: IPA Performance Framework ⁽³²⁾ and EU Results Framework		

⁽²⁸⁾ The baseline for ENI: 16% and for IPA: 14%, both for 2019.

⁽²⁹⁾ The milestone for IPA and ENI/NDICI is to achieve an increase in comparison with the baseline.

⁽³⁰⁾ The target for ENI/NDICI to achieve 25% or more and for IPA to achieve 16% or more.

⁽³¹⁾ Estimated based on commitment appropriations.

Explanation: This indicator measures the result of EU supported actions in terms of reduction of greenhouse gas emissions. Since the indicator measures the evolution during the 2020-2024 period, the baseline is set at 0. It does not imply that no action was taken in the past.		
Baseline (2020)	Interim Milestone (2022)	Target (2024)
0	105% of final 2020 results	110% of final 2020 results
Latest known results (2024) ⁽³³⁾ East Neighbourhood: 3 494 456 (Armenia 31 100; Belarus 250; Georgia 1 544 942; Moldova 52 000; Ukraine 719 756; regional 1 146 408) South Neighbourhood: 39 112 237 (Algeria 55; Egypt 24 713 416.06; Jordan 957 698; Lebanon 14 455; Morocco 1 756 903; Palestine 1 203 457; Tunisia 10 265 866; regional 200 387) Enlargement region: 2 149 000 (Türkiye 300 000; regional 1 849 000)		
Result indicator 1.2: Number of Micro, Small and Medium Enterprise applying Sustainable Consumption and Production practices with EU support		
Source of data: EU Results Framework		
Explanation: Measures the results of EU supported interventions in order to promote sustainable and production practices at the level of private companies. Since the indicator measures the evolution during the 2020-2024 period, the baseline is set at 0. It does not imply that no action was taken in the past.		
Baseline (2020)	Interim Milestone (2022)	Target (2024)
0	105% of final 2020 results	110% of final 2020 results
Latest known results (2024) ⁽³⁴⁾ East Neighbourhood: 524 (Ukraine 9; regional 515) South Neighbourhood: 939 (Egypt 217; Palestine 25; Tunisia 312; regional 385)		
Result indicator 1.3: Areas of terrestrial and freshwater ecosystems under a) protection, b) sustainable management with EU support (ha).		
Source of data: EU Results Framework		
Explanation: The indicator measures the contribution of the EU to the protection and sustainable management of ecosystems. Since the indicator measures the evolution during the 2020-2024 period, the baseline is set at 0. It does not imply that no action was taken in the past.		
Baseline (2018)	Interim Milestone (2022)	Target (2024)
a) 0 b) 0	105% of final 2020 results	110% of final 2020 results

⁽³²⁾ The methodological notes of the IPA performance framework indicators used in the present report are available here: <https://myintracomm.ec.europa.eu/dg/devco/evaluation-quality-results/quality-results/Documents/Results%20exercise/EU%20RF%20L2%20Method%20notes.zip>

⁽³³⁾ Some values are lower than the ones reported last year because of revised methodology (annual vs. cumulative)

⁽³⁴⁾ The results are not directly comparable to the values of past years due to applied definition of MSMEs.

Latest known results (2024) ⁽³⁵⁾:*a) Under protection*

East Neighbourhood: 0

South Neighbourhood: 41 800 (Morocco)

Western Balkans: 0

b) Sustainable management

East Neighbourhood: 433 877 (Georgia)

South Neighbourhood: 0

Western Balkans: 0

Main outputs in 2024:**Evaluations ⁽³⁶⁾ and fitness checks**

Output	Indicator	Target
The external evaluation on EU support to waste management and circular economy sectors in the Western Balkans	Evaluation finalised	Q3 ⁽³⁷⁾
Latest known results (2024): Evaluation started		
External evaluation of EU support to Connectivity in the Enlargement and Neighbourhood Regions	Evaluations finalised	Q3
Latest known results (2024): Evaluation finalised		
Other important outputs		
Output	Indicator	Target
DG NEAR actions are screened for environmental and climate mainstreaming	Share of EU funded actions screened by the Green Facility	At least 85% of all actions are screened (Baseline 2022 50%)
Latest known results (2024): 70%		

⁽³⁵⁾ No change from last year as contributing interventions have ended⁽³⁶⁾ This evaluation is part of the DG NEAR multi-annual strategic evaluations plan. While guided by Better Regulation, it is not an evaluation in the Better Regulation sense.⁽³⁷⁾ The evaluation is currently in its final phase.

Increase business opportunities in the green transition and green economy	Business engagement opportunities between EU and Neighbourhood private sector with a focus on green transition (business forums, circular economy mission, GG forum, etc.)	At least 4 events in 2024
Latest known results (2024): Four business fora addressing inter alia green transition themes took place in 2024, in Egypt, Jordan, Moldova and Tunisia.		
Green investments under the Economic and Investment Plan are facilitated	Number of meetings related to green finance with international finance Institutions, private sector investors, potential beneficiaries New financing guarantees supporting environment and biodiversity objectives endorsed Number of assessed projects submitted for National Initiative Program (NIP) funding	4-5 meetings At least 3 At least 2-3 projects
Latest known results (2024): More than 50 meetings. 6 guarantee agreements supporting environment and biodiversity objectives were approved in 2024. 7 projects approved by the NIP Board in 2024 had climate change mitigation or adaptation as a principal objective, while 8 had it as a significant objective.		
Clean energy and robust climate action is promoted in Western Balkans, Ukraine, Moldova, Georgia, Armenia and Azerbaijan	Implementation of the ongoing regional projects (% of foreseen deliverables achieved): EU4Climate; EU4Energy Phase II and EU4Energy Phase II+(35); EU4 Green Growth The implementation of the new decarbonisation, climate resilience and energy security programme Implementation and adjustment of ongoing technical assistance projects Number of meetings with IFIs on coordination and targeted use of supporting financial instruments in dedicated areas (including feasibility studies): Robust climate architecture. Support for coal regions in transition under the EU Initiative for Western Balkans. Energy Efficiency Infrastructure development for renewable energy sources, hydrogen and renewable gases	At least 90% of the envisaged deliverables for 2024 of EU4Climate achieved and project concluded At least 90% of the deliverables for 2024 of Phase II (including Phase II+) of EU4Energy are achieved Implementation by Q4 Implementation by Q4 At least 1 meeting per domain

Latest known results (2024):

Satisfactory progress under EU4Climate and project concluded.

Satisfactory progress under EU4 Energy II: 13 workshops organised; 6 legal acts drafted. Satisfactory progress under EU4 Energy II+: 20 workshops organised; 21 legal acts drafted.

Number of meetings with IFIs on: Robust climate architecture: 30-40; Energy efficiency: 30-40; Infrastructure development for renewable energy sources, hydrogen and renewable gases: 30-40.

Priority actions on Environment policies including Circular economy, pollution reduction, biodiversity and resource and water efficient use: strengthened dialogue and regional actions are promoted in Western Balkans, Ukraine, Moldova, Georgia, Armenia and Azerbaijan	Number of programmed new actions supporting nature and biodiversity	At least one new Action Document adopted in Q3 or Q4
	Policy dialogue and technical support to the partner countries authorities	10-12 events
	Successful implementation of EU4Green, EU4Environment Green Economy, EU4Environment Water and Data Programme	At least 90% of the envisaged deliverables for 2024 of each programme is achieved

Latest known results (2024):

The EU4Green Recovery East programme (signed in December 2024) will support the Eastern Partnership (EaP) countries to accelerate their development based on a growth model that is greener, more inclusive, and more resilient. Moreover, environmental and climate action is mainstreamed into the NIP Decision for 2024.

More than 50 events (largely under EU4Environment).

Satisfactory progress on deliverables for 2024 under EU4Green, EU4Environment Green Economy, EU4Environment Water and Data Programme.

Priority actions on Energy transition and Climate Change implemented in countries and at regional level in the Southern Neighbourhood	Strengthened dialogue with UfM partners	At least one meeting for UfM energy platform and the UfM Climate change expert group.
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Latest known results (2024):

UfM Green week held in Istanbul in 2024, including the UfM energy platform and UfM Climate change expert group.

	Regional projects supporting the clean energy transition, adaptation, and climate action and environment awareness in the Southern Neighbourhood are implemented, in support of the UfM Energy Platforms	At least 90% of the envisaged deliverables for 2024 of each programme is achieved
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Latest known results (2024):

Several meetings were organised with private sector entities and EU IFIs to assess the appetite for investments in EU promoted investment projects in the Southern Neighbourhood for the development of renewable energy for export to the EU.

Regional actions for the Southern Neighbourhood contribute to improving regulatory frameworks in the beneficiary countries on circular, resource-efficient economy, reduction of pollution, protection of biodiversity or efficient use of water in the Neighbourhood South	Various regional programmes aiming at biodiversity, protection/restoration of protected areas, and Marine and Coastal Protected Areas supporting the green and circular economy are contracted and implemented.	At least 90% of the envisaged deliverables for 2024 of each programme is achieved
Latest known results (2024): 90% of deliverables under regional climate action and energy programmes were achieved.		
Support Türkiye's actions aiming to align with the European Green Deal, in particular as regards its impact on the Customs Union	Number of dedicated technical meetings coordinated by DG NEAR Approved IPA actions on green deal related actions are implemented	At least 2 meetings At least 90% of the envisaged deliverables for 2024 of each programme is achieved
Latest known results (2024): The UfM Green week was held in Istanbul in 2024 and included sessions on Environment, Climate, Blue and Circular Economy. More than 90% of 2024 deliverables were achieved with the completion of three regional projects, namely SwitchMed (Circular Economy), WES (Efficient Use of Water and Pollution Reduction) and IMAP-MPA (Marine Protected Areas).		

General objective 3: An economy that works for people		
Impact indicator 7: Employment rate of persons aged 20 to 64		
Source of the data: Eurostat (Eurostat online data code: sdg_08_30), based on the EU Labour Force Survey		
Explanation: The employment rate is calculated by dividing the number of persons aged 20 to 64 in employment by the total population of the same age group.		
Baseline (2018)	Interim Milestone (2020)	Target (2024)
72.4% ⁽³⁸⁾	75% ⁽³⁹⁾	Increase
Latest known results (2024):		

⁽³⁸⁾

Western Balkans: 53,53%

Türkiye: 55,6%

Eastern Partnership region: 65,13%

Southern Neighbourhood region: 43,6%

⁽³⁹⁾

Western Balkans: 58,2%

Türkiye: 51%

Eastern Partnership region

Southern Neighbourhood region: 45,3%

Western Balkans: 63.56% (estimation based on incomplete data)

Türkiye: 57.3% (2023)

Eastern Neighbourhood: 60.05% (2022 – Armenia, Azerbaijan, Georgia, Moldova only)

Southern Neighbourhood: 64.16% (2020 – Egypt, Israel, Morocco, Palestine, Tunisia only)

Specific objective 3:

Inclusive and sustainable economic growth, better employment and increased connectivity are supported in partner countries

Related to spending programme: NDICI, IPA III

Result indicator 3.1: Number of direct jobs supported/sustained by the EU

Source of data: EU results Framework, IPA Performance Framework, Global Europe Results Framework, IPA III Results Framework ⁽⁴⁰⁾

Explanation: The number of jobs supported through EU programmes.

Baseline (2018)	Interim Milestone (2022)	Target (2024)
IPA 2 388	Increase	Increase

Latest known results (2024):

IPA II Enlargement: 2 268 169 (Bosnia and Herzegovina 53; North Macedonia 174; Kosovo 185; Serbia 1 757; regional 2 266 000)

ENI – Neighbourhood East: 601 100 (Armenia 1 230; Belarus 227; Georgia 6 117; Moldova 1 390; Russia 579; Ukraine 658; regional 590 899)

ENI – Neighbourhood South: 426 967 (Egypt 4 270; Jordan 6 273; Lebanon 54; Morocco 364; Palestine 5 322; Syria 1 505; Tunisia 1 572; regional 407 607)

IPA III Enlargement: 0

NDICI – Neighbourhood East: 0

NDICI – Neighbourhood South: 2 649

Result indicator 3.2: Number of beneficiaries with access to financial services with EU support: a) firms, b) individuals

Source of data: EU results Framework, IPA Performance Framework, Global Europe Results Framework, IPA III Results Framework.

Explanation: This indicator aims at measuring the EU contribution to providing access to financial services to companies and individuals in all partner countries.

Baseline (2018)	Interim Milestone (2022)	Target (2024)
Neighbourhood East: 2 600 Neighbourhood South: 1 700 IPA: 1 466	Increase	Increase

Latest known results (2024):

IPA II: a) 110 (Bosnia and Herzegovina 33; Türkiye 70; regional 7) b) 37 (Bosnia and Herzegovina)

ENI – Neighbourhood East: a) 95 015 (Armenia 14; Azerbaijan 3; Belarus 37; Georgia 55; Moldova 1 220; Ukraine 121; regional 93 565) b) 58 982 (Belarus 2; Moldova 70; Russia 183; regional 58 727)

ENI – Neighbourhood South: a) 491 477 (Lebanon 82; Libya 300; Palestine 106; Tunisia 146; regional

⁽⁴⁰⁾ The methodological notes of the IPA III Results Framework indicators used in the present report are available here: https://capacity4dev.europa.eu/node/255711_en

490 843) b) 3 170 (Egypt 855; Libya 6; Morocco 11; Syria 1 219; Tunisia 992; regional 87)

IPA III: 0

NDICI - Neighbourhood East: 0

NDICI - Neighbourhood South: 339 (Egypt) (under b) people)

Result indicator 3.3: Total length of road supported by the EU through a) construction, b) rehabilitation, c) maintenance (kms)

Source of data: IPA Performance Framework and EU Results Framework, Global Europe Results Framework

Explanation: This indicator shows how much road construction has been supported through the EU as a measure of increased connectivity within partner countries. Since the indicator measures the evolution during the 2020-2024 period, the baseline is set at 0. It does not imply that no action was taken in the past.

Baseline (2018)	Interim Milestone (2022)	Target (2024)
0	Increase	Increase

Latest known results (2024):

a) Construction

East Neighbourhood: 59.43 (Armenia 2; Georgia 51.50; Moldova 5.93)

South Neighbourhood: 264 (Palestine 10; Tunisia 254)

Western Balkans: 0

b) Rehabilitation

East Neighbourhood: 28.20 (Georgia)

South Neighbourhood: 3.36 (Palestine)

Western Balkans: 0

c) Maintenance

East Neighbourhood: 0

South Neighbourhood: 0

Western Balkans: 0

Result indicator 3.4: Number of individuals directly benefiting from EU supported interventions that aim to reduce social and economic inequality

Source of data: Global Europe Results Framework, IPA III Results Performance Framework

Explanation: Measure the contribution of EU support to the reduction on social and economic inequalities in terms of population reached. Since the indicator measures the evolution during the 2020-2024 period, the baseline is set at 0. It does not imply that no action was taken in the past.

Baseline (2020)	Interim Milestone (2022)	Target (2024)
0	Increase	Increase

Latest known results (2024):

IPA III: 628 418 (Bosnia and Herzegovina 234 818; Serbia 393 600)

NDICI - Neigh. East: 50 (Armenia 10; Azerbaijan 40)

NDICI - Neigh. South: 0

Main outputs in 2024:

Evaluations ⁽⁴¹⁾ and fitness checks

Output	Indicator	Target
External evaluation of EU support to private sector development in the enlargement and neighbourhood regions	Evaluation completed	Q3
Latest known results (2024) Evaluation finalised		
External evaluation of EU support to youth in the enlargement and neighbourhood regions	Evaluation completed	Q1
Latest known results (2024) Evaluation finalised		
External evaluation of the implementation of EU Blending in the EU Neighbourhood and the Western Balkans regions in 2015- 2021	Evaluation completed	Q1
Latest known results (2024) Evaluation finalised		

Other important outputs

Output	Indicator	Target
Structural socio-economic reforms are accelerated in DG NEAR countries	Analysis of key socio-economic reforms completed for at least 20 NEAR countries	Targeted policy/programming discussions on the basis of the assessments done with 15 countries and coordinated with IFIs.
	Continued policy dialogue, guidance and support for implementation of public administration reform (PAR) and public financial management reform (PFM)	Number of countries participating in PAR Special Groups/PAR and PFM policy dialogue (1 action in each WB country; 4 actions in at least 3 EaP countries; 3 actions in at least 2 South Neighbourhood countries)
Latest known results (2024) A 'deep dive' discussion on the Strategic Partner Assessments took place with IFIs in October 2024, including a plenary session and region-specific discussions. The number of countries participating in PAR Special Groups/PAR and PFM policy dialogue in 2024 was as follows:		
<ul style="list-style-type: none"> Western Balkans: 5 (one dialogue each with AL, BiH, ME, MK, two dialogues with RS) - a dialogue did not take place with Kosovo due to the broader situation with current relations 		

⁽⁴¹⁾ This evaluation is part of the DG NEAR multi-annual strategic evaluations plan. While guided by Better Regulation, it is not an evaluation in the Better Regulation sense.

Output	Indicator	Target
<ul style="list-style-type: none"> EaP: 3 (PAR/PFM screening processes undertaken with UA and MD, and PAR/PFM assessment process launched with AM) – dialogues did not take place with AZ, BY or GE due to the broader situation with current relations South: 0 (in view of the political situation in much of the region, such dialogues were not prioritised in the South). 		
Enhanced engagement with Private Sector to inform the structural reform agenda and support the implementation of Global Gateway/EIPs	<p>The new assessment cycle for the Competitiveness Outlook (CO) Assessment for the WB and SME Policy Index for EaP are supported through OECD</p> <p>Number of high-level meetings (DG- CEOs)</p>	<p>Publication of the Competitiveness Outlook for the WB in Q2 and SME Policy index for EaP in Q1</p> <p>At least 3 meetings</p>
Latest known results (2024): <p>Competitiveness Outlook published in June 2024 (Balkans) and SME Index in December 2023 (EaP). A high-level roundtable between NEAR DG and CEOs was organised at COP29 to discuss investments in energy production and transmission between the Southern Neighbourhood and the EU, aligned with the Global Gateway strategy. Four business fora (in Egypt, Moldova, Tunisia, and Poland with a focus on Ukraine) provided multiple opportunities for bilateral high-level meetings with investors. Two high level meetings were also organised to support development and export of green energy from North Africa to the EU (T-MED).</p>		
Enhanced use of Global facilities available to DG NEAR to support policy dialogue and programming	<p>The following facilities available to NEAR HQ and EUD delegations support policy dialogue and programming:</p> <p>PEOPLE Window (Knowledge Hub on Human development: Lot 2- Social inclusion and inequalities, and Lot 3-Youth)</p> <p>PLANET (Green Facility, B4Life, NDC facility, Circular economy and Water facility, Farm to Fork, Energy, Sustainable mobility)</p> <p>PROSPERITY (Global Gateway Support Mechanism; Socieux+(40); EU Sustainable Finance Hub; Digital Knowledge Hub)</p>	<p>At least 30 in-country actions to support NEAR partner countries delivered and completed by Q4</p> <p>Analysis on Social Protection and Health priorities completed to feed policy dialogue and programming in the Western Balkans by Q4</p> <p>Three thematic seminars on Health, Social protection (Q4), on Youth (Q2) and on Environment and climate change (Q3) for EUDs organised and delivered.</p> <p>An online Education Resource Package made available for all NEAR staff</p> <p>A Carbon Border Adjustment Mechanism country analysis is conducted in at least 15 NEAR countries</p>
		<p>Revised guidelines for environmental and climate mainstreaming launched in 2024.</p> <p>Digital training module developed and implemented in at least 3 delegations in 2024.</p>
Latest known results (2024):		

Through the thematic facilities, 73 assignments were undertaken in 2024 to support staff in delegations and in headquarters with policy dialogue and programming.

Analysis on Social Protection and Health priorities in the Western Balkans completed in Q1 2024 (publication planned for Q1 2025).

A thematic seminar took place on health and social protection in October 2024. A thematic seminar in the area of youth is under preparation for 2025.

Three 'Greening EU cooperation' trainings were also organised in 2024 to develop environmental and climate change mainstreaming skills in operational staff.

The education resources pack is available on the INTPA Academy website, and the revised pack was shared with education focal points in HQ and EUDs (approx. 85 recipients) in September 2024.

Carbon Border Adjustment Mechanism country analyses are ongoing for 16 NEAR countries.

Revised guidelines for environmental and climate mainstreaming (Green Cooperation Toolbox) were launched in October 2024.

Digital training modules were developed and implemented in 3 Delegations in 2024: Moldova, Albania, Bosnia & Herzegovina (eGovernance only).

Partner countries are supported in building more resilient, efficient and sustainable education systems based on evidence-based diagnosis	Policy dialogues on education with partner countries based on evidence-based diagnosis (reform needs and challenges: governance, financing, quality and resilience aspects)	Partner countries are supported in building more resilient, efficient and sustainable education systems based on evidence-based diagnosis
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Latest known results (2024):

Workshops already took place in 2023 on the education diagnostic assessments in Albania and North Macedonia. Final reports were shared with the authorities of both countries in 2024.

Two diagnostic assessments are being successfully completed in Armenia and Moldova. Fact-finding missions took place in Armenia, Georgia, Moldova.

Partner countries are supported by regional and national programmes in Youth related actions in line with the pillars of the EU Youth Strategy and the Youth Action plan for the external action: to engage, to empower and to connect.	Support provided to the implementation of Youth Guarantee Implementation Plans in the Western Balkans	Adoption of the Youth Guarantee Implementation Plans in all Western Balkans by Q2
	For the EU's neighbourhood South region support through a Technical Assistance Facility in order to develop initiatives to reengage NEET youth.	New contract with ILO is signed, and implementation starts in Q1
	Support the implementation of the Young Mediterranean Voices phase II (YMV II), in order to actively engage youth from the Mediterranean as drivers of social and democratic change	Contract with Anna Lindh Foundation is signed, and implementation starts in 2024
	Support provided on youth entrepreneurship and youth employment in the EaP	At least 9 grants, 15 scholarships and 3 policy labs provided

Latest known results (2024)

Youth guarantee implementation plans had been adopted in Albania, Kosovo, Montenegro, North Macedonia and Serbia by the end of 2024. Bosnia & Herzegovina is expected to adopt its plan in 2025. Youth Dialogue schemes are being implemented Albania, Serbia, Kosovo (regional pilots) and North Macedonia (full implementation since 2019). Implementation of the contract with ILO began in January 2024. Implementation of the contract with Anna Lindh Foundation began in January 2024. 14 grant contracts ongoing. 18 EU4Youth scholarships and 11 fellowships awarded. 4 policy labs delivered.

Trade, Investment, Job Creation and Innovation are supported in Southern Neighbourhood	Regional Team Europe Initiative (TEI) on “Job creation through trade and investment” advanced	3 actions are designed jointly with Member States under the TEI, notably on Green, Digital and Social Economy and start implementation
	Support on innovation and cluster cooperation in the Neighbourhood South	Two regional projects supporting the start-up ecosystems and promoting industrial cluster cooperation jointly with the European Cluster Cooperation Platform launched in Q4

Latest known results (2024)

Within the framework of the regional TEI, the following actions were adopted or implemented: Green Forward (implementation began January 2024) and a new package on green skills is under preparation (AAP 2025); Digital package (adopted in 2024); Social Entrepreneurship Fund (signed with KfW in 2024); Women's employment (adopted in 2024); two regional projects on women's access to finance (implementation began in Q1 2024)

METI II project with ILO, on mainstreaming employment in Trade has been signed in 2024 and will start operations in 2025.

EFSD+ in place and supporting the implementation of the Economic Investment Plans	Number of guarantee agreements signed under the EFSD+ Open Architecture	8 EFSD+ guarantee agreements (including carry-overs) to be signed by Q1 Remaining guarantee agreements approved under the first call for proposals to be concluded by Q4.
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Latest known results (2024)

6 EFSD+ guarantee agreements were signed in 2024, with the ISC for 2 further agreements launched before the end of the year. All 8 guarantee agreements were approved under the first call for proposals.

Support delivered to business integrity in the EaP countries	EaP countries anti-corruption policy includes business integrity measures	At least 3 countries prioritize Business Integrity in their anti-corruption policy, by Q2
	Private sector participates in anti-corruption policies development	At least in three countries by Q2

Latest known results (2024)

Business integrity prioritised in Armenia, Moldova, Ukraine.
Private sector participated in anti-corruption policy development in Armenia, Moldova, Ukraine.

Continued EU support to SMEs across the Eastern Partnership	The EU4business programme phase III is fully operational	First annual report on EU4Business is published during 2024
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General objective 2: A Europe fit for the digital age		Related to spending programme(s): IPA II, IPA III, ENI, NDICI
Impact indicator 2: Digital Skills		
Source of data: Eurostat (Eurostat online data code: ISOC_SK_DSKL_I21)		
<p>Explanation [has been adjusted to methodology change]: The basic digital skills indicator (DSI) looks at selected activities performed by individuals aged 16 to 74 on the internet in the five specific areas (information and data literacy, communication and collaboration, content creation, safety, problem solving). It is assumed that individuals having performed certain activities have the corresponding skills; therefore, the indicator can be considered as a proxy of the digital skills of individuals. Finally, based on the performance in the five specific areas, an overall digital skills indicator is calculated as a proxy of the digital skills of individuals ('no skills', 'limited', 'narrow', 'low', 'basic' or 'above basic'). To have at least basic overall digital skills (derived as a sum of basic and above basic levels), people must know how to do at least one activity related to each area. The DSI is biennial and will be collected/compiled every uneven year (next time in 2023).</p>		
Baseline ⁽⁴²⁾ (2019)	Interim Milestone (2022)	Target (2024)
54% ⁽⁴³⁾	63%	67% ⁽⁴⁴⁾
<p>Latest known results (2024):</p> <p>Basic digital skills (2023):</p> <ul style="list-style-type: none"> Western Balkans: 19.40% (data not available for North Macedonia, Kosovo) Türkiye: 22.51% <p>Advanced digital skills (2023):</p> <ul style="list-style-type: none"> Western Balkans: 8.29% (data not available for North Macedonia, Kosovo) Türkiye: 10.61% 		
Impact indicator 1: Aggregate score in the Digital Economy and Society Index (DESI) – replaced as composite index by a dashboard!!! [see footnote below]		
Source of the data: DESI		

⁽⁴²⁾ The digital skills indicator was redesigned, and the methodology has been changed substantially in 2021, to reflect the Digital Competence Framework 2.0. Consequently, 2021 is the beginning of a new time series available in Individuals' level of digital skills (from 2021 onwards) [ISOC_SK_DSKL_I21]. It is not comparable with 2019 baseline before (56%).

⁽⁴³⁾ Baselines (only available for IPA): Basic digital skills: WB 21,2%; Türkiye 12,0%; Advanced digital skills: WB 9%; Türkiye: 24%.

⁽⁴⁴⁾ Milestones and targets should lead to an increase in overall percentage (both basic and digital skills combined).

Explanation: DESI is a composite index that summarises relevant indicators on Europe's digital performance and tracks the evolution of EU Member States in digital competitiveness. Higher values indicate a better performance. Methodology for calculating the indicator: The DESI index is calculated as the weighted average of the five main DESI dimensions: 1 Connectivity (25%), 2 Human Capital (25%), 3 Use of Internet (15%), 4 Integration of Digital Technology (20%) and 5 Digital Public Services (15%).		
Baseline (2019)	Interim Milestone (2022)	Target (2024)
Basic digital skills: 43.1 ⁽⁴⁵⁾	Increase ⁽⁴⁶⁾	Increase ⁽⁴⁷⁾
Latest known results (2024): N/A ⁽⁴⁸⁾		
Specific objective 2: Increased take-up of digital opportunities in partner countries		Related to spending programme: NDICI, IPA III
Result indicator 2.1: Proportion of financial assistance on digital opportunities actions under NDICI and IPA III		
Source of data: European Commission		
Explanation: This indicator measures the proportion of EU funding allocated to the support of digital opportunities in DG NEAR partner countries. Rising levels of investment will reflect the EU's strong commitment to support the digital transformation in its neighbourhood. Since the indicator measures the evolution during the 2020-2024 period, the baseline is set at 0. It does not imply that no action was taken in the past.		
Baseline Beginning of 2020	Interim Milestone (2022)	Target (2024)
0	105% of final 2020 results	110% of final 2020 results
Latest known results (2024): figures yet to be confirmed Explanation for pending result: It is currently difficult to disaggregate information on this indicator, as several interventions include digital solutions, and are thus marked as relevant for digital spending, even though a small part of the overall financial allocation is dedicated to the digital transition. Using the overall budget of projects that are marked as digitally relevant would therefore lead to a gross over-estimation of the total.		
Result indicator 2.2: Number of people who have benefited from VET/skills development interventions supported by the EU for ICT skills (disaggregated by gender, region geographic and/or urban/rural, age group)		
Source of data: Global Europe Results Framework, IPA III results Framework		
Explanation: The development of digital skills is a pre-requisite for the uptake of digital opportunities.		

⁽⁴⁵⁾ It is imperative to improve the reporting situation for the DESI indicator for EU partners, in particular concerning recipients of funding through the Instrument for Pre-Accession Assistance. The baseline in 2019 is that only 1 out of 6 IPA beneficiaries is able to calculate DESI (Serbia). Note that the data on this indicator exists only for IPA region.

⁽⁴⁶⁾ Milestone is to increase coverage in comparison to the baseline.

⁽⁴⁷⁾ Target for DG NEAR is to have 5 out of 6 IPA beneficiaries covered.

⁽⁴⁸⁾ As of 2023, with the publication of the first State of the Digital Decade Report, DESI as composite index does not exist any longer. It is replaced by a dashboard of digital indicators including most of the key performance indicators of the 2030 Digital Decade Policy Programme plus some other relevant indicators. No update is available for this part of the table. Additional information in the DESI 2023 methodological note: <https://digital-strategy.ec.europa.eu/en/library/desi-methodological-note-digital-decade-report-2023>.

This indicator reflects EU support for this key element of a functioning digital economy and provides a direct link to the impact indicator. Since the indicator measures the evolution during the 2020-2024 period, the baseline is set at 0. It does not imply that no action was taken in the past.		
Baseline	Interim Milestone	Target
Beginning of 2020	(2022)	(2024)
0	110% of final 2020 results	120% of final 2020 results
Latest known results (2024): No result value to report at the time of reporting.		
Result indicator 2.3: Number of people who benefit from access to digitalised public and private services thanks to EU support (disaggregated by gender, geographic region, type (urban/rural), age group, type of user i.e. companies, individuals), with specific reference to a) digitalised government services; b) digitalised financial services		
Source of data: IPA III results Framework		
Explanation: The availability of digitalised public and private services is a direct indication for the uptake of digital opportunities. In particular, the link between the number of people benefitting from such services and EU support reflects the Commissions' ambition to facilitate the advancement of e-government, e-health, digitalised industry etc. in partner countries. Since the indicator measures the evolution during the 2020-2024 period, the baseline is set at 0. It does not imply that no action was taken in the past.		
Baseline	Interim Milestone	Target
Beginning of 2020	(2022)	(2024)
0	110% of final 2020 results	120% of final 2020 results
Latest known results (2024): Western Balkans: 3.500 (Montenegro)		

Main outputs in 2023:

Other important outputs

Output	Indicator	Target
Partner countries are supported in the digitalisation of their economy in the Southern Neighbourhood	EU support towards digital skills and cybersecurity in the Southern Neighbourhood is increased	Q4
Latest known results (2024) Regional action adopted in 2024, to be contracted in 2025.		
EU supports digital trade and e-commerce in the Southern Neighbourhood.	A new regional programme is contracted and starts implementation jointly with EU Member States agencies under the Regional Team Europe Initiative on Jobs through Trade and Investment in the Southern Neighbourhood.	At least 90% of the envisaged programme deliverables for 2024 is achieved
Latest known results (2024) E-commerce project designed under the regional TEI with GIZ and ITC, co-funded by BMZ, signed in 2024 and will start operations in 2025.		

Progress achieved in reducing roaming tariffs among Eastern Partnership countries and with the EU	<p>Progress on the implementation of roaming arrangement for integration into the EU roaming area of Ukraine and Moldova and implementation of the voluntary agreement between operators</p> <p>Initiate the steps for the EU-Georgia roaming arrangement for integration into the EU roaming area based on the EU-GE DCFTA and subject to validation by Council of the EU</p> <p>Continue dialogue on EaP reduction in roaming tariffs</p>	<p>Continued reduction of roaming tariffs in Ukraine</p> <p>First reduction of roaming tariffs between the EU and Moldova</p> <p>Amendment of the telecommunications Annex of the EU-Georgia Association Agreement with the latest EU acquis, subject to validation by Council of the EU.</p> <p>Signature of the Regional Roaming Agreement, which will reduce roaming tariffs among EaP partners by up to 87% once fully applied.</p>
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Latest known results (2024)

Assessment of Ukraine's notification of alignment with EU acquis in the field of roaming and telecommunications is ongoing. A positive assessment could allow for the abolition of roaming tariffs between the EU and Ukraine.

Moldova's notification of alignment with EU acquis in the field of roaming and telecommunications is under preparation. The voluntary agreement signed between EU and Moldovan operators in May 2023 took effect in January 2024.

Given the negative developments in Georgia and as per internal guidance, discussions on amending the telecommunications annex of the EU-Georgia AA have been paused.

Negotiations on the Regional Roaming Agreement continue.

Progress achieved in the development of a new approach to strengthen cybersecurity capacities in the Western Balkans	Regional cybersecurity conference	Q2/Q3
Support to the implementation of the Digital Agenda for the Western Balkans provided	Number of projects to strengthen cybersecurity capacities in the Western Balkans adopted	At least one
	3rd Regulatory Dialogue with the WB6 organised	Q4
	Development of digital actions and investments as part of the Growth Plan Facility	Q4

Latest known results (2024)

Regional cybersecurity conference took place in Tirana on 9 July 2024.

No new contracts on cybersecurity were signed in 2024, but two contracts began implementation in January 2024 ('CyberSEE' and 'Further support to the Integrative Internal Security Governance (IISG) in the Western Balkans').

3rd Regulatory Dialogue took place in October 2024.

The WBIF Project Financiers Group on 16 December 2024 discussed and endorsed the technical screening of the first batch of investments to be supported by the Reform and Growth Facility. This included one digital-related investment (digitalisation of the energy transmission system in Albania). The investment should be formally adopted at the next Board meeting in Q1 2025.

Eastern Partnership countries are supported in implementing the EU digital acquis and in facilitating investment in digital connectivity under the EIP EU delegations supported through the Digital Knowledge Hub and digital trainings	A new regional programme in support of innovation and digital ecosystems for start-ups is signed and implementation started. Development of training modules for delegation Number of EU delegations benefitting from the training module	Kick off meetings and inception reports finalised by Q4 Q1 3-5 countries
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Latest known results (2024)

Kick-off meeting of EU4Innovation East took place in May 2024. The inception report will be delivered in January 2025.

Training modules developed.

3 countries: Moldova, Albania, Bosnia & Herzegovina (eGovernance only).

General objective 5: Promoting European way of life

Impact indicator 6: Third countries with migration policies to facilitate orderly, safe, regular and responsible migration and mobility of people

Source of the data: International Organization for Migration and United Nations Department of Economic and Social Affairs as custodian agencies; Organisation for Economic Cooperation and Development as partner agency

Explanation: The indicator describes the state of national migration policies. It is based on six policy domains: migrant rights, whole-of-government / evidence-based policies, cooperation and partnerships, socioeconomic well-being, mobility dimensions of crises, as well as safe, orderly and regular migration. The indicator gives the percentage share of governments in the EU's proximity that meet or fully meet the requirements.

Methodology for calculating the indicator:

Explained in the <https://unstats.un.org/sdgs/metadata/files/Metadata-10-07-02.pdf>. Data will be available every two years as of 2019. 111 countries have provided data, which have been released at the end of 2019.

Baseline (2018) ⁽⁴⁹⁾	Interim Milestone (2022)	Target (2024)
Western Balkan: 3 countries: "Meet"; 1 country: "Partially meets" Türkiye: "Partially meets" Eastern neighbourhood: 4 countries: "Meet" 2 countries: "Partially meet" Southern neighbourhood: 1 country: "Fully meets"; 1 country: "Partially meets" 1 country "Requires progress"	Increase	Increase

⁽⁴⁹⁾ After revision, baseline has been changed from the Strategic Plan 2020-2024; numerical values are replaced by qualitative ones. Before: Western Balkan 2.75; Türkiye 2; Eastern neighbourhood 2.7; Southern neighbourhood 2.3.

Latest known results (2024):*Western Balkan:*

3 countries: "Meet"

2 countries: "Partially meet"

Türkiye: "Meets"*Eastern neighbourhood:*

5 countries: "Meet"

1 country: "Partially meets"

Southern neighbourhood:

1 country: "Fully meets"

2 countries: "Meet"

2 countries: "Partially meet"

2 countries: "Require further progress"

**Specific objective 5:
Effective migration management with partner countries
is in place***Related to
spending
programme: NDICI,
IPA III***Result indicator 5.1:** Number of migration management and/or forced displacement public policies a) developed/revised, and/or b) under implementation with EU support**Source of data:** IPA Performance Framework, EU Results Framework, IPA III Results Framework**Explanation:** This indicator measures the plans and strategies on migration management under implementation or revised with EU support as a way of assessing the progress of migration management policies in partner countries.

Baseline (2018)	Interim Milestone (2022)	Target (2024)
Neigh. East: 9 Neigh. South: 6	Increase	Increase

Latest known results (2024):*a) developed/revised*

ENI - East Neighbourhood: 2 (Belarus, Georgia)

ENI - South Neighbourhood: 169 (Libya 1; Morocco 2, Tunisia 1; regional 165)

IPA II - Western Balkans: 0

IPA II- Türkiye: 1

b) under implementation

ENI - East Neighbourhood: 18 (Azerbaijan 4; Georgia 8; Moldova 5; Ukraine 1)

ENI - South Neighbourhood: 137 (Morocco 1; regional 136)

IPA II - Western Balkans: 8 (Serbia 1; Kosovo 1; regional 6)

IPA II - Türkiye: 1

IPA III - Western Balkans: 3 (Bosnia and Herzegovina)

Result indicator 5.2: Number of EU funded assistance interventions reporting improvement of compliance of Border and Security Systems with EU/Schengen Acquis**Source of data:** IPA Performance Framework, IPA III Results Framework, Global Europe Results Framework**Explanation:** This indicator is a proxy for assessing the progress of partner countries in their compliance with EU border and security standards.

Baseline (2018)	Interim Milestone (2022)	Target (2024)
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3	Increase	Increase
Latest known results (2024): IPA II – Western Balkans: 3 (Albania 1; North Macedonia 2) IPA II – Türkiye: 0 IPA III – 0 GERF – Neighbourhood: 0		
Result indicator 5.3: Number of migrants, forcibly displaced people or individuals from host communities protected or assisted with EU support		
Source of data: EU Results Framework, IPA Performance Framework, IPA III Results Framework, Global Europe Results Framework		
Explanation: This indicator measures the number of displaced people who have received protection and assistance with EU support, as part of an overall effort in improving migration and displacement management.		
Baseline (2018)	Interim Milestone (2022)	Target (2024)
Neigh. East: 20 000 Neigh. South: 1 002 000	Increase	Increase
Latest known results (2024): ENI – East Neighbourhood: 45 658 (Azerbaijan 55; Georgia 4 356; Moldova 458, Ukraine 40 288; regional 501) ENI – South Neighbourhood: 19 793 554 (Egypt 55 861; Jordan 63 964; Lebanon 947 603; Morocco 7 872, Palestine 5 470 683; Syria 436 222; Tunisia 1 291; regional 12 810 058) IPA II – Western Balkans: 7 000 (Serbia) IPA II – Türkiye: 37 278 GERF – Türkiye: 895 994 GERF – South Neighbourhood: 982 609 (Lebanon 788 692; Palestine 126 296; regional 67 621) IPA III – Western Balkans: 90 042 (Bosnia and Herzegovina 53 997; North Macedonia 36 045) IPA III – Türkiye: 956		

Main outputs in 2024:

Evaluations ⁽⁵⁰⁾ and fitness checks

Output	Indicator	Target
Evaluation of EU cooperation on migration in the Western Balkans	Evaluation started	Q1
Latest known results (2024) Evaluation started		
Other important outputs		
Output	Indicator	Target

⁽⁵⁰⁾ This evaluation is part of the DG NEAR multi-annual strategic evaluations plan. While guided by Better Regulation, it is not an evaluation in the Better Regulation sense.

Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa – North Africa is implemented and the implementation is monitored	Reporting from the EUTF NOA MLS (Monitoring and Learning System)	Publication of the annual report in Q4
Latest known results (2024)		
The 2024 EUTF NOA MLS report was published in January 2025		
The funds under NEAR responsibility of the EU Facility for Refugees in Turkey and additional refugee funding in Türkiye following the June 2021 European Council conclusions are implemented	All the projects under the EU Facility for Refugees in Turkey and additional funding are signed and the implementation continues (42)	Q4
Latest known results (2024)		
Annual report finalised in 2024		
Monitoring reports published in Q4 2024.		
EUR 1 billion programmed in Q4 2024.		
IPA and NDICI Decisions adopted in Q4 2024		
The implementation of the EU Facility for Refugees in Turkey is monitored	Number of meetings of	The implementation of the EU Facility for Refugees in Turkey is monitored
Latest known results (2024)		
No meeting of the Steering Committee in 2024		
EU regional Trust Fund in response to the Syrian Crisis (MADAD) is implemented	Local infrastructure (across all sectors of intervention): number of local infrastructures built or rehabilitated	12,600
	Access to education services: number of Syrian refugees (children and youth) enrolled in all level of education	696,000
	Number of Job opportunities created	70,800
	Number of EUTF Madad projects monitored for results (ROM)	80
Latest known results (2024)		
15,900		
Over 1 million		
Over 77,000		
92		
Southern Neighbourhood Multi-Country migration programme Individual Measures and AAP for 2021 and 2022 implemented	All actions under Individual Measure and AAPs 2021 and 2022 signed and implementation continues	Q4
Latest known results (2024)		
Implementation is progressing		

Southern Neighbourhood Multi-Country migration programme Action Document 2023 adopted in 2023 implemented	All contracts related to the Action under AAP 2023 signed and implementation started	Q4
Latest known results (2024)		
All contracts were actions signed and implementation started.		
Adoption of 2024 AAPs under the Southern Neighbourhood Multi- Country migration programme	Multi-country and regional actions under the Southern Neighbourhood Multi-Country migration programme adopted	Q4
Latest known results (2024)		
Annual Action Plan 2024 of the Multi-Country Migration Programme for the Southern Neighbourhood adopted on 13.11.2024 for a total amount of EUR 208 million		
Financing for Syrian refugees and host communities in Türkiye, Jordan, Lebanon, and other parts of the region continued	Migration and forced displacement individual measures adopted in 2023 are signed and implementation started	Q4
Latest known results (2024)		
Special measures for Lebanon (2024-2025), Jordan (2024) and Syria (2024) were adopted to continue supporting hosting countries for the benefit of refugees, vulnerable hosting communities and population in Syria.		
Regarding Türkiye, three individual measures have been adopted to continue supporting hosting countries for the benefit of refugees and host communities.		
IPA III actions in the area of migration management in the Western Balkans are adopted	Actions adopted	Q1
	Implementation started	Q4
Latest known results (2024)		
The Individual measure to strengthen return management systems in the Western Balkans for 2024 was adopted in Q2 2024.		
The Individual Measure to Strengthen Management Systems of Irregular Migration and Fight Against Organised Crime in the Western Balkans for 2024 was adopted in Q4 2024.		

Bilateral and regional actions implementing the EaP Beyond 2020 strategy in the area of migration and forced displacement adopted	Implementation of bilateral actions for Ukraine: projects EU4IBM(43) and Resilience, and EU4IBM and Solidarity Lanes)	Development of at least one pilot activity to support trade and more effective through-put of cargoes by Q2 Delivery and installation of minimum one cargo scanner by Q3 Provision of necessary trainings and capacity building by Q4
	Attend meetings organised by the EU Border Assistance Mission to Moldova and Ukraine (EUBAM) to ensure effective management of the Moldovan and Ukrainian borders	4 meetings
Latest known results (2024) The implementation of the actions is progressing. EUBAM implementation extended until end of 2025.		

ANNEX 3: Draft annual accounts and financial reports

AAR 2024 Version 1

Annex 3 Financial Reports - DG NEAR - Financial Year 2024

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 2024

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2024 (in Mio €) for DG NEAR							
			Commitment appropriations authorised*		vOFI L2 Delta Technical (COM)	Commitments made	%
			1			2	3=2/1
Title 05 Regional Development and Cohesion							
05	05 01	Support administrative expenditure of the `Regional Development and Cohesion¿ cluster	0,00	C1		0,00	0,00 %
	05 01	Support administrative expenditure of the `Regional Development and Cohesion¿ cluster	0,00	C8		0,00	0,00 %
	05 01	Support administrative expenditure of the `Regional Development and Cohesion¿ cluster	0,00	C9		0,00	0,00 %
	05 02	European Regional Development Fund (ERDF)	0,00	C1		0,00	0,00 %
	05 02	European Regional Development Fund (ERDF)	0,00	C8		0,00	0,00 %
	05 03	Cohesion Fund (CF)	0,00	C1		0,00	0,00 %
	05 03	Cohesion Fund (CF)	0,00	C8		0,00	0,00 %
	05 04	Support to the Turkish Cypriot community	2,00	C1		2,00	100,00 %
	05 04	Support to the Turkish Cypriot community	0,00	C8		0,00	0,00 %
Total Title 05			2,00			2,00	100,00 %
Title 06 Recovery and Resilience							
06	06 02	Recovery and Resilience Facility and Technical Support Instrument	3,61	C1		3,61	100,00 %
	06 02	Recovery and Resilience Facility and Technical Support Instrument	0,00	C4		0,00	0,00 %
	06 02	Recovery and Resilience Facility and Technical Support Instrument	0,00	C8		0,00	0,00 %
Total Title 06			3,61			3,61	100,00 %
Title 09 Environment and Climate Action							
09	09 02	Programme for the Environment and Climate Action (LIFE)	3,00	C1		3,00	100,00 %
	09 02	Programme for the Environment and Climate Action (LIFE)	0,00	C8		0,00	0,00 %
Total Title 09			3,00			3,00	100,00 %
Title 14 External Action							
14	14 01	Support administrative expenditure of the `External Action¿ cluster	3,21	C1		0,42	13,19 %
	14 01	Support administrative expenditure of the `External Action¿ cluster	0,13	C2		0,13	100,00 %
	14 01	Support administrative expenditure of the `External Action¿ cluster	0,00	C4		0,00	0,00 %
	14 01	Support administrative expenditure of the `External Action¿ cluster	0,00	C5		0,00	0,00 %
	14 01	Support administrative expenditure of the `External Action¿ cluster	0,63	C7		0,63	100,00 %
	14 01	Support administrative expenditure of the `External Action¿ cluster	0,00	C8		0,00	0,00 %
	14 01	Support administrative expenditure of the `External Action¿ cluster	0,00	C9		0,00	0,00 %
	14 01	Support administrative expenditure of the `External Action¿ cluster	0,60	R0		0,00	0,00 %
	14 02	Neighbourhood, Development and International Cooperation Instrument ¿ Global Europe (NDICI ¿ Global Europe)	3.524,40	C1	0	3.196,11	90,69 %
	14 02	Neighbourhood, Development and International Cooperation Instrument ¿ Global Europe (NDICI ¿ Global Europe)	36,00	C2	0	36,00	100,00 %
	14 02	Neighbourhood, Development and International Cooperation Instrument ¿ Global Europe (NDICI ¿ Global Europe)	38,41	C4	0	23,86	62,12 %
	14 02	Neighbourhood, Development and International Cooperation Instrument ¿ Global Europe (NDICI ¿ Global Europe)	58,33	C5	0	58,33	99,99 %
	14 02	Neighbourhood, Development and International Cooperation Instrument ¿ Global Europe (NDICI ¿ Global Europe)	121,14	C7	0	60,17	49,67 %
	14 02	Neighbourhood, Development and International Cooperation Instrument ¿ Global Europe (NDICI ¿ Global Europe)	0,00	C8	0	0,00	0,00 %
	14 02	Neighbourhood, Development and International Cooperation Instrument ¿ Global Europe (NDICI ¿ Global Europe)	10,76	R0	0	9,05	84,18 %
	14 20	Pilot projects, preparatory actions, prerogatives and other actions	6,56	C1		6,56	99,96 %
	14 20	Pilot projects, preparatory actions, prerogatives and other actions	0,04	C4		0,00	0,00 %
	14 20	Pilot projects, preparatory actions, prerogatives and other actions	0,00	C8		0,00	0,00 %
Total Title 14			3.800,21			3.391,26	89,24 %

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2024 (in Mio €) for DG NEAR					
			Commitment appropriations authorised*	Commitments made	%
			1	2	3=2/1
Title 05 Regional Development and Cohesion					
05	05 01	Support administrative expenditure of the 'Regional Development and Cohesion' cluster	0,00	0,00	0,00 %
	05 02	European Regional Development Fund (ERDF)	0,00	0,00	0,00 %
	05 03	Cohesion Fund (CF)	0,00	0,00	0,00 %
	05 04	Support to the Turkish Cypriot community	2,00	2,00	100,00 %
Total Title 05			2,00	2,00	100,00 %
Title 06 Recovery and Resilience					
06	06 02	Recovery and Resilience Facility and Technical Support Instrument	3,61	3,61	100,00 %
Total Title 06			3,61	3,61	100,00 %
Title 09 Environment and Climate Action					
09	09 02	Programme for the Environment and Climate Action (LIFE)	3,00	3,00	100,00 %
Total Title 09			3,00	3,00	100,00 %
Title 14 External Action					
14	14 01	Support administrative expenditure of the 'External Action' cluster	4,57	1,18	25,88 %
	14 02	Neighbourhood, Development and International Cooperation Instrument 'Global Europe (NDICI 'Global Europe)	3.789,04	3.383,52	89,30 %
	14 20	Pilot projects, preparatory actions, prerogatives and other actions	6,60	6,56	99,36 %
Total Title 14			3.800,21	3.391,26	89,24 %
Title 15 Pre-accession Assistance					
15	15 01	Support administrative expenditure of the "Pre-accession Assistance" cluster	23,86	2,94	12,33 %
	15 02	Instrument for Pre-accession Assistance (IPA III)	1.849,44	1.765,99	95,49 %
	15 03	Reform and Growth Facility for Western Balkans	493,55	398,09	80,66 %
Total Title 15			2.366,85	2.167,02	91,56 %
Title 16 Expenditure outside the annual ceilings set out in the Multiannual Financial Framework					
16	16 01	Support administrative expenditure outside the annual ceilings set out in the Multiannual Financial Framework	40,94	0,65	1,58 %
	16 06	Ukraine Facility	4.881,03	4.879,03	99,96 %
Total Title 16			4.921,96	4.879,67	99,14 %
Title 20 Administrative expenditure of the European Commission					
20	20 02	Other staff and expenditure relating to persons	0,12	0,12	99,97 %
Total Title 20			0,12	0,12	99,97 %
Title 30 Reserves					
30	30 02	Reserves for operational expenditure	0,00	0,00	0,00 %
Total Title 30			0,00	0,00	0,00 %
Total Excluding NGEU			11.097,76	10.446,68	94,13 %
Total DG NEAR			11.097,76	10.446,68	94,13 %

* 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).

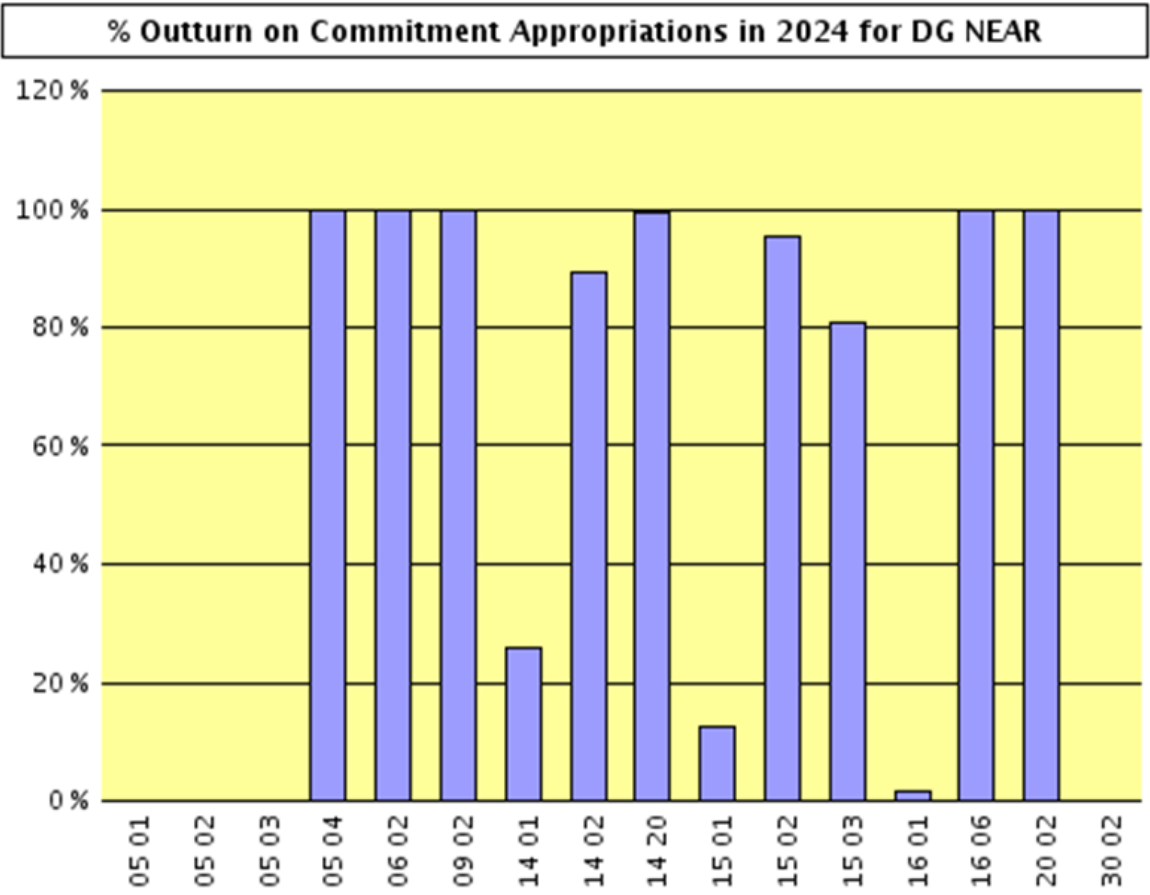


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS in 2024 (in Mio €) for DG NEAR					
			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 05 Regional Development and Cohesion					
05	05 01	Support administrative expenditure of the Regional Development and Cohesion cluster	0,00	0,00	0,00 %
	05 02	European Regional Development Fund (ERDF)	0,44	0,44	100,00 %
	05 03	Cohesion Fund (CF)	0,08	0,08	100,00 %
	05 04	Support to the Turkish Cypriot community	1,56	1,56	100,00 %
Total Title 05			2,08	2,08	100,00%
Title 06 Recovery and Resilience					
06	06 02	Recovery and Resilience Facility and Technical Support Instrument	2,33	2,33	100,00 %
Total Title 06			2,33	2,33	100,00%
Title 09 Environment and Climate Action					
09	09 02	Programme for the Environment and Climate Action (LIFE)	0,75	0,68	90,67 %
Total Title 09			0,75	0,68	90,67%
Title 14 External Action					
14	14 01	Support administrative expenditure of the External Action cluster	5,26	0,93	17,59 %
	14 02	Neighbourhood, Development and International Cooperation Instrument Global Europe (NDICI Global Europe)	3.278,41	3.262,54	99,52 %
	14 20	Pilot projects, preparatory actions, prerogatives and other actions	6,79	6,42	94,52 %
Total Title 14			3.290,46	3.269,88	99,37%
Title 15 Pre-accession Assistance					
15	15 01	Support administrative expenditure of the Pre-accession Assistance cluster	26,43	2,82	10,69 %
	15 02	Instrument for Pre-accession Assistance (IPA III)	2.046,85	1.978,68	96,67 %
	15 03	Reform and Growth Facility for Western Balkans	16,44	0,00	0,00 %
Total Title 15			2.089,72	1.981,50	94,82%
Title 16 Expenditure outside the annual ceilings set out in the Multiannual Financial Framework					
16	16 01	Support administrative expenditure outside the annual ceilings set out in the Multiannual Financial Framework	40,90	0,04	0,09 %
	16 06	Ukraine Facility	3.868,14	3.633,43	93,93 %
Total Title 16			3.909,04	3.633,47	92,95%
Title 20 Administrative expenditure of the European Commission					
20	20 02	Other staff and expenditure relating to persons	0,25	0,11	45,19 %
Total Title 20			0,25	0,11	45,19%
Title 30 Reserves					
30	30 02	Reserves for operational expenditure	0,00	0,00	0,00 %
Total Title 30			0,00	0,00	0,00%
Total Excluding NGEU			9.294,62	8.890,05	95,65%
Total DG NEAR			9.294,62	8.890,05	95,65 %

* 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).

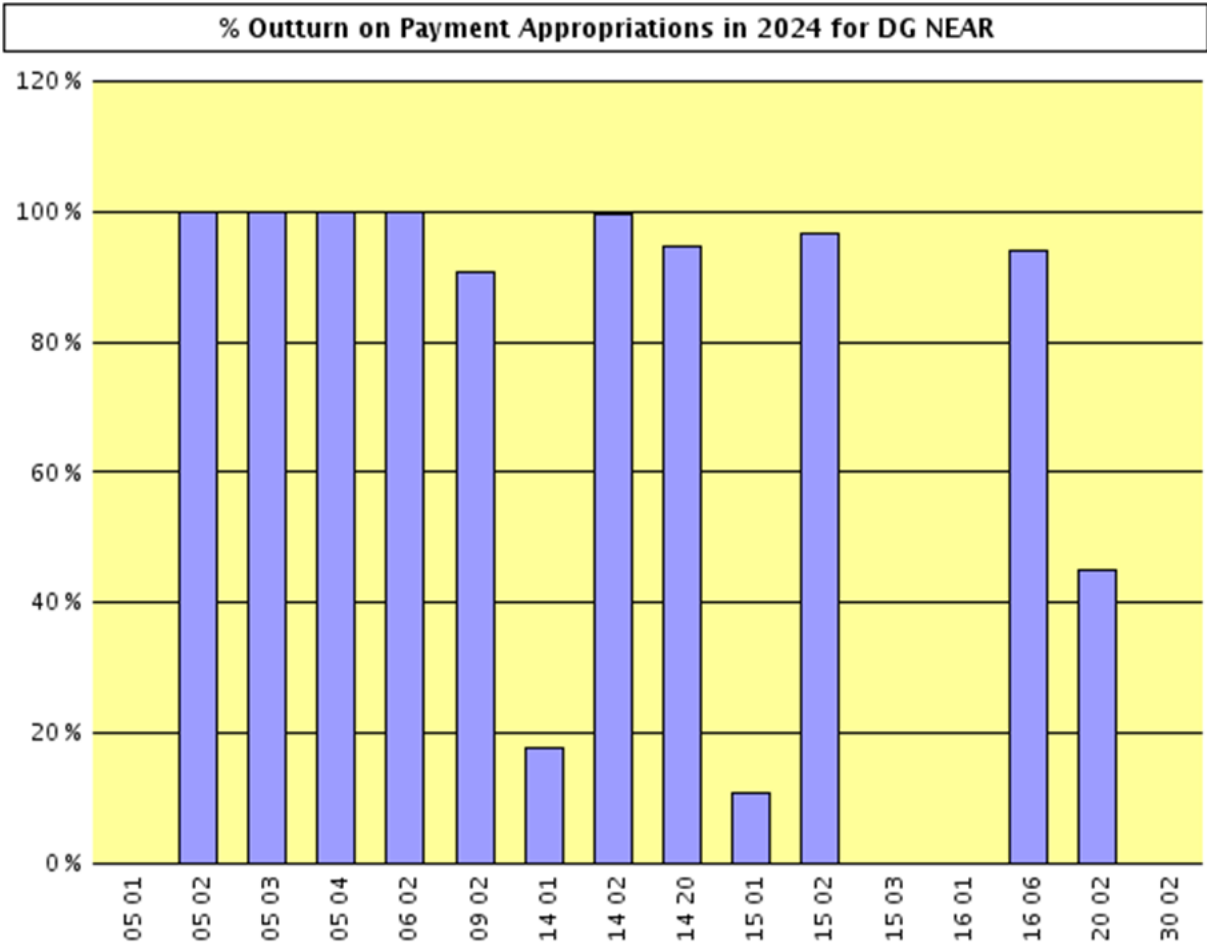


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG NEAR									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2023	Total of commitments to be settled at end of financial year 2024	Total of commitments to be settled at end of financial year 2023
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
05	05 01	Support administrative expenditure of the Regional Development and Cohesion cluster	0,00	0,00	0,00	0,00%	0,00	0,00	0,00
	05 02	European Regional Development Fund (ERDF)	0,00	0,00	0,00	0,00%	0,01	0,01	8,51
	05 03	Cohesion Fund (CF)	0,00	0,00	0,00	0,00%	0,00	0,00	0,08
	05 04	Support to the Turkish Cypriot community	2,00	0,00	2,00	100,00%	1,02	3,02	2,89
Total Title 05			2,00	0,00	2,00	100,00%	1,03	3,03	11,48
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG NEAR									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2023	Total of commitments to be settled at end of financial year 2024	Total of commitments to be settled at end of financial year 2023
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
06	06 02	Recovery and Resilience Facility and Technical Support Instrument	3,61	0,00	3,61	100,00%	2,36	5,97	4,69
		Total Title 06	3,61	0,00	3,61	100,00%	2,36	5,97	4,69
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG NEAR									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2023	Total of commitments to be settled at end of financial year 2024	Total of commitments to be settled at end of financial year 2023
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
09	09 02	Programme for the Environment and Climate Action (LIFE)	3,00	0,00	3,00	100,00%	0,05	3,05	0,73
		Total Title 09	3,00	0,00	3,00	100,00%	0,05	3,05	0,73
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG NEAR									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2023	Total of commitments to be settled at end of financial year 2024	Total of commitments to be settled at end of financial year 2023
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
14	14 01	Support administrative expenditure of the External Action cluster	1,18	0,41	0,77	65,42%	0,00	0,77	0,59
	14 02	Neighbourhood, Development and International Cooperation Instrument Global Europe (NDICI Global Europe)	3.383,52	470,24	2.913,28	86,10%	6.524,14	9.437,42	9.576,89
	14 20	Pilot projects, preparatory actions, prerogatives and other actions	6,56	0,00	6,56	100,00%	9,78	16,34	19,30
Total Title 14			3.391,26	470,65	2.920,61	86,12%	6.533,92	9.454,54	9.596,78
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG NEAR									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2023	Total of commitments to be settled at end of financial year 2024	Total of commitments to be settled at end of financial year 2023
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
15	15 01	Support administrative expenditure of the Pre-accession Assistance cluster	2,94	1,02	1,92	65,23%	0,00	1,92	2,56
	15 02	Instrument for Pre-accession Assistance (IPA III)	1.765,99	286,17	1.479,82	83,80%	5.239,68	6.719,49	7.018,78
	15 03	Reform and Growth Facility for Western Balkans	398,09	0,00	398,09	100,00%	0,00	398,09	0,00
Total Title 15			2.167,02	287,20	1.879,82	86,75%	5.239,68	7.119,50	7.021,35
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG NEAR									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2023	Total of commitments to be settled at end of financial year 2024	Total of commitments to be settled at end of financial year 2023
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
16	16 01	Support administrative expenditure outside the annual ceilings set out in the Multiannual Financial Framework	0,65	0,04	0,61	94,36%	0,00	0,61	0,00
	16 06	Ukraine Facility	4.879,03	3.633,43	1.245,60	25,53%	0,00	1.245,60	0,00
Total Title 16			4.879,67	3.633,47	1.246,21	25,54%	0,00	1.246,21	0,00
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG NEAR									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2023	Total of commitments to be settled at end of financial year 2024	Total of commitments to be settled at end of financial year 2023
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
20	20 02	Other staff and expenditure relating to persons	0,12	0,10	0,02	18,13%	0,00	0,02	0,13
		Total Title 20	0,12	0,10	0,02	18,13%	0,00	0,02	0,13
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 (in Mio €) for DG NEAR									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2023	Total of commitments to be settled at end of financial year 2024	Total of commitments to be settled at end of financial year 2023
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
30	30 02	Reserves for operational expenditure	0,00	0,00	0,00	0,00%	0,00	0,00	0,00
Total Title 30			0,00	0,00	0,00	0,00%	0,00	0,00	0,00
Total Excluding NGEU			10.446,68	4.391,41	6.055,27	57,96%	11.777,05	17.832,32	16.635,16
Total for DG NEAR			10.446,68	4.391,41	6.055,27	57,96 %	11.777,05	17.832,32	16.635,16

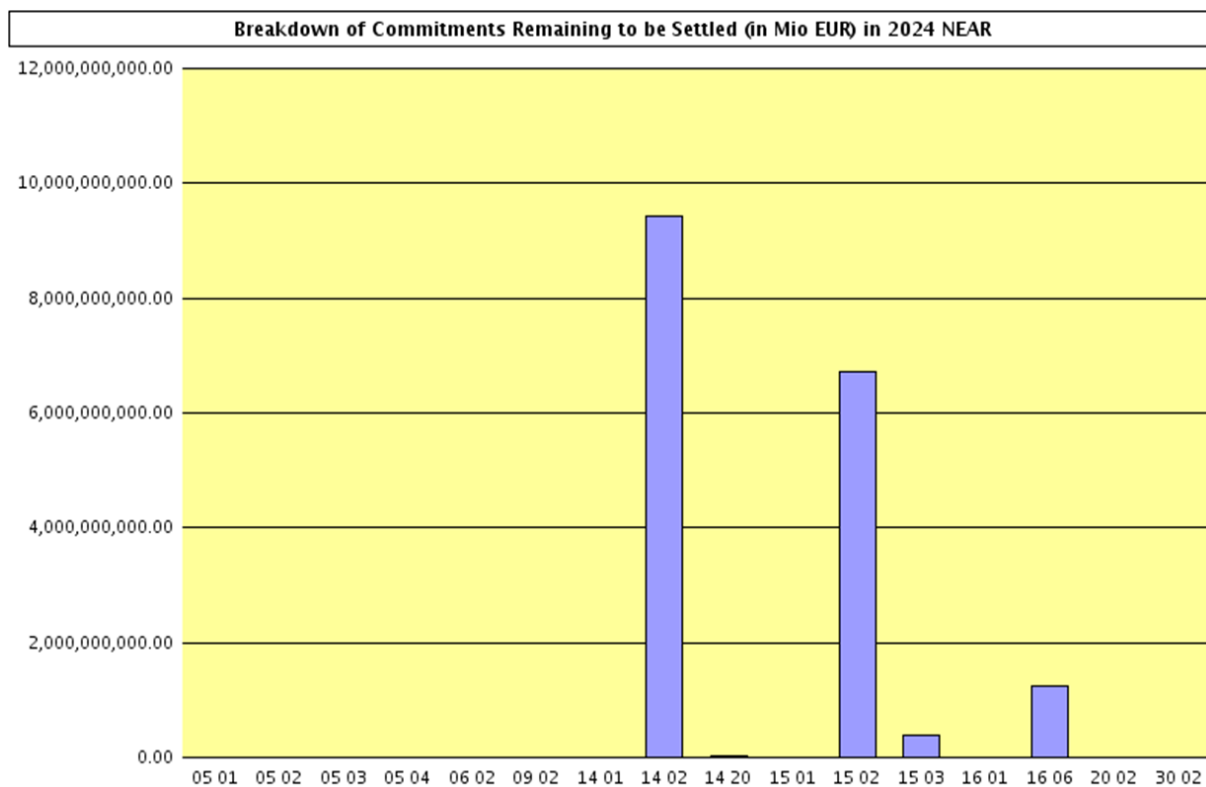


TABLE 4 : BALANCE SHEET for DG NEAR

BALANCE SHEET	2024	2023
A.I. NON CURRENT ASSETS	1.520.401.540,54	1.535.732.591,81
A.I.4. Non-Current Financial Assets	606.213.589,33	593.682.382,79
A.I.5. Non-Current Pre-Financing	886.783.042,93	899.219.540,92
A.I.6. Non-Cur Exch Receiv & Non-Ex Recoverab	27.404.908,28	42.830.668,10
A.II. CURRENT ASSETS	2.123.094.807,68	2.064.234.359,74
A.II.1. Current Financial Assets	16.603.779,15	20.642.939,59
A.II.2. Current Pre-Financing	1.846.421.853,33	1.767.239.530,64
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	70.480.477,24	80.244.680,87
A.II.6. Cash and Cash Equivalents	189.588.697,96	196.107.208,64
ASSETS	3.643.496.348,22	3.599.966.951,55
P.I. NON CURRENT LIABILITIES	-36.830.414,82	-1.753.680,25
P.I.2. Non-Current Provisions	0,00	0,00
P.I.3. Non-Current Financial Liabilities	-36.830.414,82	-1.753.680,25
P.III. NET ASSETS/LIABILITIES	0,00	0,00
P.III.1. Reserves	0,00	0,00
P.II. CURRENT LIABILITIES	-466.371.554,05	-105.742.562,26
P.II.2. Current Provisions	-5.000,99	-15.350,99
P.II.3. Current Financial Liabilities	-2.310.817.838,10	-2.467.812.665,88
P.II.4. Current Payables	4.117.683.512,67	3.426.025.678,20
P.II.5. Current Accrued Charges & Defrd Income	-2.273.232.227,63	-1.063.940.223,59
LIABILITIES	-503.201.968,87	-107.496.242,51
NET ASSETS (ASSETS less LIABILITIES)	3.140.294.379,35	3.492.470.709,04
P.III.2. Accumulated Surplus/Deficit	115.743.583.172,86	111.030.107.162,77
Non-allocated central (surplus)/deficit*	-118.883.877.552,21	-114.522.577.871,81
TOTAL DG NEAR	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 NEAR

STATEMENT OF FINANCIAL PERFORMANCE	2024	2023
II.1 REVENUES	-23.949.881,23	-151.302.629,26
II.1.1. NON-EXCHANGE REVENUES	165.482.684,65	96.147.558,70
II.1.1.6. RECOVERY OF EXPENSES	-17.473.433,23	-3.215.396,11
II.1.1.8. OTHER NON-EXCHANGE REVENUES	182.956.117,88	99.362.954,81
II.1.2. EXCHANGE REVENUES	-189.432.565,88	-247.450.187,96
II.1.2.1. FINANCIAL INCOME	-186.871.903,47	-248.017.729,22
II.1.2.2. OTHER EXCHANGE REVENUE	-2.560.662,41	567.541,26
II.2. EXPENSES	9.195.859.611,21	4.864.778.639,35
II.2. EXPENSES	9.195.859.611,21	4.864.778.639,35
II.2.11. OTHER EXPENSES	22.388.496,14	24.282.868,45
II.2.1. EXP IMPL BY MEMBER STATES (SHARED)		18.277.496,35
II.2.2. EXP IMPL BY COMMISS&EX.AGENC. (DM)	5.797.124.956,49	2.746.846.248,44
II.2.3. EXP IMPL BY OTH EU AGENC&BODIES (IM)	20.575.977,27	12.647.813,77
II.2.4. EXP IMPL BY 3RD CNTR & INT ORG (IM)	2.249.233.138,56	1.317.233.702,60
II.2.5. EXP IMPL BY OTHER ENTITIES (IM)	1.011.745.270,74	505.231.019,04
II.2.8. FINANCE COSTS	94.791.772,01	240.259.490,70
STATEMENT OF FINANCIAL PERFORMANCE	9.171.909.729,98	4.713.476.010,09

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 NEAR

OFF BALANCE	2024	2023
OB.1. Contingent Assets	129.405.853,38	119.925.794,09
GR for other		0,00
GR for performance	23.958.854,22	20.644.737,94
GR for pre-financing	105.446.999,16	99.281.056,15
OB.1.3. CA Other	0,00	0,00
OB.2. Contingent Liabilities	-33.139.891.619,90	-32.724.225.556,82
OB.2.1. Guarantees given for EU FI	-193.633.240,12	-138.637.191,82
OB.2.2. Budgetary Guarantees given	-19.947.454.587,87	-20.208.228.467,67
OB.2.6. Budg Guar given - Signed,not yetdistr	-12.985.507.453,29	-12.370.007.066,82
OB.2.6. CL Other	0,00	0,00
OB.2.7. CL Legal cases OTHER	-13.296.338,62	-7.352.830,51
OB.3. Other Significant Disclosures	-62.543.244.903,66	-60.795.556.514,58
OB.3.2. Comm against app. not yet consumed	-15.168.913.858,32	-15.282.634.103,70
OB.3.3.1 Structural operations		0,00
OB.3.3.68. Ukraine facility	-2.270.000.000,00	
OB.3.3.8.Budgetary Guarantees Ceiling	-45.104.331.045,34	-45.512.922.410,88
OB.4. Balancing Accounts	95.553.730.670,18	93.399.856.277,31
OB.4. Balancing Accounts	95.553.730.670,18	93.399.856.277,31
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 : PAYMENT TIMES for DG NEAR

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
20	1	1	100,00 %	4,00				-	0,00%
30	959	906	94,47 %	12,78	53	5,53 %	148,36	33.291.618,89	2,05%
45	53	52	98,11 %	28,33	1	1,89 %	88,00	4.007,83	0,00%
60	1.183	1.117	94,42 %	36,92	66	5,58 %	87,24	16.000.781,95	3,72%
90	1.232	1.181	95,86 %	53,73	51	4,14 %	132,65	127.535.010,01	5,62%

Total Number of Payments	3.428	3.257	95,01 %		171	4,99 %		176.831.418,68	3,81%
Average Net Payment Time	40,32			36,15			119,73		
Average Gross Payment Time	60,35			55,89			145,27		

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	52	1.327	38,71 %	3.428	1.730.147.414,18	37,27 %	4.641.710.098,94

Late Interest paid in 2024			
DG	GL Account	Description	Amount (Eur)
NEAR	65010000	Interest expense on late payment of charges	433,23
NEAR	65010100	Interest on late payment of charges New FR	100.971,19
			101.404,42

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 2024 for DG NEAR								
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	
33	Other administrative revenue	975.077,00	0,00	975.077,00	975.077,00	0,00	975.077,00	0,00
40	Revenue from investments and accounts	16.342,07	1.150.632,88	1.166.974,95	13.142,46	0,00	13.142,46	1.153.832,49
65	Neighbourhood and the world	112.701.106,65	24.347.403,97	137.048.510,62	85.516.654,13	13.894.425,45	99.411.079,58	37.637.431,04
66	Other contributions and refunds	2.390.062,35	0,00	2.390.062,35	2.390.062,35	0,00	2.390.062,35	0,00
67	Completion for outstanding recovery orders prior to 2021	-1.258.872,70	24.360.588,97	23.101.716,27	-1.624.949,37	2.260.305,67	635.356,30	22.466.359,97
Total DG NEAR		114.823.715,37	49.858.625,82	164.682.341,19	87.269.986,57	16.154.731,12	103.424.717,69	61.257.623,50

TABLE 8: FINANCIAL IMPACT OF EX-ANTE AND EX-POST CONTROLS in 2024 for DG NEAR

EX-ANTE CONTROLS BY TRANSACTION	Irregularity	OLAF notified	Total ex-ante amounts
NON ELIGIBLE IN COST CLAIMS	61.702.645,19	0,00	61.702.645,19
CREDIT NOTES	6.592.425,69	0,00	6.592.425,69
RECOVERY ORDERS ON PRE-FINANCING	13,51	0,00	13,51
Sub-Total	68.295.084,39	0,00	68.295.084,39

EX-POST CONTROLS BY TRANSACTION	Irregularity	OLAF notified	Total ex-post amounts
RECOVERY ORDERS OTHER THAN ON PRE-FINANCING	16.307.751,07	1.694.923,31	18.002.674,38
INCOME LINES IN INVOICES	0,00	0,00	0,00
Sub-Total	16.307.751,07	1.694.923,31	18.002.674,38
GRAND TOTAL (EX-ANTE + EX-POST)	84.602.835,46	1.694.923,31	86.297.758,77

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2024 for DG NEAR

	Number at 01/01/2024	Number at 31/12/2024	Evolution	Open Amount (Eur) at 01/01/2024	Open Amount (Eur) at 31/12/2024	Evolution
2005	2	2	0,00 %	267.184,00	267.184,00	0,00 %
2006	1	1	0,00 %	300.000,00	300.000,00	0,00 %
2007	3	2	-33,33 %	315.742,35	177.942,35	-43,64 %
2009	1	1	0,00 %	82.866,00	82.866,00	0,00 %
2010	1	1	0,00 %	71.964,00	71.964,00	0,00 %
2011	3	3	0,00 %	1.435.954,30	1.435.954,30	0,00 %
2012	7	7	0,00 %	838.085,26	838.085,26	0,00 %
2013	4	4	0,00 %	1.710.142,94	1.710.142,94	0,00 %
2014	8	7	-12,50 %	902.464,04	860.093,14	-4,70 %
2015	6	5	-16,67 %	3.623.900,90	3.619.920,90	-0,11 %
2016	10	7	-30,00 %	1.449.385,67	1.272.460,10	-12,21 %
2017	8	6	-25,00 %	1.773.405,09	1.499.539,82	-15,44 %
2018	18	14	-22,22 %	4.209.146,33	3.879.030,63	-7,84 %
2019	12	7	-41,67 %	5.552.600,68	5.285.059,21	-4,82 %
2020	10	6	-40,00 %	2.537.593,17	2.054.390,66	-19,04 %
2021	5	3	-40,00 %	194.333,76	130.599,28	-32,80 %
2022	25	21	-16,00 %	9.389.977,04	8.191.897,47	-12,76 %
2023	40	16	-60,00 %	16.159.344,96	2.982.229,31	-81,54 %
2024		46			27.549.037,89	
	164	159	-3,05 %	50.814.090,49	62.208.397,26	22,42 %

TABLE 10: Recovery Order Waivers >= 60 000 € in 2024 for DG NEAR

Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
3233240008	3242014350	-195.869,19	Private Companies	-	-
3233240011	3241807345	-89.430,74	Private Companies	-	-
3233240012	3241805568	-84.548,63	Private Companies	-	-
3233240043	3242314901	-108.586,00	Private Companies	-	-
3233240053	3241802070	-63.625,00	Private Companies	-	-
3233240054	3242305932	-143.952,06	Private Companies	-	-
3233240056	3242313968	-106.691,67	Private Companies	-	-
3233240062	3241716244	-134.155,08	Private Companies	-	-
3233240077	3242001405	-222.179,60	Other Public Bodies	C(2024)3688	-
3233240079	3242205749	-903.570,00	Private Companies	C(2024)3921	-
3233240099	3241905180	-121.320,15	Private Companies	-	-
3233240164	3241615185	-88.261,52	Private Companies	-	-
3233240165	3240912600	-137.800,00	Private Companies	-	-
3233240166	3241701565	-139.710,19	Private Companies	-	-

Total DG NEAR	-2.539.699,83
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Number of RO waivers	14
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There are 14 waivers below 60 000 € for a total amount of -500,740.92

Justifications:

1. 3233240008: Waiver by the AOD due to the insolvency of the debtor (grant agreement ENI/2017/387-154).
2. 3233240011: Waiver by the AOD due to the dissolution of the organisation (grant agreement NEAR-TS/2008/170-254)
3. 3233240012: Waiver by the AOD due to the dissolution of the organisation (grant agreement NEAR-TS/2010/239-808)
4. 3233240043: Waiver by the AOD due to the insolvency of the debtor (grant agreement NEAR-TS/2017/393-541)
5. 3233240053: Waiver by the AOD due to the insolvency of the debtor (grant agreement NEAR-TS/2011/270-524)
6. 3233240054: Waiver by the AOD as return of the debt is considered impossible due to the unprecedented and unprovoked military aggression of Russia in Ukraine (grant agreement ENI/2016/373-563)
7. 3233240056: Waiver by the AOD due to the liquidation of the debtor (grant agreement ENI/2017/382-393)
8. 3233240062: Waiver by the AOD due to the insolvency of the debtor (grant agreement NEAR-TS/2013/335-278)
9. 3233240077: Waiver by Commission Decision due to inconsistency with the principle of proportionality and insolvency proceedings (ENPI/2014/343-149)
10. 3233240079: Waiver by Commission Decision due to the unprecedented and unprovoked military aggression of Russia in Ukraine the return of the debt is considered impossible (ENPI/2015/358-478)
11. 3233240099: Waiver by the AOD on insolvency of the debtor and inconsistency with the principle of proportionality (IPA/2011/ 260-793)
12. 3233240164: Waiver by the AOD in view of the age of the debt (IPA/2013/315-418)
13. 3233240165: Waiver by the AOD due to the liquidation of the debtor (DDH/2001/050-561)
14. 3233240166: Partial waiver by the AOD following a settlement agreement and due to the insolvency of the debtor (works contract IPA/2010/255-140)

TABLE 11: Negotiated Procedures in 2024 for DG NEAR

The procedures are presented in the Annual Management and Performance Report of 2024

TABLE 12: Summary of Procedures in 2024 for DG NEAR

The procedures are presented in the Annual Management and Performance Report of 2024

TABLE 13: BUILDING CONTRACTS in 2024 for DG NEAR

There are no building contracts for in 2024 for DG NEAR

TABLE 14: CONTRACTS DECLARED SECRET in 2024 for DG NEAR

Legal Base	LC Date	Contract Number	Contract Subject	Contracted Amount (€)
Annex 1 - 11.1 (i) - Secret contract or contract requiring special security measures	01/11/2024	SCR.LCM.459967.01	SCR.LCM.459967.01 - EXTERNAL SUPPORT TO MEDIA MONITORING OF PUBLIC STATEMENT RELATED TO THE JUSTICE BUDGET SUPPORT"	13.000,00
		1		13.000,00

TABLE 15: FPA duration exceeds 4 years - DG NEAR

There are no FPA duration exceeding 4 years in 2024 for DG NEAR

TABLE 16: Commitments co-delegation type 3 in 2024 for DG NEAR

There are no commitments co-delegation type 3 in 2024 for DG NEAR

Annex 3 Financial Reports T004 - Financial Year 2024 for DG NEAR**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 2024 for T004 for DG NEAR						
Budget Title		Cumulative Commitment appropriations authorised	Commitment appropriations authorised in the year	Cumulative Commitments made	Commitments made in 2024	%
		1		2		3=2/1
01	Administrative expenditure	17,89		17,88	0,00	99,99 %
04	Civil society, local authority	39,97		39,97	0,00	100,00 %
07	Democracy & human rights	36,52	-0,01	36,51	-0,02	99,97 %
08	Education	716,44	-0,38	716,44	-0,05	100,00 %
09	Employment and social inclusion	312,59	-0,02	312,10	-0,51	99,84 %
12	Food & nutrition security	17,00	-0,00	17,00	0,00	100,00 %
14	Gender equality	8,00	0,00	8,00	0,00	100,00 %
16	Health	339,72	-1,41	339,71	-0,88	100,00 %
20	Migration	35,08	-0,30	35,08		100,00 %
24	Water & sanitation	349,33	-0,61	349,32	-0,63	100,00 %
26	Humanitarian aid (emergency response)	10,00		10,00	0,00	100,00 %
27	Civil protection	10,00	-0,00	10,00	-0,00	100,00 %
97	Multisector / Cross-cutting activities	476,01	-0,60	476,01	-0,18	100,00 %
98	Horizontal Operational Expenses	12,35	-0,41	11,25	-0,30	91,16 %
99	Reserves/unallocated Reserves/unallocated	7,54	6,17			0.00%
Total DG T004		2.388,43	2,42	2.379,26	-2,58	99,62 %

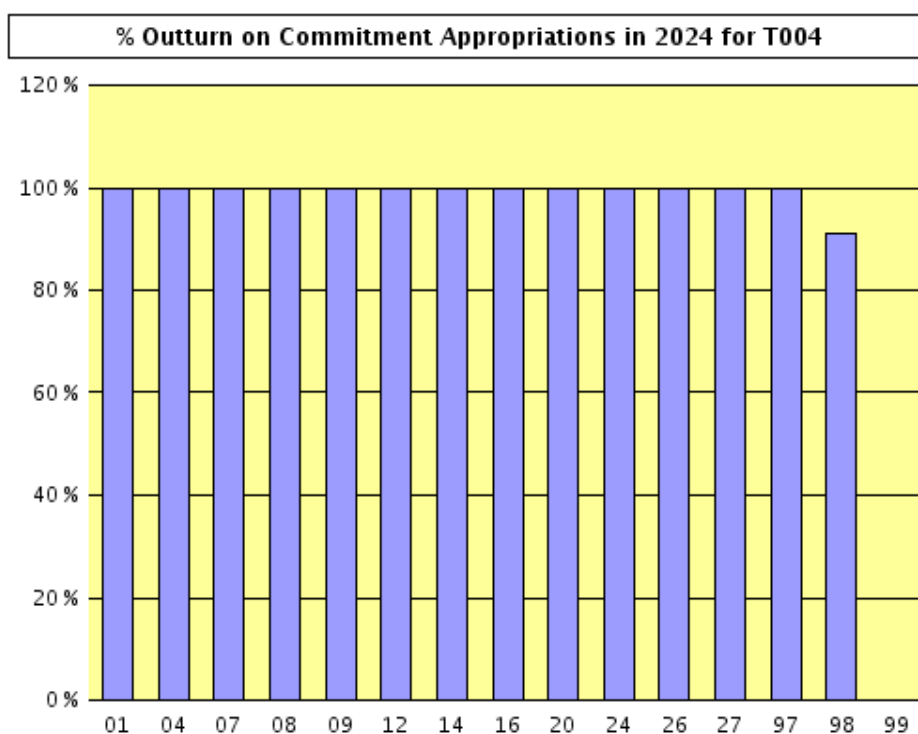


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS for T004 until 2024 (in Mio €) for DG NEAR						
Budget Title		Cumulative Payments appropriations authorised	Payment appropriations authorised in the year	Cumulative Payments made	Payments made in 2024	%
		1		2		3=2/1
01	Administrative expenditure	17,89		17,88		99,99 %
04	Civil society, local authority	39,70		39,70		100,00 %
07	Democracy & human rights	36,38	0,29	36,37	0,29	99,97 %
08	Education	706,65	22,29	705,87	21,52	99,89 %
09	Employment and social inclusion	311,53	21,52	310,95	20,94	99,81 %
12	Food & nutrition security	16,89	0,00	16,89		100,00 %
14	Gender equality	5,92	2,28	5,92	2,28	100,00 %
16	Health	338,16	7,19	338,14	7,17	100,00 %
20	Migration	35,08	0,00	35,08		100,00 %
24	Water & sanitation	341,80	17,48	341,78	18,10	100,00 %
26	Humanitarian aid (emergency response)	10,00		10,00		100,00 %
27	Civil protection	10,00	0,00	10,00		100,00 %
97	Multisector / Cross-cutting activities	468,79	9,68	468,79	10,49	100,00 %
98	Horizontal Operational Expenses	10,72	1,02	9,97	1,12	92,95 %
99	Reserves/unallocated Reserves/unallocated	21,32	-6,84			
Total DG T004		2.370,84	74,92	2.347,36	81,91	99,01 %

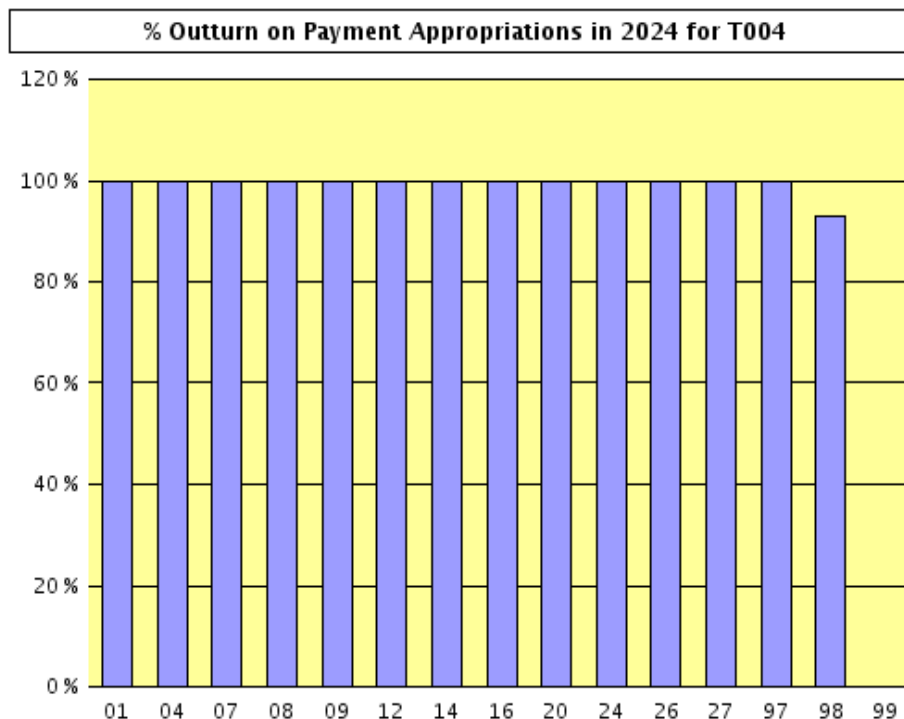


TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 for T004 (in Mio €) for DG NEAR								
Budget Title		Commitments	Contracted	Payments	% to be settled	to be settled at end 2024	to be settled at end 2023	RAL Evolution %
		1		2	3 = 2/1	4 = 2-1	5	3=2/1
01	Administrative expenditure	17,88	17,88	17,88	99,99%	0,00	0,00	0,00%
04	Civil society, local authority	39,97	39,97	39,70	99,31%	0,27	0,27	0,00%
07	Democracy & human rights	36,51	36,48	36,37	99,64%	0,13	0,45	-70,44%
08	Education	716,44	714,70	705,87	98,53%	10,56	32,13	-67,13%
09	Employment and social inclusion	312,10	312,09	310,95	99,63%	1,15	22,60	-94,93%
12	Food & nutrition security	17,00	17,00	16,89	99,35%	0,11	0,11	0,00%
14	Gender equality	8,00	8,00	5,92	74,06%	2,08	4,36	-52,35%
16	Health	339,71	339,71	338,14	99,54%	1,56	9,61	-83,73%
20	Migration	35,08	35,08	35,08	100,00%	0,00	0,00	-100,00%
24	Water & sanitation	349,32	349,32	341,78	97,84%	7,54	26,27	-71,31%
26	Humanitarian aid (emergency response)	10,00	10,00	10,00	100,00%	0,00	-0,00	-100,00%
27	Civil protection	10,00	10,00	10,00	100,00%	0,00	0,00	-100,00%
97	Multisector / Cross-cutting activities	476,01	475,35	468,79	98,48%	7,22	17,89	-59,66%
98	Horizontal Operational Expenses	11,25	11,25	9,97	88,56%	1,29	2,71	-52,45%
Total DG T004		2.379,26	2.376,83	2.347,36	98,66%	31,91	116,40	27,41%

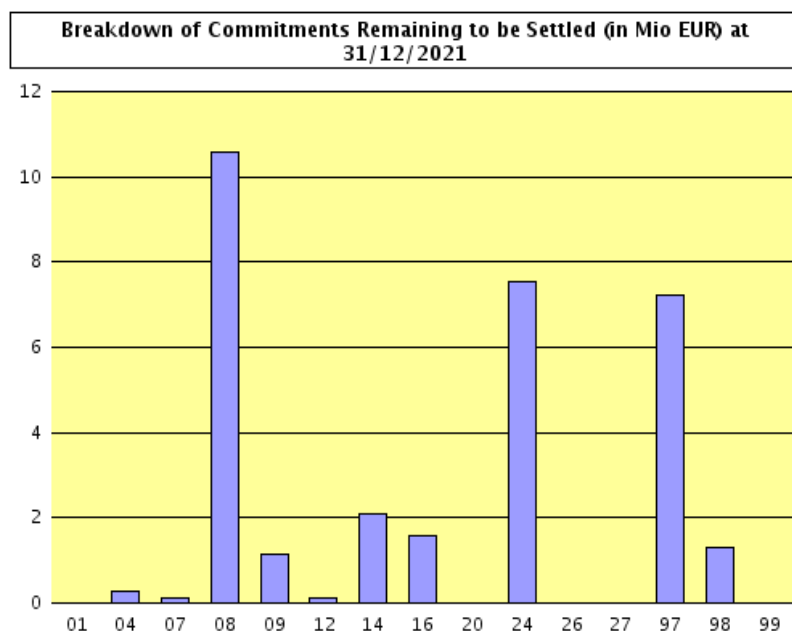


TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 for T004 (in Mio €) for DG NEAR									
Budget Title		Commitments outstanding at the end of previous				Commitments of the current year			Total commitm. outstanding at the end of the year
		Commitm. carried forward from	Decommitm./ Revaluations/ 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	
01	Administrative expenditure	0,00	0,00		0,00	0,00		0,00	0,00
04	Civil society, local authority	0,27			0,27				0,27
07	Democracy & human rights	0,45	-0,02	0,29	0,13				0,13
08	Education	32,13	-0,05	21,52	10,56				10,56
09	Employment and social inclusion	22,60	-0,51	20,94	1,15				1,15
12	Food & nutrition security	0,11			0,11				0,11
14	Gender equality	4,36		2,28	2,08				2,08
16	Health	9,61	-0,88	7,17	1,56				1,56
20	Migration	0,00			0,00				0,00
24	Water & sanitation	26,27	-0,63	18,10	7,54				7,54
26	Humanitarian aid (emergency response)	-0,00			-0,00				-0,00
27	Civil protection	0,00	-0,00		-0,00				-0,00
97	Multisector / Cross-cutting activities	17,89	-0,18	10,49	7,22				7,22
98	Horizontal Operational Expenses	2,71	-0,40	1,12	1,19	0,04		0,04	1,23
Total DG T004		116,40	-2,68	81,91	31,81	0,04		0,04	31,85

TABLE 4 : BALANCE SHEET for T004

BALANCE SHEET	2024	2023
A.I. NON CURRENT ASSETS	0,00	11.303.907,66
A.I.5. Non-Current Pre-Financing	0,00	11.303.907,66
A.II. CURRENT ASSETS	104.120.467,41	154.020.405,23
A.II.2. Current Pre-Financing	78.759.361,06	118.534.145,57
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	3.436.365,52	5.351.727,59
A.II.6. Cash and Cash Equivalents	21.924.740,83	30.134.532,07
ASSETS	104.120.467,41	165.324.312,89
P.I. NON CURRENT LIABILITIES	-91.511.208,80	-144.513.593,92
P.I.3. Non-Current Financial Liabilities	-91.511.208,80	-144.513.593,92
P.III. NET ASSETS/LIABILITIES	0,00	0,00
P.III.2. Accumulated Surplus / Deficit	0,00	0,00
P.II. CURRENT LIABILITIES	-12.609.258,61	-20.810.718,97
P.II.4. Current Payables	-5.759.716,19	-5.499.419,49
P.II.5. Current Accrued Charges & Defrd Income	-6.849.542,42	-15.311.299,48
LIABILITIES	-104.120.467,41	-165.324.312,89
NET ASSETS (ASSETS less LIABILITIES)	0,00	0,00
Non-allocated central (surplus)/deficit*	0,00	0,00
TOTAL DG NEAR	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 T004

STATEMENT OF FINANCIAL PERFORMANCE	2024	2023
II.1 REVENUES	-135.627.762,97	-206.534.768,37
II.1.1. NON-EXCHANGE REVENUES	-125.789.774,99	-200.407.845,64
II.1.1.5. RECOVERY OF EXPENSES	-287.389,87	-92.853,00
II.1.1.6. OTHER NON-EXCHANGE REVENUES	-125.502.385,12	-200.314.992,64
II.1.2. EXCHANGE REVENUES	-9.837.987,98	-6.126.922,73
II.1.2.1. FINANCIAL INCOME	-904.360,78	-1.589.084,90
II.1.2.2. OTHER EXCHANGE REVENUE	-8.933.627,20	-4.537.837,83
II.2. EXPENSES	135.627.762,97	206.534.768,37
II.2.1. EXPENSES	135.627.762,97	206.534.768,37
II.2.1.11 OTHER EXPENSES	8.560.506,91	10.535.846,29
II.2.1.2 EXP IMPLM BY COMMISS&EX.AGENC. (DM)	127.067.256,06	195.995.988,73
II.2.1.9 FINANCE COSTS		2.933,35
STATEMENT OF FINANCIAL PERFORMANCE	0,00	0,00

TABLE 5bis : OFF BALANCE SHEET for T004

OFF BALANCE	2024	2023
OB.3. Other Significant Disclosures	-18.431.496,15	-92.969.041,92
OB.3.2. Comm against app. not yet consumed	-18.431.496,15	-92.969.041,92
OB.4. Balancing Accounts	18.431.496,15	92.969.041,92
OB.4. Balancing Accounts	18.431.496,15	92.969.041,92
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 in 2024 for T004 for DG NEAR

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)
60	9	8	88,89 %	48,88	1	11,11 %	61,00
90	26	21	80,77 %	71,19	5	19,23 %	94,20
Total Number of Payments	35	29	82,86 %		6	17,14 %	
Average Net Payment Time	69,09			65,03			88,67
Average Gross Payment Time	138,17			127,38			190,33

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	76	32	91,43 %	35	76.515.906,99	93,42 %	81.907.851,58

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 2024 for T004									
Revenue Type	RO created during 2024			RO created before 2024			Total		
	Issued	Cashed	Open amount	Open amount at the beginning of the year	Cashed	Open amount	Issued	Cashed	Open amount
	1	2	3 = 1 - 2	4	5	6 = 4 - 5	7 = 1 + 4	8 = 2+5	9 = 3 + 6
Contributions	72,50	72,50	0,00	0,00	0,00	-0,00	72,50	72,50	-0,00
Interests	1,59	0,00	1,59	0,34	0,00	0,34	1,92	0,00	1,92
Returns	0,84	0,83	0,00	0,00	0,00	0,00	0,84	0,83	0,00
Total T004	74,92	73,33	1,59	0,34	0,00	0,34	75,26	73,33	1,93

TABLE 7 : SITUATION ON REVENUE AND INCOME in 2024 for T004					
Financial Year	Issuing year	Revenue Type	Issued	Cashed	outstanding
2024	2024	Contributions	72,50	72,50	0,00
	2024	Interests	1,59	0,00	1,59
	2024	Returns	0,84	0,83	0,00
	2023	Interests	0,81	0,00	0,00
2024			75,73	73,33	1,59
2023	2023	Contributions	228,51	228,51	0,00
	2023	Interests	0,81	0,00	0,81
	2023	Returns	0,10	0,10	0,00
	2022	Contributions	30,00	30,00	-30,00
	2022	Interests	-0,23	0,00	0,00
2023			259,19	258,61	-29,19
2022	2022	Contributions	185,00	155,00	30,00
	2022	Interests	-0,23	0,00	-0,23
	2022	Returns	0,46	0,46	0,00
	2021	Contributions	335,76	25,00	-25,00
	2021	Interests	-0,19	0,00	0,00
	2021	Returns	0,90	0,00	0,00
2022			521,70	180,46	4,77
2021	2021	Contributions	335,76	310,76	25,00
	2021	Interests	-0,19	0,00	-0,19
	2021	Returns	0,90	0,90	0,00
	2020	Contributions	462,71	0,00	0,00
	2020	Interests	-0,18	0,00	0,00
	2020	Returns	2,00	0,00	0,00
	2020				
2021			801,00	311,66	24,81
2020	2020	Contributions	462,71	462,71	0,00
	2020	Interests	-0,18	0,00	-0,18
	2020	Returns	2,00	2,00	0,00
	2019	Contributions	287,36	0,00	0,00
	2019	Interests	0,00	0,00	0,00
	2018	Contributions	30,00	0,00	0,00
	2016	Contributions	0,43	0,00	0,00
2020			782,32	464,71	-0,18
2019	2019	Contributions	287,36	287,36	0,00
	2019	Interests	0,00	0,00	0,00
	2018	Contributions	299,28	5,00	-5,00
	2018	Interests	0,00	0,00	0,00
	2017	Contributions	20,25	0,00	0,00
	2016	Contributions	0,43	0,43	-0,43
2019			607,33	292,79	-5,43
2018	2018	Contributions	299,28	294,28	5,00
	2018	Interests	0,00	0,00	0,00
	2017	Contributions	188,47	20,25	-20,25
	2016	Contributions	0,43	0,00	0,00
2018			488,19	314,53	-15,25
2017	2017	Contributions	188,47	168,22	20,25
	2016	Contributions	258,23	0,00	0,00
	2016	Interests	0,13	0,00	0,00
	2015	Contributions	7,86	0,00	0,00
2017			454,69	168,22	20,25
2016	2016	Contributions	258,23	257,80	0,43
	2016	Interests	0,13	0,00	0,13
	2015	Contributions	46,79	7,86	-7,86
	2015	Interests	0,00	0,00	0,00
2016			305,15	265,66	-7,30
2015	2015	Contributions	46,79	38,93	7,86
	2015	Interests	0,00	0,00	0,00
2015			46,79	38,93	7,86
		Total for T004	4.342,10	4.342,10	1,93

TABLE 7: SITUATION ON REVENUE AND INCOME in 2024 for T004									
Revenue Type	RO created during 2024			RO created before 2024			Total		
	Issued	Cashed	Open amount	Open amount at the beginning of the year	Cashed	Open amount	Issued	Cashed	Open amount
	1	2	3 = 1 - 2	4	5	6 = 4 - 5	7 = 1 + 4	8 = 2+5	9 = 3 + 6
Contributions	72,50	72,50	0,00	0,00	0,00	-0,00	72,50	72,50	-0,00
Interests	1,59	0,00	1,59	0,34	0,00	0,34	1,92	0,00	1,92
Returns	0,84	0,83	0,00	0,00	0,00	0,00	0,84	0,83	0,00
Total T004	74,92	73,33	1,59	0,34	0,00	0,34	75,26	73,33	1,93

TABLE 7 : SITUATION ON REVENUE AND INCOME in 2024 for T004					
Financial Year	Issuing year	Revenue Type	Issued	Cashed	outstanding
2024	2024	Contributions	72,50	72,50	0,00
	2024	Interests	1,59	0,00	1,59
	2024	Returns	0,84	0,83	0,00
	2023	Interests	0,81	0,00	0,00
2024			75,73	73,33	1,59
2023	2023	Contributions	228,51	228,51	0,00
	2023	Interests	0,81	0,00	0,81
	2023	Returns	0,10	0,10	0,00
	2022	Contributions	30,00	30,00	-30,00
	2022	Interests	-0,23	0,00	0,00
2023			259,19	258,61	-29,19
2022	2022	Contributions	185,00	155,00	30,00
	2022	Interests	-0,23	0,00	-0,23
	2022	Returns	0,46	0,46	0,00
	2021	Contributions	335,76	25,00	-25,00
	2021	Interests	-0,19	0,00	0,00
	2021	Returns	0,90	0,00	0,00
2022			521,70	180,46	4,77
2021	2021	Contributions	335,76	310,76	25,00
	2021	Interests	-0,19	0,00	-0,19
	2021	Returns	0,90	0,90	0,00
	2020	Contributions	462,71	0,00	0,00
	2020	Interests	-0,18	0,00	0,00
	2020	Returns	2,00	0,00	0,00
	2020				
2021			801,00	311,66	24,81
2020	2020	Contributions	462,71	462,71	0,00
	2020	Interests	-0,18	0,00	-0,18
	2020	Returns	2,00	2,00	0,00
	2019	Contributions	287,36	0,00	0,00
	2019	Interests	0,00	0,00	0,00
	2018	Contributions	30,00	0,00	0,00
	2016	Contributions	0,43	0,00	0,00
2020			782,32	464,71	-0,18
2019	2019	Contributions	287,36	287,36	0,00
	2019	Interests	0,00	0,00	0,00
	2018	Contributions	299,28	5,00	-5,00
	2018	Interests	0,00	0,00	0,00
	2017	Contributions	20,25	0,00	0,00
	2016	Contributions	0,43	0,43	-0,43
2019			607,33	292,79	-5,43
2018	2018	Contributions	299,28	294,28	5,00
	2018	Interests	0,00	0,00	0,00
	2017	Contributions	188,47	20,25	-20,25
	2016	Contributions	0,43	0,00	0,00
2018			488,19	314,53	-15,25
2017	2017	Contributions	188,47	168,22	20,25
	2016	Contributions	258,23	0,00	0,00
	2016	Interests	0,13	0,00	0,00
	2015	Contributions	7,86	0,00	0,00
2017			454,69	168,22	20,25
2016	2016	Contributions	258,23	257,80	0,43
	2016	Interests	0,13	0,00	0,13
	2015	Contributions	46,79	7,86	-7,86
	2015	Interests	0,00	0,00	0,00
2016			305,15	265,66	-7,30
2015	2015	Contributions	46,79	38,93	7,86
	2015	Interests	0,00	0,00	0,00
2015			46,79	38,93	7,86
		Total for T004	4.342,10	4.342,10	1,93

TABLE 8 : FINANCIAL IMPACT OF EX-ANTE AND EX-POST CONTROLS in 2024 for T004

EX-ANTE CONTROLS BY TRANSACTION	Irregularity	Total ex-ante controls
NON ELIGIBLE IN COST CLAIMS	759.248,52	759.248,52
CREDIT NOTES		
RECOVERY ORDERS ON PRE-FINANCING		
Sub-Total	759.248,52	759.248,52

EX-POST CONTROLS BY TRANSACTION	Irregularity	Total ex-post controls
RECOVERY ORDERS OTHER THAN ON PRE-FINANCING	66.491,69	66.491,69
INCOME LINES IN INVOICES		
Sub-Total	66.491,69	66.491,69

GRAND TOTAL (EX-ANTE + EX-POST)	825.740,21	825.740,21
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TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2024 for T004

	Number at 01/01/2024	Number at 31/12/2024	Evolution	Open Amount (Eur) at 01/01/2024	Open Amount (Eur) at 31/12/2024	Evolution
2024	0	2		0,00	4.898,12	
	0	2		0,00	4.898,12	

TABLE 10: Recovery Order Waivers >= 60 000 € in 2024 for T004

	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
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Total DG NEAR	0,00
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Number of RO waivers	0
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There are no waivers below 60 000 €

TABLE 11: Negotiated Procedures in for T004 in 2024

There are no negotiated procedures for T004 in 2024

TABLE 12: Summary of Procedures in for T004 in 2024

There are no procedures for T004 in 2024

TABLE 13: BUILDING CONTRACTS in for T004 in 2024

There are no building contracts for T004 in 2024

TABLE 14: CONTRACTS DECLARED SECRET in for T004 in 2024

There are no secret contracts for T004 in 2024

TABLE 15: FPA duration exceeds 4 years for T004 in 2024

There are no FPA duration exceeding 4 years for T004 in 2024

Annex 3 Financial Reports T005 - Financial Year 2024 for DG NEAR**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 2024 for T005 for DG NEAR						
Budget Title		Cumulative Commitment appropriations authorised	Commitment appropriations authorised in the year	Cumulative Commitments made	Commitments made in 2024	%
		1		2		3=2/1
01	Administrative expenditure	15,67	2,07	14,53	0,98	92,73 %
04	Civil society, local authority	119,38	0,00	119,38	0,00	100,00 %
08	Education	17,00	0,00	33,00	0,00	194,12 %
09	Employement and social inclusion	85,98	0,00	92,98	0,00	108,14 %
15	Governance	343,77	0,00	341,53	0,00	99,35 %
16	Health	1,40		2,80	0,00	200,00 %
20	Migration	0,00	0,00	8,00	0,00	0,00 %
22	Private sector development	4,60	0,00	4,60	0,00	100,00 %
26	Humanitarian aid (emergency response)	264,20		296,20	0,00	112,11 %
27	Civil protection	8,00		8,00	0,00	100,00 %
98	Horizontal Operational Expenses	26,13	0,00	25,58	0,47	97,87 %
Total DG T005		886,14	2,07	946,60	1,45	106,82 %

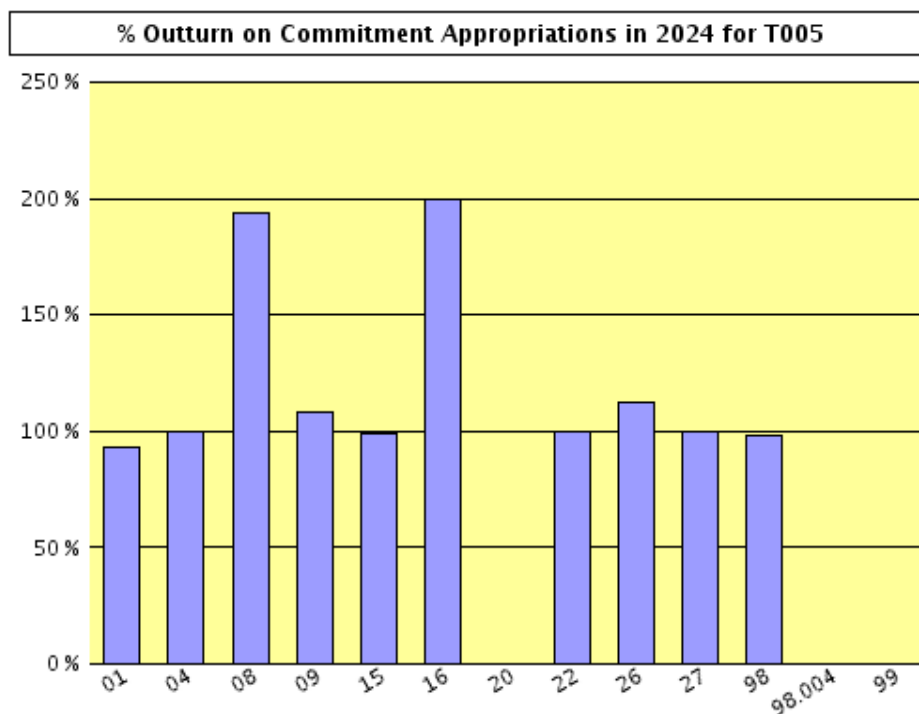


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS for T005 until 2024 (in Mio €) for DG NEAR						
Budget Title		Cumulative Payments appropriations authorised	Payment appropriations authorised in the year	Cumulative Payments made	Payments made in 2024	%
		1		2		3=2/1
01	Administrative expenditure	15,67	2,07	14,53	0,98	92,74 %
04	Civil society, local authority	119,38	4,91	118,21	3,74	99,02 %
08	Education	16,80	4,29	16,80	4,29	100,00 %
09	Employment and social inclusion	82,17	1,31	82,17	1,61	100,00 %
15	Governance	334,77	21,46	330,90	18,54	98,85 %
16	Health	1,26		1,26		100,00 %
20	Migration	4,97	3,65	6,55	1,83	131,74 %
22	Private sector development	2,75	1,34	2,75	1,34	100,00 %
26	Humanitarian aid (emergency response)	259,18		291,18		112,35 %
27	Civil protection	7,80		7,80		100,00 %
98	Horizontal Operational Expenses	23,82	1,45	21,06	1,86	88,42 %
Total DG T005		868,57	40,47	893,22	34,19	102,84 %

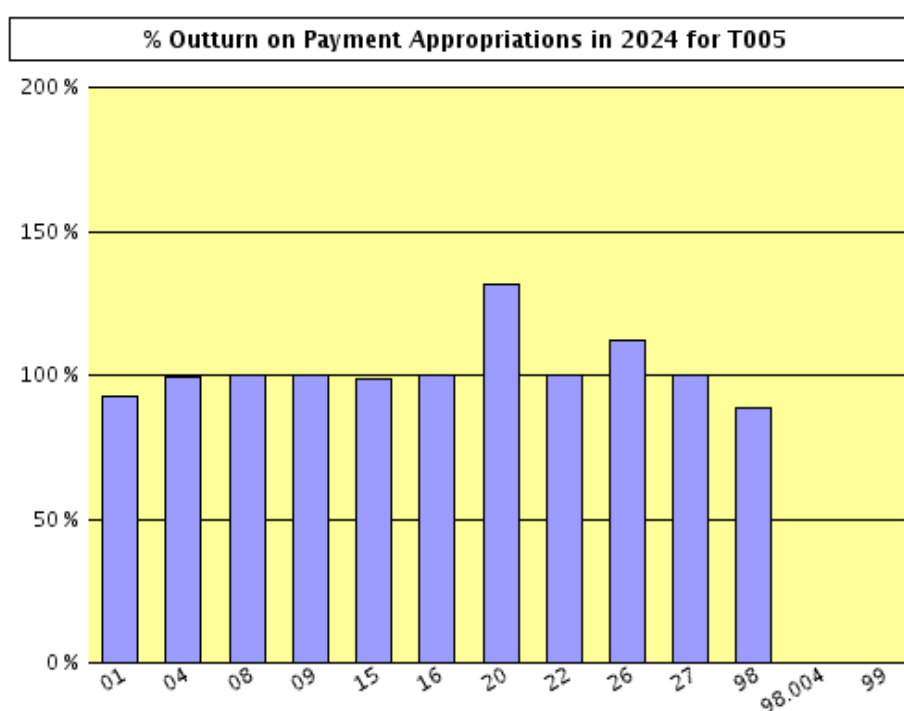


TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 for T005 (in Mio €) for DG NEAR								
Budget Title		Commitments	Contracted	Payments	% to be settled	to be settled at end 2024	to be settled at end 2023	RAL Evolution %
		1		2	3 = 2/1	4 = 2-1	5	3=2/1
01	Administrative expenditure	14,53	14,53	14,53	100,00%	0,00	0,00	-100,00%
04	Civil society, local authority	119,38	119,38	118,21	99,02%	1,17	4,91	-76,22%
08	Education	33,00	17,00	16,80	50,91%	16,20	20,49	-20,93%
09	Employment and social inclusion	92,98	85,87	82,17	88,36%	10,82	12,43	-12,95%
15	Governance	341,53	341,01	330,90	96,89%	10,63	29,17	-63,57%
16	Health	2,80	1,40	1,26	45,00%	1,54	1,54	0,00%
20	Migration	8,00	8,00	6,55	81,89%	1,45	3,28	-55,84%
22	Private sector development	4,60	4,60	2,75	59,80%	1,85	3,19	-41,99%
26	Humanitarian aid (emergency response)	296,20	295,18	291,18	98,31%	5,02	5,02	0,00%
27	Civil protection	8,00	7,80	7,80	97,55%	0,20	0,20	0,00%
98	Horizontal Operational Expenses	25,58	24,75	21,06	82,34%	4,52	5,90	-23,48%
Total T005		946,60	919,53	893,22	94,36%	53,38	86,12	61,98%

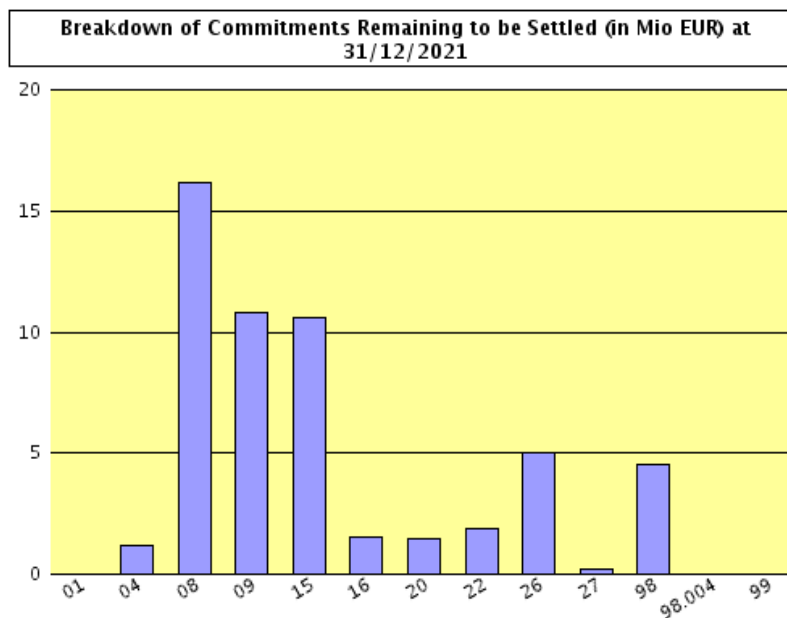


TABLE 3: BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2024 for T005 (in Mio €) for DG NEAR									
Budget Title		Commitments outstanding at the end of previous				Commitments of the current year			Total commitm. outstanding at the end of the year
		Commitm. carried forward from	Decommitm./ Revaluations/ Cancellations	Payments	Commitm. outstanding at year-end	Commitm./ Decommitm./ Revaluations/ Cancellations	Payments	Commitm. outstanding at year-end	
01	Administrative expenditure	0,00	0,00		0,00	0,00	0,98	-0,97	-0,97
04	Civil society, local authority	4,91		3,74	1,17				1,17
08	Education	20,49		4,29	16,20				16,20
09	Employement and social inclusion	12,43	0,00	1,61	10,82				10,82
15	Governance	29,17	0,00	18,54	10,63				10,63
16	Health	1,54			1,54				1,54
20	Migration	3,28		1,83	1,45				1,45
22	Private sector development	3,19		1,34	1,85				1,85
26	Humanitarian aid (emergency response)	5,02	0,00		5,02				5,02
27	Civil protection	0,20	0,00		0,20				0,20
98	Horizontal Operational Expenses	5,90	0,00	1,60	4,30	2,17	0,26	1,91	6,22
Total T005		86,12	0,00	32,95	53,17	2,18	1,23	0,94	54,11

TABLE 4 : BALANCE SHEET for T005

BALANCE SHEET	2024	2023
A.I. NON CURRENT ASSETS	3.949.514,00	22.203.807,69
A.I.4. Non-Current Financial Assets	3.949.514,00	3.949.325,09
A.I.5. Non-Current Pre-Financing	0,00	18.254.482,60
A.II. CURRENT ASSETS	343.741.631,43	378.315.409,75
A.II.2. Current Pre-Financing	131.888.920,38	178.366.227,79
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	24.313.565,93	22.396.274,16
A.II.6. Cash and Cash Equivalents	187.539.145,12	177.552.907,80
ASSETS	347.691.145,43	400.519.217,44
P.I. NON CURRENT LIABILITIES	-251.338.895,04	-264.554.686,75
P.I.3. Non-Current Financial Liabilities	-251.338.895,04	-264.554.686,75
P.III. NET ASSETS/LIABILITIES	0,00	0,00
P.III.2. Accumulated Surplus / Deficit	0,00	0,00
P.II. CURRENT LIABILITIES	-96.352.250,39	-135.964.530,69
P.II.4. Current Payables	-13.774.054,40	-14.260.503,26
P.II.5. Current Accrued Charges & Defrd Income	-82.578.195,99	-121.704.027,43
LIABILITIES	-347.691.145,43	-400.519.217,44
NET ASSETS (ASSETS less LIABILITIES)	0,00	0,00

Non-allocated central (surplus)/deficit*	0,00	0,00
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TOTAL DG NEAR	0,00	0,00
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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 T005

STATEMENT OF FINANCIAL PERFORMANCE	2024	2023
II.1 REVENUES	-190.088.856,88	-426.764.017,03
II.1.1. NON-EXCHANGE REVENUES	-169.848.499,93	-408.453.023,66
II.1.1.5. RECOVERY OF EXPENSES	-245.321,22	-179.270,25
II.1.1.6. OTHER NON-EXCHANGE REVENUES	-169.603.178,71	-408.273.753,41
II.1.2. EXCHANGE REVENUES	-20.240.356,95	-18.310.993,37
II.1.2.1. FINANCIAL INCOME	-6.689.585,27	-4.865.384,69
II.1.2.2. OTHER EXCHANGE REVENUE	-13.550.771,68	-13.445.608,68
II.2. EXPENSES	190.088.856,88	426.764.017,04
II.2.1. EXPENSES	190.088.856,88	426.764.017,04
II.2.1.11 OTHER EXPENSES	28.191.023,45	39.035.792,95
II.2.1.2 EXP IMPLM BY COMMISS&EX.AGENC. (DM)	161.869.385,04	387.293.989,56
II.2.1.9 FINANCE COSTS	28.448,39	434.234,53
STATEMENT OF FINANCIAL PERFORMANCE	0,00	0,00

TABLE 5bis: OFF BALANCE SHEET for T005

OFF BALANCE	2024	2023
OB.1. Contingent Assets	10.809.975,00	15.106.770,24
GR for Financial Instruments	0,00	323.935,43
GR for performance	0,00	373.159,81
GR for pre-financing	10.809.975,00	14.409.675,00
OB.3. Other Significant Disclosures	-124.067.575,77	-271.036.608,58
OB.3.2. Comm against app. not yet consumed	-124.067.575,77	-271.036.608,58
OB.4. Balancing Accounts	113.257.600,77	255.929.838,34
OB.4. Balancing Accounts	113.257.600,77	255.929.838,34
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 in 2024 for T005 for DG NEAR

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	1	50,00 %	13,00	1	50,00 %	39,00
60	10	9	90,00 %	48,22	1	10,00 %	98,00
90	16	10	62,50 %	87,20	6	37,50 %	105,17

Total Number of Payments	28	20	71,43 %		8	28,57 %	
Average Net Payment Time	74,54			65,95			96,00
Average Gross Payment Time	108,86			106,70			114,25

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	46	21	75,00 %	28	32.039.021,72	93,71 %	34.187.908,32

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/lts-030-10-20_documentation.aspx).

TABLE 7: SITUATION ON REVENUE AND INCOME in 2024 for T005									
Revenue Type	RO created during 2024			RO created before 2024			Total		
	Issued	Cashed	Open amount	Open amount at the beginning of the year	Cashed	Open amount	Issued	Cashed	Open amount
	1	2	3 = 1 - 2	4	5	6 = 4 - 5	7 = 1 + 4	8 = 2+5	9 = 3 + 6
Contributions	206,50	156,50	50,00	0,00	0,00	0,00	206,50	156,50	50,00
Interests	7,17	0,00	7,16	1,98	0,00	1,98	9,14	0,00	9,14
Returns	24,18	23,27	0,91	1,41	1,06	0,34	25,59	24,34	1,25
Total T005	237,85	179,78	58,07	3,39	1,06	2,32	241,23	180,84	60,39

TABLE 7: SITUATION ON REVENUE AND INCOME in 2024 for T005					
Financial Year	Issuing year	Revenue Type	Issued	Cashed	outstanding
2024	2024	Contributions	206,50	156,50	50,00
	2024	Interests	7,17	0,00	7,16
	2024	Returns	24,18	23,27	0,91
	2023	Interests	3,20	0,00	0,00
	2023	Returns	1,13	1,06	-1,06
2024			242,18	180,84	57,01
2023	2023	Contributions	257,93	257,93	0,00
	2023	Interests	3,20	0,00	3,20
	2023	Returns	9,51	8,92	0,59
	2022	Contributions	80,00	80,00	-80,00
	2022	Interests	-0,48	0,00	0,00
	2022	Returns	2,14	0,82	-0,82
	2021	Returns	0,02	0,02	-0,02
2023			352,31	347,68	-77,04
2022	2022	Contributions	495,00	415,00	80,00
	2022	Interests	-0,48	0,00	-0,48
	2022	Returns	5,56	3,93	1,63
	2021	Contributions	805,61	0,00	0,00
	2021	Interests	-0,32	0,00	0,00
	2021	Returns	20,18	0,55	-0,55
	2020	Contributions	45,00	0,00	0,00
2022			1.370,55	419,48	80,60
2021	2021	Contributions	805,61	805,61	0,00
	2021	Interests	-0,32	0,13	-0,45
	2021	Returns	20,18	19,61	0,57
	2020	Contributions	1.121,29	45,00	-45,00
	2020	Interests	-0,34	0,00	0,00
	2020	Returns	0,31	0,00	0,00
	2019	Contributions	6,69	0,00	0,00
	2019	Returns	0,09	0,00	0,00
	2019		1.953,50	870,35	-44,89
2020	2020	Contributions	1.121,29	1.076,29	45,00
	2020	Interests	-0,34	0,00	-0,34
	2020	Returns	0,31	0,31	0,00
	2019	Contributions	785,14	6,69	-6,69
	2019	Interests	0,00	0,00	0,00
	2019	Returns	0,20	0,09	-0,09
	2018	Contributions	10,05	0,00	0,00
2020			1.916,65	1.083,39	37,87
2019	2019	Contributions	785,14	778,45	6,69
	2019	Interests	0,00	0,00	0,00
	2019	Returns	0,20	0,11	0,09
	2018	Contributions	563,14	10,05	-10,05
	2018	Interests	0,00	0,00	0,00
	2018	Returns	0,02	0,00	0,00
2019			1.348,50	788,61	-3,26
2018	2018	Contributions	563,14	553,09	10,05
	2018	Interests	0,00	0,00	0,00
	2018	Returns	0,02	0,02	0,00
	2017	Contributions	504,54	0,00	0,00
	2017	Interests	0,01	0,00	0,00
	2016	Contributions	30,00	0,00	0,00
2018			1.097,70	553,10	10,05
2017	2017	Contributions	504,54	504,54	0,00
	2017	Interests	0,01	0,00	0,01
	2016	Contributions	220,45	30,00	-30,00
	2016	Interests	0,05	0,00	0,00
2017			725,04	534,54	-29,99
2016	2016	Contributions	220,45	190,45	30,00
	2016	Interests	0,05	0,00	0,05
2016			220,50	190,45	30,05
Total for T005			9.226,94	9.226,94	60,39

TABLE 8: FINANCIAL IMPACT OF EX-ANTE AND EX-POST CONTROLS in for T005 for DG NEAR

EX-ANTE CONTROLS BY TRANSACTION	Irregularity	Total ex-ante controls
NON ELIGIBLE IN COST CLAIMS	137.479,57	137.479,57
CREDIT NOTES	119.426,35	119.426,35
RECOVERY ORDERS ON PRE-FINANCING		
Sub-Total	256.905,92	256.905,92

EX-POST CONTROLS BY TRANSACTION	Irregularity	Total ex-post controls
RECOVERY ORDERS OTHER THAN ON PRE-FINANCING		
INCOME LINES IN INVOICES		
Sub-Total		

GRAND TOTAL (EX-ANTE + EX-POST)	256.905,92	256.905,92
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TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2024 for T005

	Number at 01/01/2024	Number at 31/12/2024	Evolution	Open Amount (Eur) at 01/01/2024	Open Amount (Eur) at 31/12/2024	Evolution
	0	0	0,00 %	0,00	0,00	0,00 %

TABLE 10: Recovery Order Waivers >= 60 000 € in 2024 for T005

	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
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Total DG NEAR	0,00
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Number of RO waivers	0
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There are no waivers below 60 000 €

TABLE 11 : Negotiated Procedures in for T005 in 2024

External Procedures > € 20,000

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
Annex 1 - 11.1 (c) - Extreme urgency caused by unforeseeable events not attributable to the contracting authority	1	196.783,70
Total	1	196.783,70

TABLE 12 : Summary of Procedures in for T005 in 2024

External Procedures > € 20,000

Procedure Legal base	Number of Procedures	Amount (€)
Negotiated procedure without prior publication (Annex 1 - 11.1)	1	196.783,70
Restricted procedure - As provided for in FR 164(1)(b) - Services/Supplies as from EUR 300 000 - Works as from EUR 5 000 000 - publication (Annex 1 - 38.1 (a))	2	53.667,00
Total	3	250.450,70

TABLE 13 : BUILDING CONTRACTS in for T005 in 2024

There are no building contracts for T005 in 2024

TABLE 14 : CONTRACTS DECLARED SECRET in for T005 in 2024

There are no secret contracts for T005 in 2024

TABLE 15 : FPA duration exceeds 4 years for T005 in 2024

There are no FPA duration exceeding 4 years for T005 in 2024

ANNEX 4: Financial Scorecard

DG NEAR

The Annex 4 of each Commission service summarises the annual result of the standard financial indicators measurement. Annexed to the Annual Activity Report 2024, 11 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) ⁽⁵¹⁾:

- 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
- Timely Invoice PF Clearing

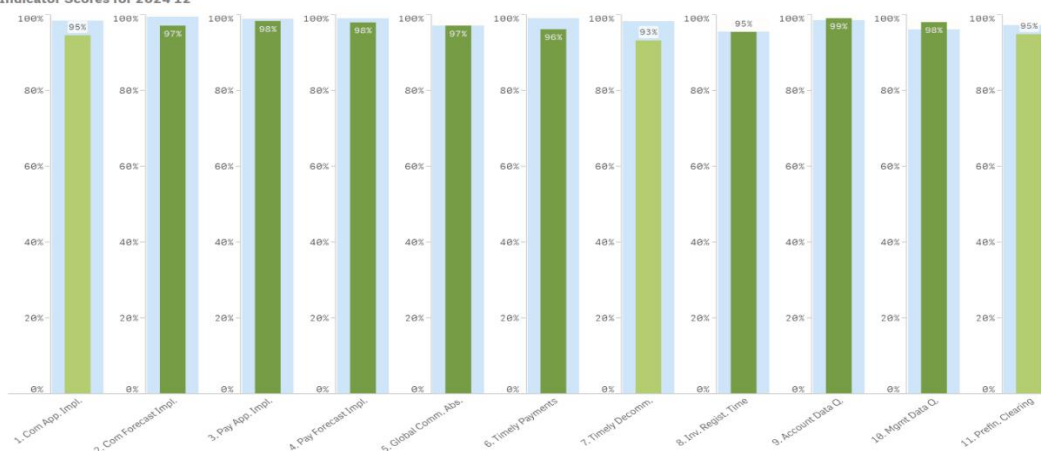
For each indicator, its value (in %) for the Commission service is compared to the common target (in %). The difference between the indicator's value and the target is colour coded as follows:

- 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.

NEAR Indicator Scores for 2024 12



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

⁽⁵¹⁾ 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 ⁽⁵²⁾	NEAR Score	EC Score
1. Commitment Appropriations Implementation	Ensure efficient use of commitment appropriations expiring at the end of Financial Year		95%	99%
2. Commitment Forecast Implementation	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year		97%	99%
3. Payment Appropriations Implementation	Ensure efficient use of payment appropriations expiring at the end of Financial Year		98%	99%
4. Payment Forecast Implementation	Ensure the cumulative alignment of the payment implementation with the payment forecast in a financial year		98%	99%
5. Global Commitment Absorption ⁽⁵³⁾	Ensure efficient use of already earmarked commitment appropriations (at L1 level)		97%	97%
6. Timely Payments	Ensure efficient processing of payments within the legal deadlines	High DG NEAR score proves that the payments are processed within the contractual deadlines.	96%	99%
7. Timely Decommittments	Ensure efficient decommitment of outstanding RAL at the end of commitment life cycle		93%	98%
8. Invoice Registration Time	Monitor the accounting risk stemming from late registration of invoices in the central accounting system ABAC		95%	96%
9. Accounting Data Quality	Ensure the good data quality of ABAC		99%	99%

⁽⁵²⁾ 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%.

⁽⁵³⁾ 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.

	transactions with the focus on fields having a primary impact on the accounts			
10. Management Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the management decisions		98%	96%
11. Timely Invoice PF clearing	Ensure efficient clearing by invoices of prefinancing payments within the invoice payment time limit		95%	100%

EU Trust Fund in response to the Syrian crisis

The Annex 4 of each Commission service summarises the annual result of the standard financial indicators measurement. Annexed to the Annual Activity Report 2024, 11 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) ⁽⁵⁴⁾:

- 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
- Timely Invoice PF Clearing

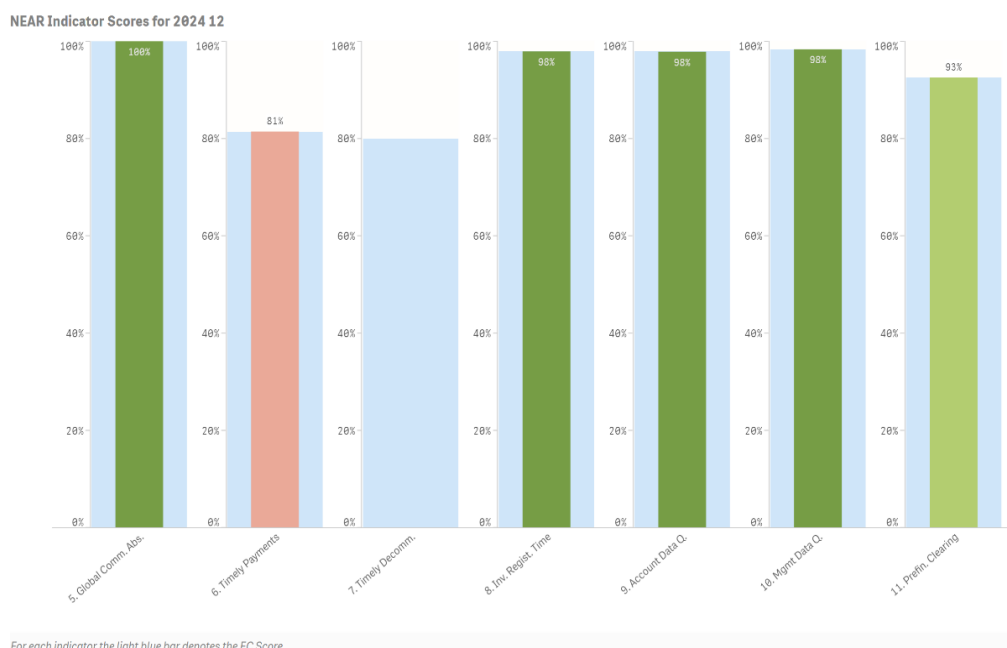
For each indicator, its value (in %) for the Commission service is compared to the common target (in %). The difference between the indicator's value and the target is colour coded as follows:

- 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.

⁽⁵⁴⁾ 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.

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



Indicator	Objective	Comment ⁽⁵⁵⁾	NEAR 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 NEAR in 2024 due to the lack of underlying transactions recorded by DG NEAR in 2024.	-	-
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 NEAR in 2024 due to the lack of underlying transactions recorded by DG NEAR in 2024.	-	-
3. Payment Appropriations Implementation	Ensure efficient use of payment appropriations expiring at the end of Financial Year	The indicator is not applicable for DG NEAR in 2024 due to the lack of underlying transactions recorded by DG NEAR in 2024.	-	-
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 NEAR in 2024 due to the lack of underlying transactions recorded by DG NEAR in 2024.	-	-
5. Global Commitment Absorption ⁽⁵⁶⁾	Ensure efficient use of already earmarked commitment		100%	100%

⁽⁵⁵⁾ 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%.

	appropriations (at L1 level)			
6. Timely Payments	Ensure efficient processing of payments within the legal deadlines	6 delayed payment have been recorded. It should be noted that 2 are the same transaction split into 2 different budget lines. Therefore the correct result should be 29 out of 34 invoices paid on time (with 5 delayed payments). For the 5 delayed payments, 4 payments received AOSD visa within the deadline and delayed from 1 to 4 days at the bank. One payment resulted in 11 days of delay due to the complexity of the analysis of the report and the supporting documents.	81%	81%
7. Timely Decommitments	Ensure efficient decommitment of outstanding RAL at the end of commitment life cycle	The indicator is not applicable for DG NEAR in 2024 due to the lack of underlying transactions recorded by DG NEAR in 2024.	-	80%
8. Invoice Registration Time	Monitor the accounting risk stemming from late registration of invoices in the central accounting system ABAC		98%	98%
9. Accounting Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the accounts		98%	98%
10. Management Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the management decisions		98%	98%
11. Timely Invoice PF clearing	Ensure efficient clearing by invoices of prefinancing payments within the invoice payment time limit		93%	100%

(⁵⁶) 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.

EU Trust Fund for Africa, North of Africa window

The Annex 4 of each Commission service summarises the annual result of the standard financial indicators measurement. Annexed to the Annual Activity Report 2024, 11 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) ⁽⁵⁷⁾:

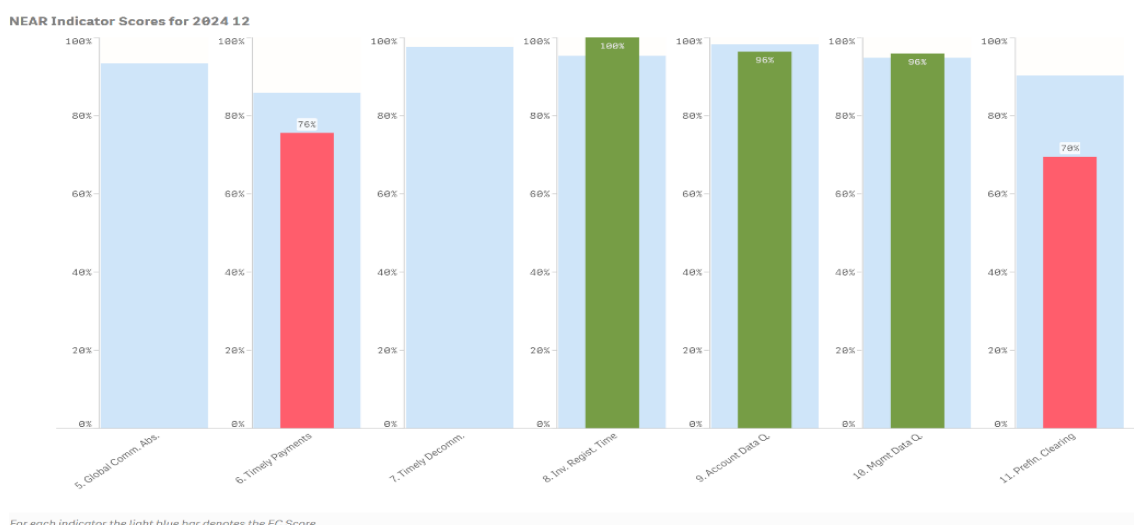
- Commitment Appropriations (CA) Implementation
- CA Forecast Implementation
- Payment Appropriations (PA) Implementation
- PA Forecast Implementation
- Global Commitment Absorption
- Timely Payments
- Timely Decommitments
- Invoice Registration Time
- Accounting Data Quality
- Management Data Quality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

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.



⁽⁵⁷⁾ 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 ⁽⁵⁸⁾	NEAR 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 NEAR in 2024 due to the lack of underlying transactions recorded by DG NEAR in 2024.	-	-
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 NEAR in 2024 due to the lack of underlying transactions recorded by DG NEAR in 2024.	-	-
3. Payment Appropriations Implementation	Ensure efficient use of payment appropriations expiring at the end of Financial Year	The indicator is not applicable for DG NEAR in 2024 due to the lack of underlying transactions recorded by DG NEAR in 2024.	-	-
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 NEAR in 2024 due to the lack of underlying transactions recorded by DG NEAR in 2024.	-	-
5. Global Commitment Absorption ⁽⁵⁹⁾	Ensure efficient use of already earmarked commitment appropriations (at L1 level)	The indicator is not applicable for DG NEAR in 2024 due to the lack of underlying transactions recorded by DG NEAR in 2024.	-	93%
6. Timely Payments	Ensure efficient processing of payments within the legal deadlines	The financial circuit centralised in HQ results in substantial delays in the analysis of files that go through a double operational analysis first at Delegation level and then in HQ. Moreover, a high turnover of staff in the HQ operational unit managing the Trust Fund NOA caused interruptions of business continuity. As a result, delays accumulated in processing the payments.	76%	86%
7. Timely Decommitments	Ensure efficient decommitment of outstanding RAL at the end of commitment life cycle	The indicator is not applicable for DG NEAR in 2024 due to the lack of underlying transactions recorded by DG NEAR in 2024.	-	98%
8. Invoice Registration	Monitor the accounting risk		100%	95%

⁽⁵⁸⁾ 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%.

⁽⁵⁹⁾ 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	stemming from 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		96%	98%
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		96%	95%
11. Timely Invoice PF clearing	Ensure efficient clearing by invoices of prefinancing payments within the invoice payment time limit	With a portfolio of indirect management contracts with 100% pre-financing, it is expected that at the end of life of the EUTF the amount to clear represents a substantial part of the portfolio. This means that that the 85% target is unlikely to be reached. The financial circuit centralised in HQ results in substantial delays in the analysis of files that go through a double operational analysis first at Delegation level and then in HQ. Moreover, a high turnover of staff in the HQ operational unit managing the Trust Fund NOA caused interruptions of business continuity.	70%	100%

ANNEX 5: Materiality criteria

The criteria used by DG NEAR to determine the materiality of potential weaknesses have been established in line with the standing instructions for the AAR. These instructions propose a standard quantitative materiality threshold of maximum 2% for the authorised payments of the reporting year, but also allow a multiannual approach. Because of its multiannual nature, the effectiveness of DG NEAR's control strategy can only be fully measured and assessed once all audits, checks and controls have been fully implemented and systemic errors have been detected and corrected.

DG NEAR's status regarding the control objective of legality and regularity is reassessed annually, taking into account both the frequency and importance of the errors found, as well as a cost/benefit analysis of the efforts needed to detect and correct them. While DG NEAR's control strategy covers several years, the Director-General is required to sign a statement of assurance for each financial reporting year. To determine whether to qualify this statement of assurance with a reservation, the effectiveness of the control systems in place needs to be assessed not only for the year of reference but also with a multiannual perspective, to determine whether it is possible to reasonably conclude that the control objectives will be met as expected.

The identification and potential correction of internal control weaknesses (and in particular errors with financial impact), the criteria for making a decision on whether there is material error in the expenditure of the DG and the question of whether to make a reservation in the AAR are therefore based on the full range of internal controls described in this AAR and on the level of error identified in the RER (Residual Error Rate) Studies on a multiannual basis and in the Annual Reports by the ECA.

In quantitative terms

DG NEAR aims to ensure that the residual error rate (RER), i.e., the level of errors which remain undetected and uncorrected, does not exceed 2% by the end of the management cycle. DG NEAR considers that a weakness is quantitatively significant and deserves to be disclosed as a reservation to the Declaration when the value of the transactions affected by this weakness represents more than 2% of all the transactions of the same nature (instrument, method of implementation) closed during the period under review (1/9/2023 – 31/8/2024).

'De minimis' threshold for financial reservations

Since 2019 ⁽⁶⁰⁾, a 'de minimis' threshold for financial reservations has been introduced. Quantified AAR reservations related to residual error rates above the 2% materiality threshold are deemed not substantial for segments representing less than 5% of a DG's total payments and with a financial impact below EUR 5 million. In such cases, quantified reservations are no longer needed.

⁽⁶⁰⁾ Agreement of the Corporate Management Board of 30/4/2019.

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

DG NEAR has categorised its portfolio and described five major relevant control systems (RCS) corresponding to methods of implementation ⁽⁶¹⁾:

- **Direct Management**
 - **Grants in Direct Management (RCS 1)**
 - **Procurement in Direct Management (RCS 2)**
 - **Budget Support and Loans in Direct Management (RCS 3)**
- **Indirect Management**
 - **Indirect management with Beneficiary/ partner countries (including also Cross Border Cooperation (CBC)) (RCS 4)**
 - **Indirect management with Entrusted Entities (including also the management of Budgetary Guarantees and Financial Instruments) (RCS 5).**

6.1. Direct Management

Under Direct Management, funds are channelled to the final recipients through contracts signed directly by the Commission as contracting authority. Under Direct Management, the control environments are Grants in Direct Management (RCS 1); Procurement in Direct Management (RCS 2); Budget Support (RCS 3); in addition, the Pegase mechanism to channel Direct Financial Support to the Palestinian institutions includes a specific set of controls which has been reviewed in recent years by the ECA.

6.1.1. Grants in Direct Management (RCS 1)

Grants are financial contributions awarded as donations to third parties to co-finance actions intended to help achieve a Union policy objective (action grants), or the functioning of a body which has an objective forming part of, and supporting, a Union policy (operating grants). Grants are based on the reimbursement of eligible costs actually incurred by the beneficiaries, or on financing not linked to the costs of the relevant operations, on unit costs, on lump sums, on flat-rate financing, or on any combination of these forms. Whatever the form of the grant, the latter aims at co-financing the cost of the activities

⁽⁶¹⁾ In general, a new RCS is developed when the total amount contracted or paid represents at least 10% of the total DG's amount.

carried out by the beneficiaries for implementing the concerned actions or work programmes. The results of the action remain the property of the beneficiaries.

Stage 1: Prior to Contracting

Grants are subject to the publication of work programmes on the Commission websites ⁽⁶²⁾ and implemented principally through calls for proposals ⁽⁶³⁾. Calls for proposals are based on a standard template and regularly updated in accordance inter alia with the changes in the Financial Regulation and relevant case law. Applicants are expected to present proposals for actions that correspond to stated objectives and fulfil the required conditions set in each call. All applications are examined and assessed based on eligibility and evaluation criteria (selection and award) that were clearly announced in the calls for proposals. This includes an assessment, by an Evaluation Committee composed in majority of DG NEAR staff, of the technical and financial capacity of the applicant, as well as of the relevance, impact, sustainability and cost effectiveness of the proposals. To prevent any potential conflict of interest, each member of the Evaluation Committee must sign a declaration of impartiality and confidentiality. At the end of the evaluation process, DG NEAR notifies all applicants to inform them of the final decision concerning their proposals. Grants may also be concluded following a direct award.

⁽⁶²⁾ The Action Documents annexed to the Commission Implementing Decisions adopting Annual Action Programmes constitute the work programmes and the publication consists therefore of making available on Commission website the Action Documents. Additionally, calls for proposals may be announced on the concerned Delegations websites for those that concern the corresponding countries.

⁽⁶³⁾ Part of the grants portfolio is made of grants concluded following direct award, in accordance with the relevant legal provisions (Article 190 of the Rules of Application of the Financial Regulation). The RCS1 described in this report also applies mutatis mutandis to those grants directly awarded.

A – Identification and formulation of action to be co-financed including choice of instrument and implementation modality

Main control objectives: Ensuring that the Commission selects the most appropriate instrument in its cooperation with partner countries in line with the policy objectives (effectiveness); compliance (legality and regularity) and ensuring the proper type of support and modalities specific to each partner country.

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The instrument and/or implementation modality is not well suited to work towards the identified objectives and/or lead to a substantial increase of implementation risks.	Quality Review	100%	Economy: Estimation of cost of controls of grant operations up to the identification and formulation, including staff costs. External costs of control are based on values of respective contracts and related disbursements.

B – Preparation, adoption and publication of the Annual Work Programmes and Calls for proposals

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The annual work programmes and the subsequent calls for proposals do not adequately reflect the policy objectives, priorities, are incoherent and/or the essential eligibility, selection and award criteria are not adequate to ensure the evaluation of the proposals.	Hierarchical validation within the authorising department. Explicit allocation of responsibility to individual officials (reflected in task assignment or function descriptions). Centralised checklist-based verification	If risk materialises, all grants awarded during the year under this work programme or call would be irregular, inadequate and/or ineffective. Possible impact 100% of budget involved and significant reputational consequences. Coverage / Frequency: 100%. Depth: Checklist includes a list of the requirements of the regulatory provisions identified.	Effectiveness: Number of calls published and grants awarded. Efficiency: Time to prepare and adopt calls and time for publication. Number of clarifications needed. Economy: Estimated cost of controls of grant preparation adoption and publication.

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

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The evaluation, ranking and selection of proposals is not carried out in accordance with the established procedures, the policy objectives, priorities and/or the essential eligibility, or with the selection and award criteria defined in the annual work programme and subsequent calls for proposals.	Assignment of staff (e.g., programme officers) and/or Selection and appointment of expert assessors. Transparent publication of calls.	100% vetting for technical expertise and independence (e.g., conflicts of interests, nationality bias, ex-employer bias, collusion).	Effectiveness: Number of requests of clarification or corrigendum regarding the call. Errors identified during RER exercise and/or DAS sampling. Efficiency: Time to grant, time to inform, need to relaunch.
	Redress procedure.	100% of contested decisions are analysed by AOSD services.	Economy: Estimation of cost of controls of grant selection.

Stage 2 - Contracting: Transformation of selected proposals into legally binding grant agreements

DG NEAR establishes and signs contracts with successful applicants. For this, proposals (description of the action and the budget) are reviewed to remove possible arithmetical errors and ineligible costs, and to bring clarifications and minor corrections where relevant. A standard grant contract model is used for all EU-financed grant contracts for external actions.

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The description of the action in the grant agreement includes tasks which do not contribute to the achievement of the programme objectives and/or that the budget foreseen overestimates the costs necessary to carry out the action.</p> <p>The beneficiary lacks operational and/or financial capacity to carry out the actions.</p> <p>Procedures do not comply with regulatory framework.</p>	<p>Project Officers implement evaluators' recommendations, including elimination of ineligible costs and arithmetical errors in budgets in a dialogue with the selected applicants during the contract preparation stage. Hierarchical validation of proposed adjustments.</p> <p>Validation of beneficiaries (operational and financial viability).</p> <p>Validation of the grant agreement by the AO.</p> <p>In-depth financial verification and taking appropriate measures for high-risk beneficiaries.</p> <p>Strict application of the financial checks embedded in the financial and contractual circuits, including the application of the four eyes principle.</p>	<p>100% of the selected proposals and beneficiaries are scrutinised.</p> <p>Coverage: 100% of draft grant agreements.</p> <p>Depth may be determined after considering the type or nature of the applicant (e.g., large internationally recognized NGOs or local organizations multiple co-applicants, and/or of the modalities (e.g., part of human resources or equipment compared to the total cost of the action) and/or the total value of the grant.</p>	<p>Effectiveness: Final eligible costs accepted, need for riders to facilitate implementation.</p> <p>Efficiency: Budget savings, reallocation to next ranked proposals.</p> <p>Economy: Estimation of cost of controls related to contracting.</p>

Stage 3 – Monitoring the execution. This stage covers the monitoring the operational, financial and reporting aspects related to the project and grant agreement

All payment requests and related reports are verified and approved by DG NEAR staff (ex-ante controls). Before any transaction (payment, rider, etc.) is authorised, the operational and financial aspects are initiated and verified by two different (operational/financial) entities. This is the "four eyes" principle of the Financial Regulation, which DG NEAR, taking into consideration the specific high-risk environment of external aid actions, reinforces by requiring controls by two separate agents for each of these two stages. Checklists and types of controls are regularly updated in accordance with the results of the risk analyses as well as changes in the regulatory environment or feedback from field users.

The first pre-financing payment, which covers either 80% of the amount of the contract or 100% of the EU's part of the first annual budget for the first year of implementation, is paid after both parties have signed the contract. For multi-annual actions, an interim report (technical and financial) and payment request are sent once a year. The balance is paid on approval of the final report. If it appears that actual eligible costs are lower than anticipated or declared, the grant is reduced proportionately, and any unused amount is recovered.

When required by the grant contract, payment requests or final reports are accompanied by an expenditure verification report of an independent external auditor contracted by the grant beneficiary. DG NEAR has developed standard Terms of Reference including a reporting model for expenditure verifications that are part of the standard annexes of the standard grant contracts. They reinforce the verification of compliance with the contract terms including those relating to procurement by the beneficiary. These templates are reviewed on a regular basis to ensure the highest efficiency as well as compliance with changes in the relevant legal framework (e.g., Financial Regulation).

Expenditure verifications are compulsory for:

- Any request for payment of the balance in the case of grants of more than EUR 100.000.
- Any request for further (annual) pre-financing payments in case of grants of EUR 5.000.000 or more.

Additional audits to be carried out by external auditors can be contracted by DG NEAR as part of DG NEAR's annual audit plans based on risk analyses or as deemed appropriate by the AOSD.

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The actions foreseen are not, totally or partially, carried out in accordance with the technical description and requirements foreseen in the grant agreement and/or the amounts paid exceed that due in accordance with the applicable contractual and regulatory provisions.	Operational and financial checks in accordance with the financial circuits. Transaction authorisation by the AO. For riskier operations, ex-ante in-depth and/or on-site verification.	100% of the projects are controlled, including only value-adding checks. Riskier operations subject to in-depth and/or on-site controls. The depth depends on risk criteria.	Effectiveness: Delivered output, sustainability. Efficiency: KPI on Ineligible amount detected through ex-ante controls, number of contracts suspended, amount of penalties, monitoring missions and projects' visits. Economy: Estimation of cost of controls related to monitoring of implementation.
	For high-risk operations, reinforced monitoring. Risk assessment to identify potential ROM, evaluations and on-the-spot (OV and/or FV) monitoring visit. Earmark projects for <i>risk-based</i> system audits (during the first phase of implementation of the project) and financial audits (after receiving at least one interim payment or at the end of the project). See below annual control plans.	High risk operations identified by risk criteria. Red flags: delayed interim deliverables, suspicion of plagiarism, unstable co-applicants set-up requesting many amendments, Early Detection and Exclusion System (EDES), etc.	
	If needed: application of Suspension/interruption of payments, Penalties. Referring grant to OLAF.	Depth: depends on results of controls.	
	Expenditure verification accompanying <ul style="list-style-type: none"> Any request for payment of the balance in the case of grants of more than EUR 100.000. Any request for pre-financing payments per financial year in case of grants of EUR 5.000.000 or more. Annual Control Plans: Audits and expenditure verifications are planned annually for ongoing and closed operations of DG NEAR overall portfolio. The operations to be verified or audited are determined through risk analyses. These controls can take place before or after disbursements recognizing expenditure.	Coverage: > 10% of ongoing or very recently closed operations.	Efficiency: KPIs on implementation of audit plans, and on ineligible expenditure detected through ex post controls. Economy: Estimation of cost of controls related to audits and verifications.

Stage 4 - Ex-Post controls and Follow-up

Payments for grants in direct management are included in the population of the RER study undertaken each year for DG NEAR on a representative sample of closed contracts. Findings from the risk-based audits and from the RER study are systematically followed up by DG NEAR, taking the necessary actions for the recovery of non-eligible expenditures where appropriate.

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 ex-ante controls (legality and regularity; anti-fraud strategy); addressing systemic weaknesses in the ex-ante controls, based on the analysis of the findings (sound financial management); ensuring appropriate accounting of the recoveries to be made (reliability of reporting, safeguarding of assets and information).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The ex-ante controls (as such) fail to prevent, detect and correct erroneous procedures, payments or attempted fraud. The ex-post controls focus on the detection of residual errors.	Through a residual error rate (RER) study a representative sample of closed operations is reviewed to determine the effectiveness of the pyramid of controls put in place by the DG. Findings are validated with fund recipients, used for possible ex-post corrections (i.e., recoveries), taken into consideration for improvements of ex-ante controls, and referred to OLAF where needed.	MUS sample sufficiently representative to draw valid management conclusions.	Effectiveness: Residual error rate below tolerable threshold. Efficiency: time to deliver RER results, on time for the assurance of the AAR. Economy: Estimation of cost of RER controls of grant operations.
	Supervision missions to Delegations by independent staff not involved in the operational and financial circuits.	Size and composition of sample are determined in accordance with the cooperation portfolios managed by the visited Delegations.	Effectiveness: Number of supervision mission, number of SMART recommendations accepted and described in an action plan. Efficiency: Time to prepare supervision missions. Economy: Estimated cost of supervision missions.

B - Implementing results from ex-post audits/controls

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The errors, irregularities and cases of fraud detected are not addressed or not addressed timely.	Systematic registration of audit / control results to be implemented. Financial operational validation of recovery in accordance with financial circuits. Validation by the AO.	Coverage: 100% of final audit results with a financial impact.	Effectiveness: All RER detected are recorded in the audit module, followed up and closed. Efficiency: Time to close audit module RER entries, amount recovered and time to implement action plans following supervision missions. Economy: Estimation of cost of follow up of financial recommendations on grant operations.

6.1.2. Procurement in Direct Management (RCS 2)

Procurement contracts are commercial contracts concluded in writing between economic operators and one or more contracting authorities to obtain the execution of works, the supply of goods or the provision of services. In direct management, procurement contracts with third parties are awarded and managed directly by DG NEAR in accordance with the applicable rules and procedures. There are three types of procurement contracts: service contracts (fee based or global price), supply contracts and works contracts.

Stage 1: Prior to Contracting

The basic means of awarding contracts is competitive tendering. All contract awards must obey the principles of transparency, proportionality, equal treatment, non-discrimination and sound financial management. Standard tender procedures are used according to predefined thresholds per type of contract. The selection of the contractor is made by an evaluation committee composed of DG NEAR staff (and possibly one voting member from the beneficiary country) based on pre-defined eligibility, capability (selection) and award criteria. In order to prevent any potential conflict of interest, each member of the Evaluation Committee must sign a declaration of impartiality and confidentiality. At the end of the evaluation process, DG NEAR notifies all tenderers of the final decision concerning their offers.

A – Identification and formulation of action to be financed including choice of instrument and implementation modality

Main control objectives: Ensuring that the Commission selects the most appropriate instrument in its cooperation with partner countries in line with the policy objectives (effectiveness); compliance (legality and regularity) and ensures the proper type of support and modalities specific to each partner country.

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The instrument and/or implementation modality is not well suited to work towards the identified objectives and/or lead to a substantial increase of implementation risks.	Quality Review	100%	Economy: Estimation of cost of controls of procurement operations up to the identification and formulation, including staff costs. External costs of control are based on values of respective contracts and related disbursements.

B – Planning the procurement and needs assessment

Main control objectives: Effectiveness, efficiency and economy; compliance (legality and regularity).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The needs are not well defined (operationally and economically) and that the decision to procure was inappropriate to meet the operational objectives.</p> <p>Discontinuation of the services or of works provided, or of the delivery of supplies due to a late contracting (poor planning and organisation of the procurement process).</p>	<p>Validation by AO(S)D of justification (economic operation) for launching a procurement process.</p>	<p>100% of the forecast procurements.</p>	<p>Effectiveness: Number of planned tenders that were cancelled.</p> <p>Efficiency: Time to prepare and adopt calls and time for publication. Number of clarifications and corrigendum needed. Total cost of controls of process / total expenditure executed during the year.</p> <p>Economy: Estimated cost of controls of the planning and publication of procurement operations.</p>

C - Selection of the offer and evaluation

Main control objectives: Effectiveness, efficiency and economy; compliance (legality and regularity); prevention of Fraud (anti-fraud strategy).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The best offer/s are not submitted due to the poor definition of the tender specifications.	AOSD supervision and approval of specifications.	100% of the calls for tenders including the technical specifications are verified ex-ante by Commission staff.	Effectiveness: Number of requests of clarification regarding the tender. Number of complaints. Number of litigation cases filed. Errors identified during RER exercise and/or DAS sampling. Efficiency: Time to identify the best offer, time to inform, need to relaunch. Economy: Estimation of cost of controls of the supervision of specifications and procurement selection.
	Call for tenders which are technically complex are elaborated by external experts contracted through service contracts and then verified by Commission staff.		
The most economically advantageous offer not being selected, due to a biased, inaccurate or 'unfair' evaluation process.	Formal evaluation process: Opening committee and Evaluation committee.	100% of the offers analysed. and all documents transmitted.	
	Opening and Evaluation Committees' declaration of absence of conflict of interests. Final beneficiaries' declaration of absence of conflict of interests.	100% of the members of the opening committee and the evaluation committee.	
	Exclusion decisions documented.	100% checked and required documents provided are consistent.	

Stage 2 – Contracting: Transformation of selected offers into legally binding contracts

DG NEAR establishes and signs contracts with successful tenderers using standard contract models.

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

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The contractor lacks operational and/or financial capacity to carry out the actions. Procedures do not comply with regulatory framework.	Validation of substantiating documents and experience provided and declared by contractors. Signature of contracts by the AO. Financial and contractual circuits.	100% of tenders are scrutinised.	Effectiveness: Final eligible costs accepted, need for riders to facilitate implementation. Economy: Estimation of cost of controls related to contracting.

Stage 3 – Monitoring Implementation / Financial transactions

All invoices and related documents (reports, certificates, guarantees etc.) are verified and approved by DG NEAR staff (ex-ante controls). Before any transaction is authorised, the operational and financial aspects are initiated and verified by two different (operational/financial) entities. This is the "four eyes" principle of the Financial Regulation, which DG NEAR, taking into consideration the specific high-risk environment of external aid actions, reinforces by requiring controls by two separate agents for each of these two stages. Checklists and types of controls are regularly updated in accordance with the result of risk analyses as well as changes in the regulatory environment or feedback from field users.

Disbursement of pre-financing is subject to contractual conditions (e.g., if an advance exceeds a specified threshold, the contractor must provide a financial guarantee for the full amount of the pre-financing payment; performance and retention guarantees may also be required above certain thresholds for supply and works contracts). The release of intermediary and final payments is subject to verification/validation of expenditure ⁽⁶⁴⁾:

⁽⁶⁴⁾ These invoices may be subject to additional ex-ante audits contracted as part of NEAR's annual control plans by the Commission as deemed appropriate by the Authorising Officer by Sub-delegation.

- **Service contracts:** All invoices must be accompanied by an interim or final report. All invoices for a fee-based contract must also be accompanied by an up-to-date financial report. Before payments are made for a fee-based contract, an external auditor, contracted by the contractor must examine and verify the invoices and the financial reports sent by the contractor to the Commission. DG NEAR has developed standard Terms of Reference including a reporting model for expenditure verifications which are part of the standard annexes of the standard service contracts.
- **Supply contracts:** The supplies are not accepted until the prescribed verifications and tests have been carried out. The supplies are taken over by the beneficiary when they have been delivered in accordance with the contract, have satisfactorily passed the required tests, or have been commissioned, and after a certificate of acceptance has been issued and has been endorsed by the contracting authority project manager, i.e., the legal or natural person responsible for monitoring the execution. Origin of the supplies is also verified prior to payment where relevant.
- **Works contracts:** The works are not accepted until the prescribed verifications and tests have been carried out. The works are taken over by the partner country beneficiary authorities when they have satisfactorily passed the tests on completion and a certificate of acceptance has been issued or is deemed to have been issued by the Supervisor i.e., the legal or natural person responsible for monitoring the execution of the contract on behalf of the Contracting Authority.

Additional audits to be carried out by external auditors can be contracted by DG NEAR as part of DG NEAR's annual audit plans based on risk analyses or as deemed appropriate by the AOSD.

Main control objectives: Ensuring that the implementation of the contract is in compliance with the signed contract

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The services/supplies/ works foreseen are not, totally or partially, provided in accordance with the technical description and requirements foreseen in the contract and/or the amounts paid exceed that due in accordance with the applicable contractual and regulatory provisions. Business discontinues because contractor fails to deliver.	Operational and financial checks in accordance with the financial circuits. Transaction authorisation by the AOSD For riskier operations, ex-ante in-depth and/or on-site verification.	100% of the projects are controlled, including only value-adding checks. Riskier operations subject to in-depth and/or on-site controls. The depth depends on risk criteria.	Effectiveness: Delivered output, Number of riders, amount of liquidated damages, sustainability. Efficiency: KPI on Ineligible amount detected through ex-ante controls, number of contracts suspended, amount of penalties. Economy: Estimation of cost of controls related to monitoring of implementation.
	For high-risk operations, reinforced monitoring. Risk assessment to identify potential ROM, evaluations and on-the-spot (OV and/or FV) monitoring visit. Earmark projects for <i>risk-based</i> system audits (during the first phase of implementation of the project) and financial audits (after receiving at least one interim payment or at the end of the project) See below annual control plans.	High risk operations identified by risk criteria. Red flags: delayed interim deliverables, suspicion of plagiarism, unstable consortium, requesting many amendments, Early Detection and Exclusion System (EDES), etc.	
	If needed: application of suspension/ interruption of payments, penalties or liquidated damages. Referring procurement contract to OLAF.	Depth: depends on results of controls.	
	Expenditure verification accompanying most service interim and final invoices (following contractual conditions); acceptance certificates for supplies; role of supervisor on works monitoring; Annual Control Plans: Audits and expenditure verifications are planned annually for ongoing and closed operations of DG NEAR overall portfolio. The operations to be verified or audited are determined through risk analyses. These controls can take place before or after disbursements recognizing expenditure.	Coverage: > 10% of ongoing or "recently" closed operations	Efficiency: KPIs on implementation of audit plans, and on ineligible expenditure detected through ex post controls. Economy: Estimation of cost of controls related to audits and verifications.

Stage 4 – Ex-Post controls

Tender procedures and payments for procurement contracts in direct management are included in the population of the RER study undertaken each year for DG NEAR on a representative sample of closed contracts. Findings from the risk-based audits and from the RER study are systematically followed up by DG NEAR taking the necessary actions for the recovery of non-eligible expenditures where appropriate.

A – Reviews, audits and monitoring

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The ex-ante controls (as such) fail to prevent, detect and correct erroneous tender procedures, payments or attempted fraud. The ex-post controls focus on the detection of residual errors.	Through a residual error rate (RER) study a representative sample of closed operations is reviewed to determine the effectiveness of the pyramid of controls put in place by the DG. Findings are validated with fund recipients, used for possible ex-post corrections (i.e., recoveries), taken into consideration for improvements of ex-ante controls, and referred to OLAF where needed.	MUS sample sufficiently representative to draw valid management conclusions.	Effectiveness: Residual error rate below tolerable threshold. Efficiency: Time to deliver RER results, on time for the assurance of the AAR. Economy: Estimation of cost of RER controls of grant operations.
	Supervision missions to Delegations by independent staff not involved in the operational and financial circuits	Size and composition of sample are determined in accordance with the cooperation portfolios managed by the visited Delegations.	Effectiveness: number of supervision mission, number of SMART recommendations accepted and described in an action plan. Efficiency: Time to prepare supervision missions. Economy: Estimated cost of supervision missions.

B – Implementing results from ex-post audits/controls

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The errors, irregularities and cases of fraud detected are not addressed or not addressed timely.	Systematic registration of audit / control results to be implemented. Financial operational validation of recovery in accordance with financial circuits. Authorisation by AO.	Coverage: 100% of final audit results with a financial impact. Findings of systemic errors are considered for corrections of non-audited projects by the same contractor, taken into account for future projects.	Effectiveness: All RER detected are recorded in the audit module, followed up and closed. Efficiency: time to close audit module RER entries, amount recovered and time to implement action plans following supervision missions. Economy: Estimation of cost of follow up of financial recommendations.

6.1.3. Budget Support and Loans in Direct Management (RCS 3)

6.1.3.a. Budget Support

Budget support (BS) is the transfer of financial resources from the Commission to the National Treasury of a partner country, following the fulfilment of jointly agreed conditions for disbursement. The financial resources received become part of the global resources of the partner country and are consequently used in accordance with the public financial management system of the partner country.

As it generally (except for targeted budget support) contributes to financing the totality of a country's budget and not a specific subset of budgeted expenditures, Budget Support is accompanied by a dialogue on the overall approach of budget policy and the functioning of public financial management in a context of harmonisation and alignment. This dialogue frequently leads to agreement on capacity development measures.

The Commission implements budget support directly and performs most control functions. The assessment of the achievement of disbursement conditions is generally performed by the EU Delegations with the support of external experts contracted by the Commission.

6.1.3.b. Medium and long-term loans

DG NEAR can provide support to third countries also in the form of medium and long term loans, generally in the context of Facilities (e.g., Ukraine Facility and the Reform and Growth facility), each time based on an ad hoc Legislative Decision (co-decision by the European Parliament and Council under the ordinary legislative procedure).

The loan funds can come from the EU budget or can be borrowed on the capital markets and then transferred to the beneficiary country. The funds are not allocated to specific projects or spending categories and their destination, unless otherwise specified, is left to the national authorities to decide. The funds are allocated based on the respect of conditionalities, such as achieving specific reforms, whose compliance is assessed by the Commission.

In line with the provisions of the Regulations establishing the Facilities, the disbursements are made based on a Commission decision authorising the payment that follow the adoption of a Council Implementing Decision providing a positive assessment of the satisfactory fulfilment of qualitative and quantitative steps allocated to each instalment. Before each disbursement, the Commission also monitors the

fulfilment of the precondition for support under the specific Facility. For Loans, Operational Verifications are under the remit of DG NEAR and Financial Verifications are under the remit of DG BUDG.

Stage 1: Identification and formulation

In line with the legal framework, Commission communication COM(2011) 638/2 ('The Future Approach to EU budget support To Third Countries') sets the four main budget support eligibility criteria as follows:

- Public policy: There is a credible and relevant national/sector policy that supports the overall objectives of poverty eradication and inequality reduction, sustainable and inclusive growth and job creation, the consolidation of democracies and peaceful societies, and the promotion of gender equality.
- Macroeconomic: There is a credible and relevant programme to restore and/or maintain macroeconomic stability.
- Public Financial Management (PFM): There is a credible and relevant programme to improve PFM.
- Budget transparency: the government has published either the executive's proposal or the enacted budget within the previous or current budget cycle.

When designing budget support programmes, DG NEAR relies on a framework based on clear policy objectives of the partner country, priorities and results to be achieved, their consistency with budgetary allocations, and the capacity of the partner to implement them. This framework is the basis for the policy dialogue with the partner country, which can be fed when relevant by the assessment of performance which ultimately trigger disbursements.

Main control objectives: Ensuring that the Commission selects the most appropriate instrument in its cooperation with partner countries in line with the policy objectives (effectiveness); compliance (legality and regularity) and ensuring the proper type of support and modalities specific to each partner country.

Overall control efficiency indicator: Estimated cost of controls of budget support operations divided by total amount of expenditure under budget support operations in the year.

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The Commission supports partner countries which do not meet the criteria on fundamental values and/or the 4 eligibility criteria.</p> <p>The programme is wrongly formulated to meet the general objectives for budget support programmes.</p> <p>The programme's specific objectives and indicators are not aligned with partner countries own development policies, are not coordinated with other aligned donors, are not consistent with EU development policy or will have no impact on the on-going reforms.</p>	Quality Review in HQ to analyse the draft action document of the project (FIP).	100% of BS FIP	<p>Economy: Estimation of cost of controls of identification and formulation.</p>
	Quality Review in HQ to analyse the action document, specific annexes related to BS (i.e., public policy, PFM and budget transparency report) of the programme and the draft annex on budget support indicators (part of the Financing agreement – FA).	100 % of BS FAs	
	DG NEAR step by step financial circuit for level one commitments in budget support operations.	100 % of BS FAs	
	<p>RISK assessment framework for budget support operations: Implemented by the Delegation and reviewed in the FAST ⁽⁶⁵⁾ for substantial or high-risk BS programmes.</p> <p>Political dialogue with all partner countries authorities donor coordination by EU Delegation, internal coordination inside the Commission (Delegation, DG NEAR, Line DGs) and involvement of EEAS.</p>	Substantial or high-risk BS FAs.	

⁽⁶⁵⁾ Financial Assistance Steering Committee.

Stage 2 – Contracting

DG NEAR concludes standard Financing Agreements (FA) with partner countries benefitting from budget support. These FA include objectives, expected results, main activities, financing plan/budget, implementation modalities, monitoring of performance and criteria for disbursement.

Main control objectives: Ensuring that the main parameters of the budget support transaction are correctly encoded in the contract database.

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
Important parameters relevant for disbursements under budget support operations are wrongly encoded.	DG NEAR step by step financial circuit for level two commitments in budget support operations.	100% of parameters.	Economy: Estimation of cost of controls of staff verifying the main parameters.

Stage 3 – Monitoring of the implementation – operational, financial and reporting aspects

The budget support eligibility conditions at the time of implementation are differently formulated compared to the eligibility assessment at the time of formulation. Satisfactory progress in the implementation is expected for three of the conditions:

- Public policy: satisfactory progress in the implementation of [cite appropriate public policy/strategy document] and continued credibility and relevance of that or any successor strategy.
- Macroeconomic: maintenance of a credible and relevant stability-oriented macroeconomic policy or progress made towards restoring key balances.
- Public financial management: satisfactory progress in the implementation of reforms to improve public financial management, including domestic revenue mobilisation, and continued relevance and credibility of the reform programme.
- Budget Transparency: satisfactory progress regarding the public availability of accessible, timely, comprehensive, and sound budgetary information.

Disbursements only take place once the above-mentioned budget support eligibility criteria and indicators are met, and for variable tranches if the agreed measurable results (e.g., policy reforms or service delivery targets) have been achieved by the deadline set in the FA. Thus, the ex-ante transactional checks performed by Commission staff at the point of payment claims on continuing eligibility and fulfilment of disbursement performance criteria are fundamental to the budget support control structure. In case of partial or weak fulfilment of disbursement conditions, the Commission may decommit/withhold or reduce disbursements, often in a co-ordinated manner with other donors, until corrective measures are undertaken by the partner government and agreed conditions are finally fulfilled.

Senior management level governance over budget support is ensured by the **FAST (Financial Assistance Steering committee)**, which is a committee chaired by the Director-General ensuring coherence and consistency in programming and implementation across the three regions within DG NEAR's competence. The FAST for Budget Support includes other relevant services, as EEAS, ECFIN, INTPA and possibly line DGs in charge for the supported reforms. A key tool for the FAST to maintain strategic oversight over budget support is country specific strategic discussions, which are conducted in low/medium risks beneficiaries. These discussions typically cover the ongoing portfolio of budget support programmes and disbursements, as well as the outlook for the new operation together with the context, challenges, opportunities and key benefits of budget support in the country. In addition, the FAST reviews payments, discusses the conditions for possible disbursements and approves the disbursements to beneficiaries.

The FAST also validates the Risk Management Frameworks (RMFs) for the budget support beneficiaries. The **risk management framework** is part of DG NEAR's decision-making process regarding budget support operations. Building on an identification of major risks and ways to mitigate them, the risk management framework systematically (at least annually) informs the policy dialogue with partner countries on the strategic level, as well as focussing on key issues.

Eligibility criteria have to be met both prior to and throughout the subsequent life of a budget support programme. The continuous assessment of the eligibility criteria enables the Commission to ensure the legality and efficiency of the programmes, from commitments through to disbursements.

Main control objectives: Ensuring that the operational results meet the conditions, objectives and expected results (effectiveness and efficiency); ensuring that the related financial operations comply with regulatory and contractual provisions (legality and regularity); ensuring appropriate accounting of the operations (reliability of reporting, safeguarding of assets and information).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The Commissions fails to identify a significant deterioration of fundamental values and/or wrong assessment on the 4 eligibility criteria before BS payments are released.</p> <p>The Commission makes a wrong calculation of the amount to be disbursed for the variable tranches</p> <p>Risk that transfers of funds into the Treasury account have not respected the terms of the financing Agreement on exchange rate and treasury credit delay.</p>	<p>Policy structured dialogue.</p> <p>EEAS and thematic expert assessment of Human Rights (HR) and Fundamental Values (FV) situation.</p> <p>All budget support disbursement files are shared ('standard review process') with NEAR thematic teams, EEAS, ECFIN and INTPA for their review and comments to limit the rate of error and ensure a coherent interpretation of the level of compliance of general conditions. The substantial/high risks countries are also submitted to the FAST Committee review and strategic steer adding an additional layer of oversight.</p> <p>On eligibility, risk assessment framework and policy performance framework.</p> <p>DG NEAR step by step financial circuit for payments in BS operations.</p> <p>Clear and unambiguous calculation methods for variable tranches are introduced in the financing agreements (e.g., amounts paid in proportion of the fulfilment of criteria and objectives set in a policy matrix).</p> <p>Risk assessment framework implemented by the Delegations and reviewed in the FAST for substantial or high-risk BS programmes.</p> <p>Beneficiary's obligation to confirm date of credit and exchange rate used.</p>	<p>100% of BS payments or substantial or high risks BS payments.</p>	<p>Economy: Estimation of cost of controls of monitoring.</p>

Stage 4 – Ex post controls

Payments for budget support are included in the population of the RER study undertaken each year by DG NEAR on a representative sample of closed contracts. Findings from the RER study are systematically followed up by DG NEAR, taking necessary actions for the recovery of non-eligible amounts where appropriate.

A – Ex-post controls and follow-up

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The ex- ante controls fail to prevent, detect and correct erroneous procedures, disbursements or fraud. The ex-post controls focus on the detection of residual errors.	Residual error rate study.	BS payments are included in the scope of the RER study (MUS sample).	Effectiveness: Residual error rate below tolerable threshold. Efficiency: Time to deliver RER results, on time for the assurance of the AAR. Economy: Estimation of cost of RER controls of grant operations.
	Review of sample transactions during supervision missions to Delegations.	Size and composition of sample are determined in accordance with the cooperation portfolios managed by the visited Delegations.	Effectiveness: Number of supervision mission, number of SMART recommendations accepted and described in an action plan. Efficiency: Time to prepare supervision missions. Economy: Estimated cost of supervision missions.

B – Implementing results from ex-post audits/controls

Main control objectives: Ensuring that the results from ex-post controls lead to appropriate corrective measures (legality and regularity; anti-fraud strategy).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The deficiencies, errors, and irregularities detected through ex-post controls are not addressed (timely).	Systematic registration of ex-post control outcomes to be implemented. Authorisation by AOSD.	Coverage: 100% of ex-post control outcomes <i>with a financial impact</i> . Findings of systemic errors might be extended to non-audited BS schemes with the same partner country.	Effectiveness: All RER detected are recorded in the audit module, followed up and closed. Efficiency: Time to close audit module RER entries, amount recovered and time to implement action plans following supervision missions. Economy: Estimation of cost of follow up of financial recommendations.

6.2. Indirect Management

Indirect management is a method of implementation under which the final recipient receives EU funds through an agreement concluded with an intermediary entity to which the tasks of selecting the final recipients and managing the resulting contracts have been entrusted by the Commission. The recipient is either an Indirect Management Entrusted Entity (IMEE – RCS 5) such as an International Organisation or a Member State Agency; or an Indirect Management with beneficiary/ partner country (IMBC – RCS 4). For the reasons explained below, Cross-Border Cooperation (CBC) is included under IMBC.

6.2.1. Indirect management with beneficiary/ partner countries (RCS 4)

The Commission may entrust the implementation of EU funds to third countries (or to entities designated by them) under indirect management. The scope of delegation of the budget-implementation tasks may vary. There are 4 options of indirect management with third countries: (i) partial delegation, (ii) full delegation with programme estimates (the use of programmes estimates is being phased out), (iii) conferral of management powers and entrustment of budget implementation tasks under IPA II and IPA III (referred to as indirect management with IPA beneficiary countries) and (iv) pool funds for sector wide programmes (the latter is not currently used in ENI, NDICI or IPA).

Indirect management with a third country is, regardless the scope of delegation, a transfer of budget-implementation tasks from the Commission to the third country. The policy choices have been made by the Commission. The Commission remains politically responsible, within the framework of the discharge of the EU budget, for how the third country carries out the budget implementation tasks entrusted to it. For this reason, the Commission puts in place controls on the entity that carries out these tasks.

In particular, under the IPA instrument the entrustment is full, including payments, while under the ENI/ NDICI instrument, the entrustment to a beneficiary country is usually only partial as payments are still made directly by the Commission, except for limited imprest accounts schemes, under certain thresholds, in the framework of programme estimates (PE). For PE, such payments relate to the ordinary operating costs of the PE, direct labour and small size contracts.

Budget support to a beneficiary/partner country is another way of transferring resources to a beneficiary/partner country. Budget support, however, is implemented directly by the Commission (direct management) and does not fall under indirect management (see RCS 3).

In line with the scope and methodology of the RER study, DG NEAR includes under the RCS4 all the Cross-Border Cooperation programmes, which are usually implemented under indirect management in the Enlargement (see section 6.2.1a below) and under shared management in the Neighbourhood (see the specific section 6.2.1.c).

6.2.1.a. Indirect management with IPA beneficiary countries (RCS 4)

Under IPA IMBC, the entities designated by IPA beneficiary countries are entrusted by the Commission with the implementation of the IPA assistance. The Commission remains ultimately responsible for the EU budget, in line with Article 317 TFEU and informs the European Parliament and the Council of the operations carried out by the entities and persons in charge. This method of implementation relies on the (pre-assessed) conditions and systems of the third countries (complemented since 2016 by the RER) and the efficiency of these systems depends on the state of development of administrative capacity in the country concerned. This section covers the CBC programmes as well implemented under indirect management in the IPA countries.

All IPA beneficiary countries implementing the budget under indirect management are required to respect some ground rules such as ensuring sound financial management, the absence of conflict of interest, the respect of the principle of transparency and the setting up of an effective and efficient internal control system when implementing the EU budget. In addition, they shall provide to the Commission an annual management declaration, implementation reports and annual accounts followed by an audit activity report and opinion.

Stage 1 – Prior to contracting: Programming, evaluation and selection of proposals

In order to safeguard the financial interests of the Union, the IPA Framework Agreements (for IPA and IPA II programmes) and the IPA Financial Framework Partnership Agreements (for IPA III) signed with the IPA beneficiary countries require them to:

- a) set up and ensure the functioning of an effective and efficient internal control system;
- b) use an accounting system that provides accurate, complete and reliable information in a timely and regular manner clearly distinguishing costs accepted and payments made;
- c) provide for the structures and authorities referred to in Article 10(1) and (2) of the IPA II Framework Agreement, and Article 10(1) of the IPA III Financial Framework Partnership Agreement being subject to an independent external audit, performed in accordance with internationally accepted auditing standards by an audit authority functionally independent of the structures and authorities concerned;
- d) apply appropriate rules and procedures for providing financing from IPA II and III assistance through grants, procurement and financial instruments.

The IPA beneficiary shall further:

- a) ensure the ex-post publication of information on recipients of IPA assistance;
- b) ensure a reasonable protection of personal data as laid down in Directive 95/46/EC of the European Parliament and the Council and Regulation (EC) No 45/2001 of the European Parliament and the Council.

Before the Commission signs a financing agreement entrusting the implementation of IPA assistance, it reviews the request by the National Authorising Officer and the established structures and authorities and, for the purposes of the ex-ante assessment pursuant to Article 157..3. of the Financial Regulation 2024/2509 (repealing the Financial Regulation 2018/1046), obtains evidence that the requirements set out in points (a) to (d) of Article 12(3) (points (a) to (f) of Article 12(3) for IPA III FFPA) and those of Annex B to the IPA Framework Agreement (and Annex B to the FFPA for IPA III) are fulfilled. This review may include on-the-spot verifications by the Commission. Moreover, and as a rule, all contracts must be awarded and implemented in accordance with the procedures and standard documents laid down by the Commission for its external operations, in force at the time of the launch of the procedure in question (with ex-ante or ex-post control by the Commission).

Ex-ante control means that the EU delegations carry-out controls at regular steps during the procedure (for calls for tenders or proposals) and give their approval at all important stages and before the award of a contract, as detailed in the 'Procurement and Grants for European Union external actions – A practical Guide' (PRAG). This represents an important mitigating element in the overall assessment of the functioning of IPA management, control and supervision systems in the IPA beneficiary countries. In case where the approval cannot be granted, the corresponding activities are not eligible for IPA funding.

A – Preparation, adoption and publication of the Programming decision(s) (including choice of method of implementation) and signature of the respective financing agreement

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The Decision(s) do not adequately reflect the policy objectives, priorities. For IPA, the establishment (or prolongation) of the mandate of the beneficiary country is affected by issues, which would undermine the basis for the management of the related EU funds (via that particular entity).	Hierarchical validation within the authorising department. Thorough relevance and maturity assessment done by operational units and quality review done by both the operational and the Finance & Contracts units. Inter-service consultation, including all relevant DGs. Adoption by the Commission. Systems audits and/or verification missions (for IMBC under IPA): systematic and standard desk-review and risk-based field visit verification, on-the-spot checks and ex-ante control by EU delegations.	If risk materialises risk that some or all costs would be ineligible for EU funding. Possible impact on budget involved and significant reputational consequences. Coverage / Frequency: 100% Depth: systematic control of the necessary requirements	Effectiveness: Findings following verification by the Commission; consumption rate of commitment credits Economy: Cost of control for the programming phase.

B – Selecting and awarding: Evaluation and selection of proposals/offers

Main control objectives: Ensuring that the best proposals / best value for money offers for meeting the policy objectives are among (a good balance of) the proposals / are the offers selected (effectiveness) by IPA beneficiary countries; compliance (legality and regularity) and prevention of fraud (anti-fraud strategy) by IPA beneficiary countries.

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The evaluation, ranking and selection of proposals/offers is not carried out in accordance with the policy objectives, priorities and/or the essential eligibility, or with the selection and award criteria defined in the calls for proposals/tenders. Eligibility, selection and award criteria are not adequate to ensure the evaluation of the proposals/offers.	Assignment of staff (e.g., Task Managers). For IMBC, ex-ante controls by EU Delegations.	100%	Effectiveness: Appropriate planning of selection and award of contracts within the deadlines. Efficiency: Rejection rates ⁽⁶⁶⁾ . Economy: Cost of control for the evaluation phase.

⁽⁶⁶⁾ Ratio between the number of rejections of tender, evaluation, and contracts documents submitted by National Implementing Agencies (IAs) for the Commission's ex ante control and the absolute number of submissions of documents for approval in the reporting year.

Stage 2 – Contracting: Transformation of selected proposals / offers into legally binding grant agreements / contracts

The national Contracting Authorities establishes and signs agreements with the organisations /entities assessed and identified under stage 1. Standard agreement models are used for all EU-financed operations under IMBC. The endorsement of a contract by the Commission prior to its conclusion by the Contracting authority signals the Commission's agreement to the financing of the contract. In the event of a failure to comply with the procedures, the Commission may refuse its approval for a given transaction and thereby refuse EU funding for the transaction in question.

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The description of the action in the grant agreement /contracts includes tasks which do not contribute to the achievement of the operational objectives and/or that the budget foreseen overestimates the costs necessary to carry out the action. The recipient /contractor does not meet eligibility criteria or lack financial capacity to carry out the actions.	Assignment of staff (e.g., Task Managers). Standard and systematic verification missions, for IMBC ex-ante control by EU Delegations and ex-post control for some of the projects under the IPA III Operational Programmes 2024-2027	100% of the selected proposals / offers and recipients / candidates are scrutinised. Coverage: 100% of draft grant agreements / contracts.	Effectiveness: Contracting rates within the D+3 deadline for Annual Action Programmes, and commitment rates within the D+5 deadline for Multiannual/Operational Programmes. Efficiency: Rejection rates; derogations, prior approvals and other exceptions authorised. Economy: Cost of control for the contracting phase.

Stage 3 – Monitoring implementation

This stage covers the monitoring the operational, financial and reporting aspects related to the projects following the principles and using the controls laid down in the framework agreements. At IPA beneficiary countries level, the summary of the daily control framework is the following:

- The **Contracting Authority** performs management verifications before declaring expenditure to the National Fund (Accounting Body for IPA III) ex ante documentary checks on all payment claims and on the spot checks on sampled transactions;
- The **National Authorising Officer**, supported by the Management Structure, analyses the documentation and reports from the previous level of verification before certifying the legality and regularity of expenditure declared to the Commission. He/she takes steps to satisfy him/herself that adequate controls have been made by the Contracting Authority, including carrying out his/her own checks (such as

monitoring missions and risk based on the spot checks) when deemed necessary.

The **Audit Authority** has the responsibility to design an audit strategy to perform audits of the management, control and supervision systems and ex post audits of representative samples of operations, as well as complementary audits on high-risk operations where necessary. The Audit Authority provides the Commission an Annual Activity Report and an annual audit opinion on the functioning of the management, control and supervision systems, and, of the quality and effectiveness of the verification by contracting authorities and the management structure, and the error rate resulting from its audit of sampled transactions and the assurance provided by the NAO.

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The actions foreseen are not, totally or partially, carried out in accordance with the technical description and requirements foreseen in the grant agreement /contract and/or the amounts paid exceed that due in accordance with the applicable contractual and regulatory provisions (ineligible/irregular).	Operational monitoring in accordance with the responsibilities of the Commission. For high/very high projects this may include on the spot missions.	100% of the projects are monitored; Verification mission by Commission staff.	Effectiveness: Delivered output, sustainability. Efficiency: Irregularities reported by the National authorities; Verification recommendations by the Commission and audit findings by the NAO and Audit Authority. Economy: Cost of control for the monitoring phase.
	If needed: application of interruption of payments or penalties. Referring contractors to OLAF and management of reported cases of irregularities.	Depth: depends on results of ex ante controls / risk assessment.	

Stage 4 - Ex-Post controls ⁽⁶⁷⁾

Closed contracts of operations in IPA IMBC are included in the population of the RER study of the DG.

A - Reviews, audits and monitoring

Main control objectives: Measuring the effectiveness of ex-ante controls; detect and correct any error or fraud remaining undetected after the implementation of ex-ante controls (legality and regularity; anti-fraud strategy); ensuring appropriate accounting of the recoveries to be made (reliability of reporting, safeguarding of assets and information).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The ex-ante controls fail to prevent, detect and correct erroneous payments or attempted fraud.	Specific statistically representative RER study for IMBC.	Methodology developed by an external auditor.	Effectiveness: Residual error rate below tolerable threshold. Efficiency: time to deliver RER results, on time for the assurance of the AAR. Economy: Estimation of cost of RER controls of grant operations.
The audit strategy focuses on the detection of external errors (e.g., made by recipients) and do not consider any internal errors made by staff or embedded systematically in the own organisation.	Audit Authority to establish an audit strategy, performed by independent staff not involved in the operational and financial circuits.	The representative sample enables drawing valid conclusions about the entire population.	Effectiveness: substantiated audit opinion by the audit authority. Economy: Estimation of cost of controls to review AA structure design and operating effectiveness.

⁽⁶⁷⁾ As of year 2019, contracting in all IPA IMBC countries is also subject to full ex-ante control by the EU Delegations. Operational programmes under IPA III shall be subject to ex-Post controls

B – Implementing results from ex-post audits/controls

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The errors, irregularities and cases of fraud detected are not addressed or not addressed timely.	Systematic registration of audit / control results to be implemented. Financial operational validation of recovery in accordance with financial circuits and Authorisation by the relevant AOSD	Coverage: Final audit results with a financial impact.	Effectiveness: All RER detected are followed up and closed. Efficiency: time to close audit module RER entries, amount recovered. Economy: Estimation of cost of follow up of financial recommendations.

6.2.1.b. Indirect management with partner countries in the Neighbourhood region (RCS 4)

All third countries implementing the budget under indirect management are required to either have in place procedures which provide a level of assurance equivalent to the Commission's own (i.e. ensuring sound financial management, the absence of conflict of interest, the respect of the principle of transparency and the setting up of an effective and efficient internal control system) or they are requested to follow the Commission's own External Action procedures, by following the "Practical Guide on contract procedures for European Union external action (PRAG)".

In the latter case, all contracts must be awarded and implemented in accordance with the procedures and standard documents laid down by the Commission for its external actions, in force at the time of the launch of the procedure in question (with ex-ante control by the Commission at regular steps during the procedure). Ex-ante control means that the Commission must give its prior approval at all important stages in a contract award procedure, as detailed in the Practical guide to contractual procedures for EU external actions (PRAG).

The endorsement of a contract prior to its conclusion by the Commission signals the Commission's agreement to the later financing of the contract ⁽⁶⁸⁾, provided that no errors in the procurement and grant award procedures are discovered later. In the event of a failure to comply

⁽⁶⁸⁾ Contracts within a programme-estimate are only submitted by the partner country to the European Commission for endorsement if they entail derogations to standard provisions.

with the procedures, the Commission may at any time refuse its approval for a given operation and thereby refuse EU funding for the operation in question.

In addition, the Commission exercises control through audits or verifications of ongoing and closed projects contracted as part of DG NEAR’s annual audit and verification plans, so ex-post controls are also possible.

The EU financial interests are therefore safeguarded, in addition to all the other possible means offered by the Financial Regulations, by the Commission's ex-ante control of individual transactions as well as subsequent controls or audits and resulting recovery of any unduly disbursed funds where the agreed procedures have not been respected, or where the activities were not eligible for EU financing.

Despite the delegation to partner country to conduct procurement or grant procedures, as concerns payments, the entrustment to a partner country can either be full (when the partner country is authorised to directly make payments to contractors and grant beneficiaries out of an EU-funded account called “imprest account”) or only partial (when payments requests are validated by the partner country, but finally made directly by the Commission). The full delegation is only possible in the context of so-called Programme Estimates (PE), which may entail different implementation methods (e.g., procurement, grants) and different (partial and full) level of delegation ⁽⁶⁹⁾. However, the use of PE is being phased out. In any case, the partner countries cannot be entrusted with the management of financial instruments or budgetary guarantees.

The overview of the specificities of indirect management with the countries of the neighbourhood region is presented in the table below by degree of delegation. There are two main options: (i) partial delegation and (ii) programme estimates. **The use of programmes estimates is being phased out**, while partial delegations are still in use.

Degree of delegation	Operation	Programme Estimates	Partial Delegation
Full Delegation	Procurement/ Grants	Contracts below EUR 100 000 are subject to ex-post checks only. Contracts between EUR 100 000 and EUR 300 000 are also subject to ex-ante endorsement by the EUD.	Not allowed

⁽⁶⁹⁾ Most activities within a programme estimate are managed under indirect management, i.e., the partner country (or a body designated by it) acts as contracting authority, with partial (so-called specific commitments) or full (so-called imprest component) delegation. However, certain contracts (e.g., for expenditure verifications/audit and evaluation), will be implemented by the Commission acting as the contracting authority under direct management.

	<i>Payments</i>	Payments for contracts below EUR 300 000 are executed by the partner country.	
Partial Delegation	<i>Procurement/ Grant</i>	All contracts above EUR 300 000 ("specific commitments") are subject to ex-ante endorsement by the EUD as well as ex-post checks.	Contracts are managed by the partner country, subject to ex-ante endorsement by the EUD, as well as ex-post checks.
	<i>Payments</i>	All payments for specific commitments are executed by the EUD.	All payments are executed by the EUD.
Direct Management	<i>Procurement</i>	Audits and Evaluation contracts are directly contracted by the EUD.	<i>Not applicable</i>

The following two sections provide more details on Partial delegation and Programme estimates in indirect management with the countries of the neighbourhood region.

6.2.1.b.1. Partial delegation

Responsibility for the procurement and grant award procedures is transferred to the partner country. The contracting authority assumes full responsibility for its actions and is accountable for them in any subsequent audit or investigation. In this scope of delegation, it is the Commission, and not the contracting authority, which makes all payments directly to the contractors and grant beneficiaries. Therefore, this delegation is partial: it does not include the delegation of the budget-implementation task of carrying out payments.

In several Neighbourhood countries twinning programmes are also implemented via indirect management, whereby the partner country acted as contracting authority for the grant contracts with Member States. The final choice of the twinning partner is left to the partner country's authorities. The procurement and contract are managed by the partner country, while the payments are processed by the EU Delegation. Therefore, all contracts under "partial delegations" are also named "endorsed procurement" or "endorsed grant".

The Commission's ex-ante control of the procurement and grant award procedures is defined in the PRAG (Practical Guide to Contract Procedures for EU External Actions). The endorsement of a contract prior to its conclusion by the Commission signals the Commission's agreement to the later financing of the contract, provided that no errors in the procurement and grant award procedures are discovered later. In the event of a failure to comply with the procedures, the Commission may at any time refuse its authorisation for a given operation and thereby refuse EU funding for the operation in question.

6.2.1.b.2. Programme estimates (PE)

A PE is a work programme implemented by the partner country, which complements a corresponding Financing Agreement and usually covers the latter's lifetime. A single PE will therefore be multi-annual and it is subject to regular revision, including its extension, when required by the beneficiary country and if justified by the periodic financial reports. A programme estimate is designed to implement a project or programme covered by a financing agreement. It is a level-2 commitment that implements the level-1 commitment constituted by Commission Decision / Financing Agreement. Contracts awarded under a PE can never exceed EUR 300 000.

The use of programmes estimates is being phased out. The last PE contracts were signed by DG NEAR in 2018. The End Date of Activity (EDAs) for the PEs ranges from 2015 to 2022.

The programme estimate is a mixed form of financial implementation that may include activities entailing different levels of delegation. It is the value of the contract to be concluded, as defined in the Programme Estimate Guide which determines which form of delegation is allowed. Certain service contracts, e.g., expenditure verification/audit and evaluation, will be implemented by the Commission in direct management. The programme estimate may also contain a component that the partner country executes directly using staff it employs or it recruited, so-called 'direct labour'. Finally, operating costs of the partner country's implementing structure may be eligible on conditions stipulated in the Programme Estimate Guide. The difference between these operating costs and direct labour is that the latter concern operational activities of the action while the former cover the administrative costs of managing the programme estimate.

The programme estimate's budget will usually include two components.

In all cases:

- a) the imprest component which will be implemented by the imprest administrator and the imprest accounting officer appointed by the partner country (it may also include direct labour and operating costs).

Where appropriate:

- b) the part of the work programme which will be implemented:

- through specific commitments by the relevant representative of the partner country(ies) or public bodies commissioned (being payments made by the European Commission) and/or
- through procurement contracts managed by the European Commission as Contracting Authority under direct management, such as expenditure verification/audit and evaluation and framework contracts in the interest of the partner country.

As a rule, EU contractual and financial procedures are used and the contracting authority does not manage substantial amounts of EU funds.

The contracting authority uses EU procurement and grant procedures (except for covering administrative costs of the partner country's implementing entity), as reflected in the PRAG. If the procurement and/or grant rules of the implementing body of the partner country have been positively assessed by the Commission, the relevant body may use its own rules and procedures for contracts within the imprest component (this option is available but it has never been actually implemented).

Procurement award procedures above the threshold set in the Programme Estimate Guide and grant award procedures will be subject to ex-ante controls by the Commission.

Within an imprest component of a programme estimate, the payments under contracts (procurement, grants) and for regular operating costs and direct labour included within this imprest component will be carried out by the partner country or the body designated by it. Hence, the delegation in this case will be full. By consequence, the programme estimate indicates which contracts will be covered by the imprest component.

The partner country has to provide implementation and financial reports as well as expenditure verification reports - by default - on an annual basis. The programme estimate is thus the main document by which the Commission can verify the progress of the project carried out by the partner country under the terms of the financing agreement.

Stage 1 – Prior to Contracting

A – Identification and formulation of action to be financed including choice of instrument and implementation modality

Main control objectives: Ensuring that the Commission selects the most appropriate instrument in its cooperation with partner countries in line with the policy objectives (effectiveness); compliance (legality & regularity) and ensures the proper type of support and modalities specific to each partner country.

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The instrument and/or implementation modality is not well suited to work towards the identified objectives and/or lead to a substantial increase of implementation risks. The establishment (or prolongation) of the mandate of the partner country is affected by issues, which would undermine the basis for the management of the related EU funds (via that particular entity).</p>	<p>Hierarchical validation within the authorising department. Inter-service consultation, including all relevant DGs, if applicable. Verification of the programme estimate by the steering committee, where applicable. Adoption by the Commission. Systems audits and/or verification missions. Systematic and standard desk-review and risk-based field visit verification, ex-ante control by EU delegations.</p>	<p>If risk materialises risk that some or all costs would be irregular. Possible impact on budget involved and significant reputational consequences.</p> <p>Coverage / Frequency: 100% Depth: systematic control of the necessary requirements</p>	<p>Effectiveness: Findings following verification by the Commission; consumption rate of commitment credits Economy: Cost of control for the programming phase.</p>

B – Planning, selecting and awarding

Main control objectives: Ensuring that the most promising proposals / best value for money offers for meeting the policy objectives are among (a good balance of) the proposals / are the offers selected (effectiveness) by beneficiary countries; compliance (legality and regularity) and prevention of fraud (anti-fraud strategy) by beneficiary countries.

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The planning and programming are not carried out in accordance with the applicable rules, established procedures and with the policy objectives and priorities.</p> <p>The needs are not well defined (operationally and economically) to meet the policy objectives.</p> <p>The evaluation, ranking and selection of proposals/offers is not carried out in accordance with the applicable rules, established procedures, policy objectives, priorities and/or the essential eligibility, or with the selection and award criteria.</p> <p>Eligibility, selection and award criteria are not adequate to ensure the evaluation of the proposals/offers.</p>	<p>Assignment of staff with explicit allocation of responsibility to individual officials (e.g., Task Managers).</p> <p>AO(S)D supervision and approval.</p> <p>Ex-ante controls by EU Delegations.</p> <p>Formal evaluation process.</p> <p>Declaration of absence of conflict of interests by the members of the evaluation committees.</p> <p>Exclusion decisions documented.</p> <p>Redress procedures.</p> <p>Publication of intended procedures/ programmes.</p> <p>Review and endorsement by the AO(S)D of the work programme to be implemented by a partner country.</p> <p>For the implementation of the imprest component of the programme estimate, appointments by the partner countries of the imprest administrator and the imprest accounting officer.</p>	<p>100%</p>	<p>Effectiveness: Appropriate planning of selection and award of contracts within the deadlines.</p> <p>Efficiency: Rejection rates.</p> <p>Economy: Cost of control for the evaluation phase.</p>

Stage 2 – Contracting: Transformation of selected proposals / offers into legally binding grant agreements / contracts

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The description of the action in the grant agreement /contracts includes tasks which do not contribute to the achievement of the operational objectives and/or that the budget foreseen overestimates the costs necessary to carry out the action.</p> <p>The recipient /contractor does not meet eligibility criteria or lack operational or financial capacity to carry out the actions.</p> <p>Procedures do not comply with regulatory framework.</p>	<p>Assignment of staff with explicit allocation of responsibility to individual officials (e.g., Task Managers).</p> <p>For the implementation of the imprest component of the programme estimate, appointments by the partner countries of the imprest administrator and the imprest accounting officer.</p> <p>AOSD supervision and approval.</p> <p>Standard and systematic verification missions.</p> <p>Ex-ante control by EU Delegations.</p>	<p>100% of the proposal/ offers/ recipient/ candidates/ grant agreements/ contracts are scrutinised.</p> <p>Coverage: 100% of draft grant agreements / contracts.</p>	<p>Effectiveness: Contracting rates within the D+3 deadline.</p> <p>Efficiency: Rejection rates; derogations, prior approvals and other exceptions authorised.</p> <p>Economy: Cost of control for the contracting phase.</p>

Stage 3 – Monitoring implementation

This stage covers the monitoring the operational, financial and reporting aspects related to the projects following the principles and using the controls foreseen in the framework agreements.

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The actions foreseen are not, totally or partially, carried out in accordance with the technical description and requirements foreseen in the grant agreement /contract and/or the amounts paid exceed that due in accordance with the applicable contractual and regulatory provisions (ineligible/irregular).	Operational monitoring, financial checks and authorisations in accordance with the responsibilities of the Commission. For the implementation of the imprest component of the programme estimate, appointments by the partner countries of the imprest administrator and the imprest accounting officer. Expenditure verification reports. On the spot missions and in-depth controls for high/very high projects/ operations. Approval of the proposed amendments to the programme estimates.	Coverage: 100% of the projects are monitored; 100% of the payments are controlled. Verification mission by Commission staff.	Effectiveness: Delivered output, sustainability. Efficiency: Irregularities reported by the National authorities; Verification recommendations by the Commission and audit findings by the NAO and Audit Authority.
	If needed: application of interruption of payments or penalties, call of financial guarantees, referring contractors to OLAF and management of reported cases of irregularities.	Depth: depends on results of ex ante controls / risk assessment.	Economy: Cost of control for the monitoring phase.

Stage 4 - Ex-Post controls

Closed contracts of operations in IMBC are included in the population of the RER study of the DG.

A - Reviews, audits and monitoring

Main control objectives: Measuring the effectiveness of ex-ante controls; detect and correct any error or fraud remaining undetected after the implementation of ex-ante controls (legality and regularity; anti-fraud strategy); ensuring appropriate accounting of the recoveries to be made (reliability of reporting, safeguarding of assets and information).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The ex-ante controls fail to prevent, detect and correct erroneous payments or attempted fraud.	RER study of a representative sample of closed operations determines the effectiveness of ex-ante controls. Findings are validated with fund recipients, used for possible ex-post corrections (i.e., recoveries), taken into consideration for improvements of ex-ante controls, and referred to OLAF where needed.	Methodology developed by an external auditor.	Effectiveness: Residual error rate below tolerable threshold. Efficiency: time to deliver RER results, on time for the assurance of the AAR. Economy: Estimation of cost of RER controls of grant operations.

B – Implementing results from ex-post audits/controls

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The errors, irregularities and cases of fraud detected are not addressed or not addressed timely.	Systematic registration of audit / control results to be implemented. Financial operational validation of recovery in accordance with financial circuits and authorisation by the relevant AOSD	Coverage: final audit results with a financial impact.	Effectiveness: All RER detected are followed up and closed. Efficiency: time to close audit module RER entries, amount recovered. Economy: Estimation of cost of follow up of financial recommendations.

6.2.1.c. Cross-Border Cooperation (CBC) programmes in the Neighbourhood (RCS 4)

This section applies to the CBC programmes implemented in the Neighbouring partner countries. The CBC programmes implemented in the IPA beneficiary countries are covered in the previous section 6.2.1a. In this section, if not differently specified, CBC is intended for the programmes implemented in the Neighbourhood.

The CBC involves cooperation between the Member States and partner countries in region adjacent to their shared part of the external border of the European Union for the development of an area of prosperity and good neighbourliness. The CBC programmes are intended to:

- promote economic and social development in regions on both sides of common borders
- address common challenges in fields such as environment, public health and the prevention of and fight against organised crime
- ensure efficient and secure borders
- promote local cross-border “people to people” actions.

The CBC Programmes are usually implemented under shared management in the Neighbourhood. Despite the management mode, however, the contractual procedures applicable to the projects financed as part of the CBC are the ones applicable to the external actions. The implementation is entrusted to a local, national or regional authority jointly selected by all countries participating in the programme (Joint Managing Authority – JMA). In addition, payments from the Commission to the programmes are done only as pre-financings paid at the request of the JMAs. CBC programmes are adapted to the specificities of the EU external cooperation and are based on balanced partnership between the participating countries on either side of a border: Member States and Neighbouring partner countries have an equal say in the

programme decisions and projects receive funding only if implemented by partners on both sides. They are responsible, within the appointed Joint Monitoring Committee, for checking that funds are used in accordance with the rules and principles governing programme management.

In the Neighbourhood region ⁽⁷⁰⁾, there are:

- 16 CBC programmes under ENI for the period 2014-2020. **In January 2020, they were transferred to DG Regional and Urban Policy.**
- 13 CBC programmes under the ENPI for the period 2007-2013 and still under DG NEAR's remit. **For all of these 13 CBC programmes, DG NEAR is not going to process any new payments.** The last remaining Programme Hungary-Slovakia-Romania-Ukraine has been closed in 2024.

Considering the above factors, the creation of a new separate RCS for CBC programmes in the Neighbourhood is not justified. Actually, CBC programmes can be assimilated to IMBC in IPA countries (where also CBC programmes are implemented): in both cases, national authorities implement EU funds using their own administrative structures. Therefore, in order to avoid an excessive artificial split of its relevant control systems, DG NEAR has decided to keep CBC programmes in the Neighbourhood region under the current RCS4, in line also with the scope and methodology of the RER study and together with the CBC programmes under IMBC with IPA countries, which are covered in the previous section 6.2.1.a.

For each CBC programme:

- a joint operational programme for the whole duration is defined by common agreement of all the participating countries and submitted to the Commission for adoption through a Commission decision.
The joint operational programme identifies the body entrusted by the participating countries to perform the role of Joint Managing Authority and describes the structure to be set up for the management of the programme, including details about the internal control systems to be put in place in line with best international practices.
The adoption of each joint operational programme by the Commission is the ex-ante accreditation of the management and control structures set up by the Joint Managing Authority.
- a financing agreement is agreed between the Commission and each participating country;
- a Joint Monitoring Committee, a Joint Managing Authority and a Joint Technical Secretariat are established.

⁽⁷⁰⁾ Please note that there are as well CBC programmes in the IPA region, which are managed by DG REGIO.

In particular, the organisation of the JMA is based on international best practice in management and internal control ensuring that its operations comply with laws, other rules and principle of sound financial management.

As a rule, all contracts must be awarded and implemented in accordance with the procedures and standard documents laid down by the Commission for its external operations, in force at the time of the launch of the procedure in question. The assurance over the legality and regularity of operations that are conducted by Member States designated authorities is built on work carried out at different levels:

- Each year, the internal audit service of the JMA implements a control programme to check the internal circuits and ensure procedures have been correctly applied within the JMA.
- Each year, the JMA shall draw up an audit plan for the projects that it finances.
- Besides the external audits of the JMA undertaken by the administration of the country in which the JMA is established, the Joint Managing Authority shall call upon an independent public body or contract an independent approved auditor who is a member of an internationally recognised supervisory body for statutory auditing to carry out each year an ex-post verification of the revenue and expenditure presented by in its annual financial report.
- Member States may set up a control system making it possible to verify the soundness of the expenditure declared for operations or parts of operations implemented on their territories.
- The Commission, OLAF, the European Court of Auditors and any external auditor authorised by these institutions may verify, by examining the documents or conducting on-the-spot checks, the use of Community funds by the Joint Managing Authority and the various project beneficiaries and partners.
- Closed contracts of operations in CBC are included in the population of the RER study of DG NEAR.

Stage 1 – Prior to Contracting

A – Preparation, adoption and publication of the Programming decision(s) – joint operational programmes

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The Decision(s) do not adequately reflect the policy objectives, priorities.</p> <p>The establishment (or prolongation) of the mandate of the joint managing authority is affected by issues, which would undermine the basis for the management of the related EU funds (via that particular entity).</p>	<p>Hierarchical validation within the authorising department.</p> <p>Inter-service consultation, including all relevant DGs.</p> <p>Adoption of the joint operational programmes by the Commission which shall be taken as an ex-ante accreditation by the Commission of the management and control structures.</p> <p>Establishment of the Joint Monitoring Committee, of the Joint Managing Authority and of the Joint Technical Secretariat.</p> <p>Systems audits and/or verification missions.</p> <p>Mid-term evaluation of the joint operational programme to be carried out by the Commission itself and which may lead to adjustments in the programme.</p> <p>Additional evaluation of the joint operational programme, or a part thereof, likely to be carried out at any moment by the Commission</p>	<p>Coverage / Frequency: 100%</p> <p>Depth: systematic control of the necessary requirements</p>	<p>Effectiveness: Findings following verification by the Commission; consumption rate of commitment credits</p> <p>Economy: Cost of control for the programming phase.</p>

B – Planning, selecting and awarding

Main control objectives: Ensuring that the most promising proposals / best value for money offers for meeting the policy objectives are among (a good balance of) the proposals / are the offers selected (effectiveness) by beneficiary countries; compliance (legality and regularity) and prevention of fraud (anti-fraud strategy) by beneficiary countries.

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The planning and programming are not carried out in accordance with the applicable rules, established procedures and with the policy objectives and priorities.</p> <p>The needs are not well defined (operationally and economically) to meet the policy objectives.</p> <p>The evaluation, ranking and selection of proposals/offers is not carried out in accordance with the applicable rules, established procedures, policy objectives, priorities and/or the essential eligibility, or with the selection and award criteria.</p> <p>Eligibility, selection and award criteria are not adequate to ensure the evaluation of the proposals/offers.</p>	<p>All projects financed as part of the CBC are subject to the contractual procedures applicable to external actions financed by the European Commission.</p> <p>Examination by the Commission of the joint operational programme in order to verify that it contains all the elements referred to in Article 4 of the CBC implementing rules and <i>inter alia</i> that the programme complies with the Community legislation applicable.</p> <p>Setting-up of an internal audit service of the JMA required to implement each year a control programme to check the internal circuits and ensure procedures have been correctly applied within the JMA.</p> <p>Joint Monitoring Committee's supervision and approval of the projects and of the amounts granted to them.</p> <p>The Commission is invited to each meeting of the Joint Monitoring Committee and is informed of the results of its deliberations. It may take part in all or part of each committee meeting on its own initiative, as an observer.</p> <p>The JMA is responsible for ensuring that decisions of the Joint Monitoring Committee comply with the applicable rules.</p> <p>A technical assistance service contract is signed by the Commission in order to help and accompany the Programmes in the correct application of the EC external action procedures.</p>	100%	<p>Effectiveness: Appropriate planning of selection and award of contracts within the deadlines.</p> <p>Efficiency: Rejection rates.</p> <p>Economy: Cost of control for the evaluation phase.</p>

Stage 2 – Contracting: Transformation of selected proposals / offers into legally binding grant agreements / contracts

The JMA establishes and signs agreements with the organisations assessed and identified under stage 1. **Main control objectives:** Ensuring that the actions and fund allocation is optimal (best value for public money; effectiveness, economy, efficiency); Compliance (legality and regularity); prevention of fraud (anti-fraud strategy).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The description of the action in the grant agreement /contracts includes tasks which do not contribute to the achievement of the operational objectives and/or that the budget foreseen overestimates the costs necessary to carry out the action.</p> <p>The recipient /contractor does not meet eligibility criteria or lack operational or financial capacity to carry out the actions.</p> <p>Procedures do not comply with regulatory framework.</p>	<p>Supervision of the selection process by the Joint Monitoring Committee.</p> <p>Prior approval of the Commission is required for: decisions on the selection criteria, final decision on projects and on the amounts granted to them, decisions of the Joint Monitoring Committee to not follow all or part the recommendations of the selection committee.</p> <p>Audit of the JMA annual accounts which certifies that stated expenditure has actually been incurred and is accurate and eligible.</p>	<p>100% of the proposal/ offers/ recipient/ candidates/ grant agreements/ contracts are scrutinised.</p> <p>Coverage: 100% of draft grant agreements / contracts.</p>	<p>Efficiency: Rejection rates; derogations, prior approvals and other exceptions authorised.</p> <p>Economy: Cost of control for the contracting phase.</p>

Stage 3 – Monitoring implementation

This stage covers the monitoring the operational, financial and reporting aspects related to the projects following the principles and using the controls foreseen in the framework agreements. The summary of the daily control framework is the following:

- At JMA level: ex ante financial verifications before declaring expenditure eligible and follow up of audits by external auditors. The accounts established by the JMA are subject to an annual external audit carried out by an independent organisation.
- At Commission level: the analysis is based on National Authority system audit reports; Independent public body/external auditor opinion on the annual accounts; relevant information from ECA and OLAF, any other information, formal or informal, acquired by the Commission in the context of day-to-day management of the programmes.

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The actions foreseen are not, totally or partially, carried out in accordance with the technical description and requirements foreseen in the grant agreement /contract and/or the amounts paid exceed that due in accordance with the applicable contractual and regulatory provisions (ineligible/irregular).</p>	<p>Projects financed by the JMA are subject to audits, on the basis of annual audit plans prepared by the JMA. The controls include examination of the documents and on-the-spot checks of a sample of projects selected by the JMA based on a random statistical sampling method and taking account internationally recognized audit standards (in particular having regard to risk factors related to the projects' value, type of operations, type of beneficiary or other relevant elements). The sample should be sufficiently representative to warrant a satisfactory level of confidence in relation to the direct controls carried out by the JMA on the existence, accuracy and eligibility of expenditure claimed by the projects. Yearly ex post verification of the revenue and expenditure presented by the JMA in its annual financial report by an independent public body or an independent approved auditor. The scope of the external audit shall cover the JMA's direct expenditure. The external audit report shall certify the statement of revenue and expenditure presented by the JMA in its annual financial report, and in particular it shall certify that stated expenditure has actually been incurred and is accurate and eligible.</p> <p>Expenditure verification reports at contract/ projects level.</p> <p>Member States may also set up a control system making it possible to verify the soundness of the expenditure declared for operations or parts of operations implemented on their territories, and the compliance of such expenditure and of related operations, or parts of those operations, with Community rules.</p>	<p>Coverage: 100% of the projects are monitored; 100% of the payments are controlled, representative sample of projects is audited.</p>	<p>Effectiveness: Delivered output, sustainability.</p> <p>Efficiency: Irregularities reported by the National authorities; Verification recommendations by the Commission and audit findings by the NAO and Audit Authority.</p> <p>Economy: Cost of control for the monitoring phase.</p>
	<p>If needed: application by the JMA of interruption of payments or penalties, call of financial guarantees, referring contractors to OLAF and management of reported cases of irregularities.</p>	<p>Depth: depends on results of ex ante controls / risk assessment.</p>	

Stage 4 - Ex-Post controls

Closed contracts of operations in CBC are included in the population of the RER study of the DG.

A - Reviews, audits and monitoring

Main control objectives: Measuring the effectiveness of ex-ante controls; detect and correct any error or fraud remaining undetected after the implementation of ex-ante controls (legality and regularity; anti-fraud strategy); ensuring appropriate accounting of the recoveries to be made (reliability of reporting, safeguarding of assets and information).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The ex-ante controls fail to prevent, detect and correct erroneous payments or attempted fraud.	RER study of a representative sample of closed operations determines the effectiveness of ex-ante controls. Findings are validated with fund recipients, used for possible ex-post corrections (i.e., recoveries), taken into consideration for improvements of ex-ante controls, and referred to OLAF where needed.	Methodology developed by an external auditor.	Effectiveness: Residual error rate below tolerable threshold. Efficiency: time to deliver RER results, on time for the assurance of the AAR. Economy: Estimation of cost of RER controls of grant operations.

B – Implementing results from ex-post audits/controls

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The errors, irregularities and cases of fraud detected are not addressed or not addressed timely.	Systematic registration of audit / control results to be implemented. Financial operational validation of recovery in accordance with financial circuits and authorisation by the relevant AOSD	Coverage: final audit results with a financial impact.	Effectiveness: All RER detected are followed up and closed. Efficiency: time to close audit module RER entries, amount recovered. Economy: Estimation of cost of follow up of financial recommendations.

6.2.2. Indirect management with entrusted entities (RCS 5)

Under indirect management with entrusted entities, the implementation of the budget is entrusted by the Commission to this type of entity in the form of programmes or actions. Candidate entities to be entrusted with budget-implementation tasks (the candidate delegatee) must demonstrate a level of financial management and protection of the EU financial interests equivalent to that required when the Commission manages European Union funds. This is verified by carrying out an ex-ante assessment ("pillar assessment") for which the entities concerned must have been assessed positively.

Entrustment to EIB (European Investment Bank), EIF (European Investment Fund), International Financial Institutions (IFIs) and Development Financial Institutions (DFIs) is also covered by this RCS. This entrustment may cover the implementation of grants, the most common type of financial support, but also the implementation of financial instruments and budgetary guarantees:

- A Financial Instrument (FI) is a measure of financial support provided from the budget to address one or more specific policy objectives of the Union which may take the form of equity or quasi-equity investments, loans or guarantees, or other risk-sharing instruments. A FI may, where appropriate, be combined with other forms of financial support from other donors. These measures of support all have as a common feature that they are reimbursable. Therefore, the FIs must be registered and valued in the general accounting. They must be registered as assets or liabilities in the balance sheet of the entity responsible, i.e., the General Budget of the European Union (GBEU) or any trust fund (TF).
- Budgetary guarantees (BG) are provided by the Commission, on behalf of the Union, to the EIB, IFIs and DFIs aiming at achieving Union's policy objectives. The contingent financial liability arising from the BGs under EFSD (2017-2020), EFSD+ (2021-2027), the Ukraine Investment Framework (UIF) as well as those under the legacy of EIB's ELM (External Lending Mandate) is covered by a provisioning set aside in the Common Provisioning Fund (CPF), managed by DG BUDGET. The amount of provisioning is determined by the provisioning rate set out in the EFSD and NDICI-Global Europe regulations respectively, between 9% and 50%.

DG NEAR then manages:

- the budgetary guarantee agreements under the European Fund for Sustainable Development+ (EFSD+), in the form (i) of new guarantee agreements (EFSD+), (ii) of guarantee agreements which have been approved under EFSD (whose commitment period ended on 31 December 2020), but signed under EFSD+ ("EFSD+ carry-over") and (iii) of on-going guarantee agreements concluded by INTPA under EFSD and of which the responsibility is taken over from INTPA;
- the legacy of the EIB's External Lending Mandates (ELM – budgetary guarantees);
- The budgetary guarantee agreements under the Ukraine Investment Framework (UIF) established in 2024;

- the blending agreements supporting financial instruments under the Neighbourhood Investment Platform (NIP), the legacy of the Neighbourhood Investment Facility (NIF), the Ukraine Investment Framework (UIF) and the Western Balkans Investment Facility (WBIF).

In 2024, 10 budgetary guarantees have been signed (4 budgetary guarantees under EFSD+ Window 3 and 1 under EFSD+ Window 1 EIB for a total amount guaranteed of 726,5 MEUR) and 5 budgetary guarantees under the Ukraine Investment Framework for an amount guaranteed of 940 MEUR. In 2024, no payments have been registered by DG NEAR under the EFSD and EFSD+ instruments. Under the legacy instrument ELM ⁽⁷¹⁾, the amount of EUR 49.9 m ⁽⁷²⁾ was paid between 1 January 2024 and 31 December 2024. In addition, concerning financial instruments, the amount of payments operated through fiduciary accounts amounted to EUR 5.5 m. for IPA and EUR 6,4 m for the Neighbourhood South and East.

In general, the logic, risks and controls associated with FIs and BGs are not significantly different from those applied to other entrustments provided to IFIs under grants; however, FIs require additional attention to financial performance monitoring and achievement of leverage effect. Several projects include FIs but also other activities (such as technical assistance and investment grants). Therefore, considering all the above elements, in order to avoid an artificial excessive split of its RCSs, DG NEAR has decided to keep the entrustment related to FIs and BGs under RCS 5. This decision will be reviewed again in 2025.

Stage 1 – Prior to Contracting

Eligible counterparts to be entrusted with implementation tasks have to demonstrate a level of financial management and protection of the EU financial interest equivalent to that of the Commission when it implements the Budget in direct management. This is verified by carrying out an ex-ante assessment, a pillar assessment of the entity. Pillars are the broad areas covered by this assessment. Following changes brought by the 2018 Financial Regulation and the subsequent adoption of a revised pillar assessment methodology on 17 April 2019, these are:

- Basic pillars (compulsory): (1) internal control, (2) accounting, (3) independent external audit;

⁽⁷¹⁾ The instrument has been transferred from EIB to DG NEAR as of 1 August 2021.

⁽⁷²⁾ Transactions related to budgetary guarantee are processed in a specific off-budget company code in ABAC, called LIGA (Liquidity Fund for Guarantee Agreements and linked to the Common Provisioning Fund (CPF) following guarantee calls submitted by EIB in relation to defaulting beneficiaries/loan takers. They are already captured under the CPF provisioning (in the same or previous years). Accordingly, for the purpose of the AAR, the amounts corresponding to budgetary guarantees should be reported only on the side of the provisioning of the CPF rather than on that of the guarantee calls paid out of the CPF.

- Operational pillars (optional): (4) grants (including certain aspects from the discontinued sub-delegation pillar), (5) procurement, (6) financial instruments and BGs;
- New pillars (compulsory): (7) exclusion from access to funding, (8) publication of information on recipients, (9) protection of personal data.

The section on BGs under pillar (6) and pillar (7) has been introduced in the revised pillar assessment methodology in 2019. IFIs and DFIs already pillar assessed for EFSD had to carry out for EFSD+ an update of their pillar assessment.

As regards BGs, the proposals for investment programmes (PIPs), made by eligible counterparts, are assessed taking into account the expert advice of the technical risk assessment group on the risk and banking-related aspects of the proposals. Following this technical screening by the Commission, the proposals are discussed with all eligible counterparts during Technical Assessment Meetings. Once a proposal is considered sufficiently mature, it is submitted to the EFSD+ Operational Boards for opinion (the commitment period of EFSD ended on 31 December 2020, only EFSD+ guarantee agreements are signed during the period 2021-2027). Following the opinion of the Operational Boards, the selected PIPs are adopted by a Commission decision.

As regards FIs, one or more Commission Decisions, based on priorities stemming from the regional indicative programmes and from policy dialogue with relevant partner countries, allocate financing to the blending facility or platform from the various regional and bilateral envelopes. After this decision, the specific blending framework governance is used to select projects. Following the positive opinion of the relevant blending framework board, the related contribution agreements for FIs will be signed.

A – Ex-ante (re)assessment of the entrusted entity's financial and control framework (towards “budget autonomy”; “financial rules”)

Main control objectives: Ensuring that the entrusted entity is fully prepared to start/continue implementing the delegated funds autonomously with respect of all 5 Internal Control Objectives.

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The financial and control framework deployed by the entrusted entity is not fully mature to guarantee achieving all 5 ICOs	Ex-ante pillar assessment, conditional to granting budget autonomy. Hierarchical validation within the authorising department. Requiring justification and prior consent for any deviating financial rules.	Coverage/frequency: 100% of entrusted entities/once by one DG appointed as lead, but valid for all Commission DGs.	Effectiveness: All pillar assessments finalized when opportunity and legal checks are validated.

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
(legality and regularity, sound financial management, true and fair view reporting, safeguarding assets and information, anti-fraud strategy).	Postponing the budget autonomy. Obligation to notify any subsequent changes embedded in Board proceedings. Appropriate supervisory measures are foreseen to address potential weaknesses detected by the pillar assessment. Pillar assessment to be updated each time that there is a material change in the management and control systems of the eligible counterpart.	Depth may be determined after considering the <u>type or nature</u> of the entrusted entity and/or the <u>value</u> of the budget concerned.	Efficiency: Time to assess the pillars of an entity. Economy: Estimation of cost of controls implemented by DG NEAR staff.

B – Identification and formulation

Main control objectives: Ensuring that the Commission selects the most appropriate instrument in its cooperation with partner countries in line with the policy objectives (effectiveness); compliance (legality and regularity) and ensures the proper type of support and modalities specific to each partner country

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The instrument and/or implementation modality does not adequately address the policy objectives set out in the applicable regulations and/or is not well suited to work towards the identified objectives and/or lead to a substantial increase of implementation risks.</p>	<p>Quality Review NDICI Committee validates multiannual indicative plans (MIPs) and the choice of implementation modalities, under Commission's proposal. The areas of intervention for blending and BG under EFSD/EFSD+ (Strategic Orientations, investment windows) are submitted to Commission decision, after inter-services consultation and opinion from Strategic Board and Operational Board(s). Hierarchical validation (incl. at DG level) of annual work plan and delegation Agreements (CAFIS), including notably the ex-ante evaluation (required by FR art. 209). Inter-service consultation (including all relevant DGs, horizontal and operational). Opinion of advisory bodies and of Operational Board(s). Adoption by Commission Decision. A detailed assessment criteria grid is followed for the assessment of the Proposed Investment Programmes (PIPs). One or more technical assessment meetings (TAMs) held with eligible counterparts having submitted proposals. Assessment of financial risks carried out by independent risk experts. Ex ante evaluation (Article 209 of FR) for the corresponding financial instrument or budgetary guarantee, individually or as part of a programme containing explanations concerning the choice of the type of financial operation taking into account the policy objectives pursued and the associated financial risks and savings for the budget.</p>	<p>Coverage/frequency: 100%. Depth: full consideration of programming documents. Detailed assessment criteria grid and credit risk model agreed with DG Budget and DG ECFIN for BG.</p>	<p>Effectiveness: Coverage of thematic and geographic priorities established in the investment programmes. Efficiency: Time to assess and select proposals. Economy: Estimation of cost of controls in the identification and formulation phases.</p>

Stage 2 – Contracting (i.e., Establishment (or prolongation) of the mandate to the entrusted entity (“delegation act”/ “contribution agreement” / “guarantee agreement” / etc...)

DG NEAR establishes and signs agreements with the organisations assessed and identified under the previous stage. A standard agreement model is used for most of the EU-financed operations under indirect management with entrusted entities, except for EIF agreements and agreements extending BGs, which are for the moment drafted on a case-by-case basis. Where relevant, specificities of eligible entities are addressed in framework agreements and, in some specific cases, through the use of separate templates (e.g., World Bank Group, EIB, EIF) or, in the case of guarantees, through agreements tailor-made for each situation based on the requirements set out in Art. 38 of the NDICI-Global Europe Regulation.

In particular, for the establishment of the financial and risk provisions in the guarantee agreements, as well as the pricing of the EU guarantee, DG NEAR takes into account the expert advice of the technical risk assessment group advising on risk and banking-related aspects of the proposals. In 2021 a joint Risk Management Unit for DG INTPA and DG NEAR was set up for this purpose. Its role is to assess and manage risks associated with the guarantee operations. It builds on close co-operation with partner financial institutions, by hosting risk experts and providing a collaborative platform for impartial and inclusive, high quality risk management function. The assessment is based on the Risk management framework, which sets out the guiding principles for the risk management of the External Action Guarantee. Prior to the signature by the Director General, the draft guarantee agreements are submitted to Inter-service consultation with all relevant DGs, including DG Budget and Legal Service.

Main control objectives: Ensuring that the legal framework for the management of the relevant funds is fully compliant and regular (legality and regularity), delegated to an appropriate entity (best value for public money, economy, efficiency), without any conflicts of interests (anti-fraud strategy, alignment of interest); ensuring that contingent liabilities created at the signature of agreements on BGs do not expose the Commission to an unacceptable credit risk.

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The establishment (or prolongation) of the mandate of the entrusted entity is affected by legal issues, which would undermine the legal basis for the management of the related EU funds (via that particular entity).	The establishment of the agreements concerned (PAGoDAs, Delegation Agreements, Contribution Agreements, Guarantee Agreements, etc.) is submitted to hierarchical validation within the authorising department and to Inter-service consultation, including all relevant DGs.	Coverage: 100%. Frequency: once. If risk materialises, all funds delegated during the year(s) to the entrusted entity would be irregular. Possible impact 100% of budget involved and significant reputational consequences.	Economy: Estimation of cost of controls of the mandate.
The Commission has not sufficient information from independent sources on the entity's management achievements, which prevents drawing conclusions on the assurance for the budget entrusted to the entity – which may reflect negatively on the Commission's governance reputation and quality of reporting.	Agreements specify the control, accounting, audit, publication, etc. related requirements in strict observance of the EU Financial Regulation -ad hoc clauses in framework agreements - potential escalation of any major governance-related issues with entrusted entities - referral to OLAF.	Coverage: 100%.	
The Commission receives insufficient or incorrect information related to the credit risk of the operations of the entity to be guaranteed.	The credit risk team is independently assessing, before and during the lifetime of the guarantee agreement, the credit risk for the Commission related to each operation or portfolio of operations, so that the risk is kept at an acceptable level.	Coverage: 100%. Frequency: several simulations before the signature of each agreement.	Economy: Estimation of cost of the credit risk team, including its IT systems and data.

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The CAFIs (Contribution Agreement for Financial Instruments) are inadequate in coverage of operational and management provisions.</p> <p>The design of the accounting and reporting arrangements would not provide sufficient transparency (True & Fair View)</p> <p>Insufficient alignment of interests among the EU, the implementing partner, the financial intermediaries (if any) and the final beneficiaries.</p> <p>The remuneration of the implementing partner or the guarantee fee and the risk-sharing conditions are too generous to the implementing partner.</p>	<p>The template for the CAFI and the draft guarantee agreements are submitted to inter-services consultation, hierarchical validation and signature by the AO.</p> <p>The implementing partner accepts "skin in the game" (i.e., the financial alignment of interest between the EU and the partner by co-sharing the risk).</p> <p>Guarantee fee discounts are provided for the achievement of thematic or geographic priorities, which are the main objective of the support.</p> <p>Risk assessment carried out by independent risk experts.</p> <p>Pricing of the guarantee and financial conditions based on the risk assessment.</p> <p>NCJ/AML clauses are always included in contribution and guarantee agreements, subject to inter-services consultation.</p> <p>Rules for accounting, reporting and other steps of the implementation are specified in contractual provisions.</p>	<p>Coverage: 100% of CAFIs or guarantee agreements.</p> <p>Frequency/depth: at the signature of each guarantee agreement and related amendments.</p>	<p>Effectiveness: Terms and conditions in line with the guidelines established for FIs and for guarantee agreements by BUDG, INTPA, NEAR and ECFIN.</p> <p>Efficiency: Time to negotiate and sign guarantee agreements.</p> <p>Economy: Estimated costs of control.</p>

Stage 3 – Monitoring the implementation

All payment requests, recoveries and related reports are verified and approved by DG NEAR staff (ex-ante controls). Before any transaction is authorised, the operational and financial aspects are initiated and verified by two different (operational/financial) services ⁽⁷³⁾. This is the "four eyes" principle of the Financial Regulation, which DG NEAR, taking into account the specific high-risk environment of external aid actions, reinforces by requiring controls by two separate agents for each of these two stages. Checklists and types of controls are regularly reviewed and updated to respond to feedback from risk analyses and from field users as well as changes to the regulatory environment.

Additional verification missions to be carried out by external auditors can be contracted by DG NEAR on the basis of a risk analysis. The underlying financial risks of each guarantee agreement and their evolution through time are regularly assessed by the joint Risk Management

⁽⁷³⁾ These payment requests may be subject to additional ex-ante verifications contracted as part of NEAR's annual audit plans by the Commission as deemed appropriate by the Authorising Officer by Sub-delegation.

Unit for DG INTPA and DG NEAR, supported by the technical risk assessment group, based on quarterly reports that are submitted by implementing partners for each guarantee agreement.

The agreements with EE contain the obligation to provide with every report, a Management Declaration following the template annexed to the contract. However, it is possible to agree with the Commission to send annually the Management Declaration covering all the Contribution and Delegation agreements signed with the Commission. In this case, the organisation sends within the year N (this could be either the calendar year or the financial year of the organisation) the Annual Management Declaration for year N-1 covering all contracts implemented in year N-1 (calendar year or financial year of the Organisation, as indicated in the Annual Management Declaration). This Management Declaration is valid until the end of year N+1 (calendar year or financial year of the Organisation), i.e., it serves as Management Declaration for payment requests/reports submitted until this point in time. In case the Management Declaration is missing or does not cover the relevant/correct period, the reports will be considered as incomplete and the respective payment can be suspended. The organisation shall indicate in every report submitted (either progress or final) whether the Management Declaration is attached to the report or sent annually to Headquarters.

A – Operations: monitoring, supervision, reporting (“representation” / “control with or around the entity”).

Main control objectives: Ensuring that the Commission is fully and timely informed of any relevant management issues encountered by the entrusted entity, in order to possibly mitigate any potential financial and/or reputational impacts (legality and regularity, sound financial management, true and fair view reporting, anti-fraud strategy).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>Due to weak "modalities of cooperation, supervision and reporting", the Commission is not (timely) informed of relevant management issues encountered by the entrusted entity, and/or does not (timely) react upon notified issues by mitigating them or by making a reservation for them – which may reflect negatively on the Commission's governance reputation and quality of accountability reporting.</p> <p>The reimbursement of any exceptional costs and costs for technical assistance or additional tasks would not be in line with the Sound Financial Management objective (e.g., admin fees unjustifiably high)</p>	<p>Agreement specifying the control, accounting, audit, publication, etc. related requirements – <i>incl. the modalities on reporting back relevant and reliable control results.</i></p> <p>Monitoring or supervision of the entrusted entity (e.g., 'regular' monitoring meetings at operational level; <u>review of reported control results and any underlying management/audit reports</u>; representation and intervention at the board, scrutiny of annual report, etc.).</p> <p>Management review of the supervision results.</p> <p>Annual audit plans.</p> <p><u>If appropriate/needed:</u></p> <ul style="list-style-type: none"> - reinforced monitoring of operational and/or financial aspects of the entity - intervention, e.g., via own audits on-the-spot, by IAS - potential escalation of any major governance-related issues with entrusted entities - referral to OLAF. 	<p>Coverage: 100% of the entities are monitored / supervised.</p> <p>Frequency: meetings take place regularly depending on the delegated activities and delegated entities, reports submitted at least annually (depending on contractual provisions).</p> <p><u>In case of</u> operational and/or financial issues, measures are being reinforced.</p> <p>The depth depends on the <u>mandate</u> of the (type of) entity, inter alia whether the Commission has full access to the entity's internal control information.</p>	<p>Effectiveness: KPIs related to the implementation of projects</p> <p>Efficiency: KPIs related to the implementation of the annual audit plans</p> <p>Economy: Estimation of cost of controls related to monitoring of implementation of operations.</p>

B – Commission contribution: payment or suspension/interruption.

Main control objectives: Ensuring that the Commission fully assesses the management situation and the financial risks at the entrusted entity, before either paying out the (next) contribution for the operational and/or operating budget of the entity or deciding to suspend/interrupt the (next) contribution (legality and regularity, sound financial management, anti-fraud strategy).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The Commission pays out the (next) contribution to the entrusted entity or default calls on guarantees, while not being aware of the management issues that may lead to financial and/or reputational damage.	Agreement specifying the control, accounting, audit, publication, etc. Related requirements – incl. reporting back. Management review of the supervision results. Ex-ante OV and FV, 'in-depth' if need be. Hierarchical validation of contribution payment and recovery of non-used operating budget subsidy Provisions in the guarantee agreements that specify the rights of "clawback" (payment reimbursement) of the Commission when cases of wrong calls or fraud are detected. The credit risk team is independently assessing, during the lifetime of the guarantee agreement, the credit risk for the Commission related to each operation or portfolio of operations, so that the risk is prevented from going beyond the acceptable threshold. If appropriate/needed: suspension or interruption of payments.	Coverage: 100% of the contribution payments. Frequency: usually annually but can be more frequent depending on the contractual provisions. Several simulations every six months or every year by the credit risk team during the implementation of BGs. The depth depends on the <u>mandate</u> of the (type of) entity, inter alia whether the Commission has full access to the entity's internal control information.	Efficiency: KPIs on implementation of audit plans, payments within contractual deadlines and on ineligible expenditure detected through ex post controls. Economy: Estimation of cost of controls related to audits and verifications or to the credit risk team.
	Annual Control Plans: Verification of expenditure are planned annually for ongoing and closed operations of DG NEAR overall portfolio. The operations to be verified are determined through risk analyses. These controls can take place before or after disbursements recognizing expenditure.	Coverage: > 10% of ongoing or "recently" closed operations.	

Potential downgrade of the Union's top credit rating due to a failure to honour a guarantee call within the agreed deadline. Failure to recover in time amounts due to the Union and assigned to the provisioning (e.g., guarantee fees, recovered amounts by implementing partners on defaulted operations).	Agreement specifying the claims and payments terms, the fees terms (rate, date due, deadlines) and the recovery conditions. Ex-ante OV and FV, 'in-depth' if need be. Alert system on deadlines for the payment of guarantee calls. Hierarchical validation of guarantee calls payments and recovery of amounts due. Clawback clause on amounts paid.	Coverage: 100% of financial transactions. Frequency: permanent. Depth: defined in applicable checklists.	Efficiency: KPIs on implementation of audit plans, payments within contractual deadlines and on ineligible expenditure detected through ex post controls. Economy: Estimation of cost of controls related to audits and verifications or to the credit risk team.
An unforeseen additional EU contribution is needed to replenish the CPF due to a fail to detect potential losses above the estimate of losses embedded in the provisioning rate, or because of an unforeseen major event, such as a war in borrowing countries.	Risk assumptions taken during the assessment of operations and their estimated risk profile are regularly verified and all the deviations recorded and assessed. Quarterly reports foreseen by the guarantee agreements include a full set of financial and risk data. Monitoring at portfolio level and for individual guarantee operations of the build-up of contingent liabilities and their risk over time, based on use of the credit risk model. Verification of the consistency of the actual risk profile of operations with the one initially estimated; identification of corrective actions where possible and if necessary.	Coverage: 100% of guarantee agreements. Frequency: quarterly and annually, can be more frequent if worrying patterns are detected. Depth: full set of risk data and parameters requested from implementing partners. All CAFIs	Effectiveness: No additional EU contribution to the provisioning requested within a horizon of less than 3 years. Efficiency: Risk reporting dates met. Timely detection of abnormal risk patterns. Economy: Costs of control: staff costs of control will be estimated using approximations based on analyses of the organigram, job descriptions and programme/project portfolios
Excessive balances are held on fiduciary accounts and may generate negative interests to be paid by the Commission.	Strategies have to be put in place by partners entrusted with the implementation of FIs in order to minimize the balances and their consequences (negative interest or inflation). Furthermore, instructions were addressed to AOs reminding them of the necessity to make sure that the payment of the EU contribution to the account is based on the disbursement forecast corresponding to the real operational needs, with an objective to minimise the balance and any related cost. DG BUDG is asking in the new environment of positive interests to ensure that fiduciary accounts are positively remunerated (3M EURIBOR – 12,5 bps)	All payment requests for FIs.	

Stage 4 - Ex-Post controls and Follow-up

Payments for operations in Indirect Management with entrusted entities are included in the population of the RER study undertaken each year for DG NEAR on representative sampling of closed contracts. Findings from the risk-based audits and from the RER study are systematically followed up by DG NEAR, which takes necessary actions for the recovery of non-eligible expenditures where appropriate.

A - Reviews, audits, verifications 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 ex-ante controls (legality and regularity; anti-fraud strategy); addressing systemic weaknesses in the ex-ante controls, based on the analysis of the findings (sound financial management); ensuring appropriate accounting of the recoveries to be made (reliability of reporting, safeguarding of assets and information).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The ex-ante controls (as such) fail to prevent, detect and correct erroneous payments or attempted fraud. The ex-post controls focus on the detection of residual errors.	Through a residual error rate (RER) study a representative sample of closed operations is reviewed in order to determine the effectiveness of ex-ante controls. Findings are validated with fund recipients, used for possible ex-post corrections (i.e., recoveries), taken into consideration for improvements of ex-ante controls, and referred to OLAF where needed.	MUS sample sufficiently representative to draw valid management conclusions.	Effectiveness: Residual error rate below tolerable threshold. Efficiency: time to deliver RER results, on time for the assurance of the AAR. Economy: Estimation of cost of RER controls of grant operations.
	Supervision missions to Delegations by independent staff not involved in the operational and financial circuits.	Size and composition of sample are determined in accordance with the cooperation portfolios managed by the visited Delegations.	Effectiveness: number of supervision mission, number of SMART recommendations accepted and described in an action plan. Efficiency: Time to prepare supervision missions. Economy: Estimated cost of supervision missions

B - Implementing results from ex-post controls

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The errors, irregularities and cases of fraud detected are not addressed or not addressed timely.	Systematic registration of control results to be implemented. Financial operational validation of recovery in accordance with financial circuits. Authorisation by AO.	Coverage: 100% of final audit results with a financial impact. Depth: findings of systemic errors are considered for corrections of other projects by the same organisation, taken into account for future projects.	Effectiveness: All RER detected are recorded in the audit module, followed up and closed. Efficiency: time to close audit module RER entries, amount recovered and time to implement action plans following supervision missions. Economy: Estimation of cost of follow up of financial recommendations.

ANNEX 7: Specific annexes related to "financial management"

1. Controls supporting the achievement of the objectives

The controls put in place by DG NEAR management aim to provide reasonable assurance that all the five internal control objectives are achieved. They encompass all control components and are implemented either ex ante (all except the Residual Error Rate study) or ex post (the Residual Error Rate study only).

Manual of Procedures (MAP): it provides guidance on financial and legal issues relevant to the activities of DG NEAR. It gathers, in a single document/ place, all information on the applicable procedures in DG NEAR.

Financial circuits: the level of 'ex ante' controls (before the approval of the AO(S)D) consists in the tight supervision and checks of all operational and financial aspects of transactions based on the financial circuit, complemented by comprehensive and detailed checklists. In line with the Financial Regulation, the financial circuits are defined by the Authorising Officer by Delegation (AOD) and described in NEAR MAP (Manual of Procedures). Before an operation is authorised, all aspects (both operational and financial) of the operation are verified by members of staff other than the one who initiated the operation. The person dealing with the verification is never subordinated to the initiator of the transaction. For the same file, the same person cannot do both initiation and verification ("four eyes" principle). In these circumstances, the roles of the operational function and the financial function are defined to avoid any overlap and confusion in responsibilities. Authorising officer by Delegation is responsible for both the budgetary and legal commitments related to the operations.

Subdelegation and deputisation: DG NEAR's rules on subdelegation and deputisation complement its rules on financial circuits. These rules define all the functions within the DG and its EU Delegations/Offices that are eligible to receive subdelegation of AOSD powers of signature. They set out the limitations applicable to the subdelegation of the Authorising Officer powers, the procedure for granting subdelegations and the principles applicable to the system of deputisation for a hierarchical superior and for a Responsible Authorising Officer. These rules apply to operations under budget lines managed by DG NEAR, both in headquarters and in EU Delegations. They also apply to the Trust Funds managed by the DG.

Sensitive functions: DG NEAR has adopted a policy on sensitive functions in line the Commission's guidelines. Genuinely sensitive posts are subject to mandatory rotation. The implementation of the policy is periodically reviewed in order to correct inconsistencies, register deviations and update the policy if necessary.

Contractual verifications launched by the beneficiaries and contractors: these mandatory expenditure verifications accompanying requests for payment are explicitly required in contractual documents. The terms of reference for such controls are aligned with

those of financial verifications launched by the Commission. Auditors are requested to deliver the list of all items checked. This aims to increase transparency, reliability and allow for re-performance.

Monitoring: it refers to the ongoing collection, analysis and use of quantitative and qualitative information about project/programme/overall budget execution progress and the results being achieved. It supports effective and timely management decision-making, learning by project/programme stakeholders, and accountability for results achieved and resources used. It can consist of a wide range of activities, such as:

- financial monitoring (such as Budgetary Execution Reports or Summary tables with details on initial credits; budget transfers; available credits; cumulative execution; forecast for the period);
- operational monitoring (such as analysis of project/programme reporting documents and data, attending project/programme Steering Committee meetings, reviews of budget support operations, meetings with project/programme teams, beneficiaries, public authorities and other stakeholders, project visits to review the status of implementation, results reporting exercises);

Both monitoring can be conducted based on and complemented by the various available dashboards and tools (KPI, data quality, portfolio management, MIS, Opsys, etc.). In particular, DG NEAR monitors a group of key performance indicators (KPIs) grouped around three objectives:

1. Sound Financial Management and Effective Use of EC Resources;
2. Effectiveness of Internal Controls;
3. Effectiveness of Audit systems.

The KPIs are periodically reviewed and adapted, in agreement with DG INTPA. In addition, for each KPI, targets/benchmarks are set at the beginning of the year against which each entity managing funds within the DG (Delegation/Unit/Directorate) needs to deliver. The delivery by all entities contributes to the overall results of the DG and allows the detection of areas where follow up is required. The reports by the Authorising Officers by Sub-Delegation (AOSD) made at year end (by Directors to the Director General) provide details on the results of KPIs in HQ as well as a summary of KPIs in the Delegations under the responsibility of the AOSDs.

Control plan: DG NEAR carries out a robust risk assessment at project-level at the beginning of each year, which is the basis of the control plans. The exercise covers all funds managed by DG NEAR in all management modes and including all type of operations, with exceptions established in the annual guidelines (for example, budget support operations are usually excluded since they follow their own specific risk assessment process, as well as actions implemented under IPA Indirect Management with Beneficiary Countries, which follow their own specific guidance). The objective is to have an additional layer of controls which the AOSD

activates if he/she perceives specific risks. It consists in a list of financial verifications and operational controls.

The **financial verifications** are:

- a) **Contractual mandatory verifications launched by the Commission** (explicitly required in contractual documents). These are few in numbers and concern mainly the Southern Neighbourhood EUDs (Pegase, remaining programme estimates in Southern Neighbourhood countries – phase out for phased out for new projects and programmes since 2015-) and occur mostly every year;
- b) **Risk based verifications** (based on perceived risks, at the level of contract/project that are not already mitigated by a contractual control). Since 2018, financial audits have been replaced by expenditure verifications focusing on legality/regularity of expenditure reported rather than on delivering an ‘opinion’. These verifications can be coupled in specific cases with system verifications (which focus on the design and/or operating effectiveness of an entity's internal control system). In indirect management with International Organisations, verifications consist in agreed upon procedures, where controls are done in line with verifications clauses and specific agreements on interpretation of these clauses determined in framework agreements such as Financial and Administrative Framework Agreements (FAFAs) and in which auditors issue 'reports on factual findings'.

All financial verifications are listed in an **Audit Plan** validated by the Financial Assistance Steering Committee (FAST) Committee and are monitored until all recommendations are followed up.

The **operational controls** are

- c) **On the spot checks**: they complement monitoring by verifying contract/project deliverables on the spot, along with aspects of legality and regularity, to support the operational visa (‘certified correct’) or, in indirect management, to provide supplementary assurance, that the monitoring and controls of the national authorities/entrusted entities to support their payment visas can be relied upon. On the spot checks can include an operational and a contractual/financial dimension, in which case they involve both operational and contracts and finance staff.
- d) **Results-Oriented Monitoring (ROM)**: monitoring outsourced to external contractors to acquire an independent view on the performance and results of EU funded projects and programmes. It makes reference to four criteria (relevance, efficiency, effectiveness, sustainability). External monitors assess project performance based on the OECD DAC (Development Assistance Committee) criteria and make use of data collected through a short-term monitoring mission. This provides information to support monitoring/evaluation/verification and management decision at project/programme level.

It is regulated by a specific handbook, which is regularly updated by DG INTPA and DG NEAR.

- e) **Evaluations:** systematic, independent and objective assessments of on-going or completed projects, programmes or policies, their design, implementation and results. Evaluations are performed by independent, external experts who scrutinize an intervention against defined criteria such as relevance, efficiency, effectiveness, sustainability, coherence, impact and EU added value (OECD DAC and European Commission Better Regulation evaluation criteria).

Strategic evaluations analyse strategies from design to implementation, assessing the results of spending (projects and programmes) and non-spending (policy dialogues) activities. They are conducted at several levels: country, region, multi-country, sector and instrument. They are planned on a multi-annual basis, managed by HQ and conducted by external evaluators.

Project and programme evaluations provide knowledge on specific programmes and actions, and feed the strategic evaluations. These evaluations are planned annually and are included in the Control Plan of the DG. They are managed by EU operational managers in Delegation/HQ and conducted by external evaluators.

All operational verifications are listed in the Control Plans adopted by the Heads of Delegation/Office and Directors/Heads of Unit.

Controls in Indirect Management with Entrusted Entities: the Commission may entrust budget implementation tasks in indirect management to entrusted entities (IMEE) that demonstrate a level of financial management and protection of the EU's financial interest equivalent to that of the Commission (e.g. international organisations, national agencies). This ability is verified through an ex-ante **pillar assessment** of the entity. Pillar assessments are supervised either by DG NEAR or other Commission services, and represent condition to sign agreements with these entities, although they do not provide ex ante validation of the legality/regularity of future costs to be submitted to the Commission.

These assessments are supervised either by DG NEAR or other Commission services. It is a sine qua non condition to sign agreements with these entities, but is not an ex-ante validation of the legality/regularity of future costs to be submitted to the Commission.

International Organisations and National Agencies need to undergo pillar assessments, pursuant to the Financial Regulation to be able to sign contribution agreements under indirect management. These assessments aim to check whether the European Commission can entrust budget implementation tasks to entities that demonstrate a level of financial management and protection of the EU's financial interest equivalent to that of the Commission.

The Commission implements Financial Instruments (FIs) ⁽⁷⁴⁾ and Budgetary Guarantees (BGs) ⁽⁷⁵⁾ through indirect management by entrusting the implementation of actions to third parties, such as EIB, International Financial Institutions (IFIs) and Development Financial Institutions (DFIs). These entities are subject as well to pillar assessments.

In addition, entrusted entities, including International Financial Institutions, have the obligation from the Delegation and Contribution Agreements to submit periodic **Management Declarations and/or Control or Audit Opinion (or in this last case an agreed means providing equivalent level of assurance)**. These include also the annual reports and progress reports for financial instruments and guarantee agreements. The management declarations from the International Financial Institutions cover also the European Western Balkans Joint Fund (EWBJF) grants.

Controls on FIs and BGs ⁽⁷⁶⁾: proposals made by eligible counterparts for investment programmes (PIPs) to be covered by the budgetary guarantees are assessed taking into account the expert advice of the technical risk assessment group on the risk and banking-related aspects of the proposals. In 2021 a joint Risk Management Unit for DG INTPA and DG NEAR was set up for this purpose. Its role is to assess and manage risks associated with the guarantee operations. It builds on close co-operation with partner financial institutions, by hosting risk experts and providing a collaborative platform for impartial and inclusive, high quality risk management function. The assessment is based on the Risk management framework, which sets out the guiding principles for the risk management of the External Action Guarantee.

Following this technical screening by the Commission, the proposals are discussed with all eligible counterparts during one or more Technical Assessment Meetings. Once a proposal is considered sufficiently mature, it is submitted to the EFSD+ Operational Boards for opinion (the commitment period of EFSD ended on 31 December 2020, only EFSD+ guarantee agreements are signed during the period 2021-2027). Following the opinion of the Operational

⁽⁷⁴⁾ A Financial Instrument (FI) is a measure of financial support provided from the budget to address one or more specific policy objectives of the Union which may take the form of equity or quasi-equity investments, loans or guarantees, or other risk-sharing instruments. A FI may, where appropriate, be combined with other forms of financial support or other donors. Not all blending Actions qualify as Financial Instruments, but only those form of support which are repayable by the Organisation and/or its Financial Intermediaries qualify as such.

⁽⁷⁵⁾ Budgetary guarantees are guarantees granted by the Commission, on behalf of the Union, to the EIB, IFIs and DFIs aiming at achieving Union's policy objectives. The contingent financial liability arising from the EFSD (2017-2020) and EFSD+ (2021-2027) budgetary guarantees is covered by a provisioning set aside in the Common Provisioning Fund (CPF), managed by DG Budget. The amount of provisioning is determined by the provisioning rate set out in the EFSD and NDICI-Global Europe regulations respectively, between 9% and 50%. The Ukraine Facility Regulation sets out the initial provisioning rate for the Ukraine Guarantee at 70%.

⁽⁷⁶⁾ Please note that part from the guarantee agreements signed under the EFSD and EFSD+ and the Ukraine Guarantee, DG NEAR also manages the legacy of the EIB's External Lending Mandates (ELM), as well as the legacy agreements supporting financial instruments under the Neighbourhood Investment Platform (NIP) and the Western Balkans Investment Facility (WBIF).

Boards, the selected PIPs are adopted by a Commission decision. A similar process applies to the Ukraine Investment Framework, through its Steering Board.

As regards FIs, one or more Commission Decisions, based on priorities stemming from the regional indicative programmes and from policy dialogue with relevant partner countries, allocate financing to the blending facility or platform from the various regional envelopes. After this decision, the specific blending framework governance is used to select projects. Following the positive opinion of the relevant blending framework board, the related contribution agreements/arrangements for FIs will be signed. A similar process applies to the Ukraine Investment Framework, through its Steering Board.

Controls in Indirect Management with Beneficiary or Partner countries: The Commission can entrust budget implementation tasks in indirect management to beneficiary or partner countries. Before signing a financing agreement, DG NEAR assesses the effective and efficient functioning of the control system in the beneficiary country, in accordance with the requirements set in the FR and the applicable regulation, transposed in a framework agreement signed with each beneficiary or partner country. These assessments constitute the key element giving assurance to the AOSD on the readiness of the entrusted structures. These systems are reassessed on a periodic basis. Additional assurance is obtained by ex ante/ex post controls in procurement and grant processes, review of the system/transactional audits of the beneficiary country's audit authority, the review of the management declarations, reports, and control results from management/audit authorities, the review of the reports on control results from management authorities for CBC programmes and the clearance of accounts procedure.

Controls on medium and long term loans: DG NEAR can provide support to third countries also in the form of medium and long term loans, generally in the context of Facilities (e.g., Ukraine Facility and the Reform and Growth facility for the Western Balkans), each time based on an ad hoc Legislative Decision (co-decision by the European Parliament and Council under the ordinary legislative procedure). The loan funds can come from the EU budget or can be borrowed on the capital markets and then transferred to the beneficiary country. The funds are not allocated to specific projects or spending categories and their destination, unless otherwise specified, is left to the national authorities to decide. The funds are allocated based on the respect of conditionalities, such as achieving specific reforms, whose compliance is assessed by the Commission. In line with the provisions of the Regulations establishing the Facilities, the disbursements are made based on a Commission decision authorising the payment that follows the adoption of a Council Implementing Decision providing a positive assessment of the satisfactory fulfilment of qualitative and quantitative steps allocated to each instalment. Before each disbursement, the Commission also monitors the fulfilment of the precondition for support under the specific Facility. For Loans, Operational Verifications are under the remit of DG NEAR and Financial Verifications are under the remit of DG BUDG.

Residual Error Rate (RER) study: it provides information allowing the evaluation of the effectiveness of the overall control framework, and forms an important part of the information made available to the Director General when signing the Declaration of Assurance. Residual

errors are those that have evaded all prevention, detection and correction controls in the existing control framework. The RER study is an agreed upon procedure, which reports on factual findings. The RER study is not an audit providing an audit opinion. However, the DG reaches its own conclusions based on the auditor's report of factual findings.

The RER indicator is designed to identify residual errors which have not been detected by the ex ante controls and to provide information to conclude on the effectiveness of the internal control system, particularly in respect of the risks related to legality and regularity of expenditure. When the RER is below the materiality threshold of 2%, it is a strong signal that the controls put in place at all levels of the DG are effective. Moreover, besides the overall error rate, the RER study reveals the common types of errors and therefore helps to avoid them in the future.

The RER methodology is regularly updated to take into account the recommendations of the Court of Auditors and the IAS. The methodology takes into account the multiannual nature of DG NEAR's programmes, as the sample is based on contracts closed during a pre-defined period.

Moreover, as of 2019, following a high error rate identified in grants under direct management, the number of checks was increased in this particular area and more precise guidelines on checking second-level procurement are given to the RER contractor. These checks provide additional and corroborative information on the types of error in grant contracts, which was then consistently reduced.

In its Annual report for 2021, the ECA addressed a recommendation related to the RER study to DG NEAR: to **disclose the closed contracts not included in the RER population**, from which the sample is drawn. This information is provided annually in DG NEAR's Annual activity report.

The criteria for excluding "**old contracts**" from the RER population are strict and set in the RER methodology:

- contracts characterised by no operational activity in the **last eight years** and/or
- contracts on which no controls in the **last five years** were implemented.

The exclusion of the old contracts does not affect the representativeness of the sampled population, or the resulting error rates, as the RER ex post controls are performed on a sample of closed contracts, not on the whole population. There will always be a part of closed contracts not subject to the RER ex post control. Moreover, the information coming from ex post controls of old contracts would be of little value, as old contracts were implemented under rules and regulations no longer in application. Finally, after the end of the implementation period, beneficiaries are obliged to keep supporting documentation up to 5 or 8 years, depending on the contract. This time limitation would hinder the possibility to carry out

the controls on old contracts and result in a number of transactions not contributing to the calculation of the error rates.

The old contracts not included in the RER population for the 2024 study were four grants and 11 supply contracts for an overall contract value of EUR 9.8 million (consistent with the value reported in 2023).

In 2024, DG NEAR suspended the RER ex post controls for 57 contracts implemented in Russia and Belarus (overall contract value EUR 32.5 million), due to the political situation following the Russian unprovoked and unjustified invasion of Ukraine and the subsequent impossibility to communicate with and obtain cooperation from the national authorities and the majority of beneficiaries in these two countries. The number and value of contracts excluded from the RER study was significantly reduced in 2024, following the decision to resume RER controls on contracts implemented in Ukraine DG NEAR. In addition to the contracts closed in 2024, DG NEAR re-introduced in the population of closed contracts the 52 contracts implemented in Ukraine which were excluded from the 2023 RER study; these contracts represented 95% of the value of the contracts temporarily excluded (EUR 771 million).

No exclusions were made from the sampled transactions of the 2024 RER study.

Supervision missions: they represent a management tool at the level of Directors. They provide assurance to the AOSD, as well as insight into the Delegations'/Offices' capacity to manage EU external assistance and to achieve their goals. Each Delegation/Office is visited according to a Multiannual Plan defined by the Geographical Directorates, in cooperation with the Contract and Finance Units. A minimum frequency is defined in the related Process Manual. The output of the supervision mission is the final report and its recommendations. The Delegations/Offices are responsible for preparing an action plan and for the timely implementation of the recommendations. A follow-up is performed within 6 months and 12 months of the final report.

Risk Management: DG NEAR established a robust risk management policy and developed internal guidelines in order to adapt the risk management process to the risk specificities of the DG. Risks are identified and assessed using the impact/likelihood model. The impact is the potential consequence should the risk materialise; it can be both quantitative and qualitative in nature. The likelihood is the estimated probability that the risk will occur. The identification and assessment of risks in DG NEAR is performed at two levels:

- at directorate level, in order to encompass the operational, financial and policy aspects;
- at DG level to include an overall and strategic perspective and select only the risks which are relevant for the whole DG.

Critical and significant risks at Directorate level are recorded in the respective Directorate risk registers. Risks which are critical and significant at DG level are included in the DG NEAR risk

register. For all risks to be mitigated, an action plan is established, and its implementation is followed-up and monitored.

Anti-Fraud Strategy: DG NEAR has developed and implemented its own anti-fraud strategy (AFS) since 2014, on the basis of the methodology provided by OLAF. Its implementation is being monitored and reported on to the Commissioner and to management at least twice a year. The AFS is complemented by a Manual which provides a consolidated source of information regarding anti-fraud procedures and practices (e.g. reporting an irregularity or a potential fraud). DG NEAR also contributes to the Commission anti-fraud strategy and its action plan.

Exceptions, non-compliance events, derogation, prior approvals, events to be reported, confirmation of instructions: DG NEAR ensures a system tracking, monitoring and reporting of deviations from established processes and procedures ⁽⁷⁷⁾, of options foreseen in the procedures requiring a formal approval for their use ⁽⁷⁸⁾ and of confirmation of instructions (Art 92.3 Financial Regulation) ⁽⁷⁹⁾.

Controls performed by external bodies: controls are also performed by the:

- Audit Board (AB) for the Ukraine Facility ⁽⁸⁰⁾: the independent AB ensures closer oversight on fraud, corruption, conflicts of interest and irregularities incurred in relation to any amount spent to achieve the objectives of the Facility. The primary objective is to build upon the European Commission's Management and Control System (MCS) by providing an extra level of assurance. This is achieved through close collaboration with designated institutions and the subsequent scrutiny and evaluation of the monitoring and control

⁽⁷⁷⁾ DG NEAR has developed and implemented its own anti-fraud strategy (AFS) since 2014, on the basis of the methodology provided by OLAF. Its implementation is being monitored and reported on to the Commissioner and to management at least twice a year. The AFS is complemented by a Manual which provides a consolidated source of information regarding antifraud procedures and practices (e.g., reporting an irregularity or a potential fraud). DG NEAR also contributes to the Commission anti-fraud strategy and its action plan.

⁽⁷⁸⁾ Prior approvals and events to be reported are activation of options explicitly allowed by the established processes and procedures. Prior approvals require a specific request with adequate justification and ex-ante approval by the responsible competent authority. Events to be reported also entail the approval by the competent authority but this is given in a supporting document (evaluation reports for calls for tenders/proposals, financing agreements, basic acts, declaration of crisis, etc.). They do not deserve therefore a specific request. They are meant to keep a statistical record of these cases and unlike the rest of categories, they are encoded in CRIS in a simplified manner with a single ENCOD visa.

⁽⁷⁹⁾ An Authorising Officer by Delegation or SubDelegation who receives a binding instruction which they consider to be irregular or contrary to the principle of sound financial management, in particular because the instruction cannot be carried out with the resources allocated to them, shall inform the authority from which they received the delegation or subdelegation about that fact in writing. If the instruction is confirmed in writing and that confirmation is received in good time and is sufficiently clear, in that it refers explicitly to the points which the Authorising Officer by Delegation or SubDelegation has challenged, the Authorising Officer by Delegation or SubDelegation shall not be held liable. They shall carry out the instruction unless it is manifestly illegal or constitutes a breach of the relevant safety standards. Confirmation of instructions are covered by the AOSD annual reports.

⁽⁸⁰⁾ Commission decision establishing the Audit Board: C(2024)3969 of 12.06.2024.

systems put in place by Ukrainian authorities. The AB's responsibilities include the assessment of designated MCSs (e.g. examine individual procedures, conduct on-the-spot checks and necessary verifications pertaining to expenditure, analyse the context of implementation of the Audit and Verification Plan), the reporting of any instances of identified or suspected mismanagement of public funds or weaknesses in the control system, the provision of recommendations to Ukraine, and oversight of their implementation.

While the Audit Board should focus on specific procedures and expenditures within the scope of its mandate, it should not duplicate the audits conducted by the Commission. All recommendations should be discussed with the Commission prior to finalisation. The Commission retains the right to initiate further investigations if deemed necessary.

- Internal Audit Service (IAS): the IAS audits the management and control systems that exist within the Commission and the EU agencies and provides independent and objective assurance on their adequacy and effectiveness. On request of management, it also offers consulting activities. Audits performed by the IAS may lead to observations and recommendations addressed to DG NEAR. In addition, the Internal Auditor of the Commission releases every year the limited conclusion on the state of internal control and the observations and recommendations reported by the IAS;
- European Court of Auditors (ECA): the ECA is the external auditor of the EU Budget and EDF. The ECA performs two types of audit:
 1. Financial audits to check the reliability of the accounts and the legality and regularity of the underlying transactions. ECA conclusions and opinion (i.e. the Statement of Assurance) are reflected in its annual reports on budget, usually including recommendations to DG NEAR
 2. Performance audits examine whether the EU funds have been used effectively and efficiently to achieve policy objectives. ECA conclusions are reflected in its special reports, which include recommendations to DG NEAR.
- the Commission's Accounting Officer in the framework of the validation of local financial management systems;
- OLAF (European Anti-Fraud Office). OLAF conducts independent investigations into fraud and corruption involving EU funds and into serious misconduct by EU staff and members of the EU institutions. The results of the investigations can include recommendations addressed to DG NEAR.

In case of issues and deficiencies identified by external bodies, DG NEAR establishes the appropriate actions to address them and ensure the necessary follow-up of the related recommendations.

2. Reports on Financial management and Internal control

The main reports produced are the following:

- Monthly financial reports;

- The Management Plan 2024 of the Directorate General;
- The Management Plan 2024 of the Delegations;
- Reports by the Authorising Officers by Sub-Delegation (AOSD) made at year end (by Directors to the Director General), detailing the results of Key Performance Indicators (KPIs) in HQ as well as a summary of KPIs in the Delegations under the responsibility of the AOSDs. These reports also include the statement of assurance signed by each Director, in addition to information about significant control weaknesses or other key issues;
- The External Assistance Management Reports (EAMRs) prepared by the delegations, with the statement of assurance signed by each Head of Delegation. As per Financial Regulation, this statement includes information on the efficiency and effectiveness of the internal control systems put in place in the Delegations, as well as information on the management of the operations sub-delegated to them, thus providing their assurance to the relevant Director in accordance with the sub-delegation received;
- The AOSD report of the EU Trust Fund in response to the Syrian Crisis and North of Africa window of the EU Emergency Trust Fund for Africa;
- The reports from authorising officers in other DGs managing budget appropriations via cross sub-delegations;
- Ad hoc reports from the Management Information System (MIS) (on risk assessment, financial forecasts);
- The inventory of findings and recommendations for Indirect Management with Beneficiary Countries (IMBC) in support of the decision of entrustment;
- The management declarations, reports, and control results from management/audit authorities under IMBC;
- The pillar assessment reports: International Organisations and National Agencies need to undergo pillar assessments, pursuant to the Financial Regulation to be able to sign delegation agreements under indirect management. These assessments aim to check whether the European Commission can entrust budget implementation tasks to entities that demonstrate a level of financial management and protection of the EU's financial interest equivalent to that of the Commission;
- The management declarations from International Organisations and Member States agencies. Management declarations from the International Financial Institutions cover the European Western Balkans Joint Fund (EWBJF) grants;
- The annual reports and progress reports for financial instruments;
- The supervision mission reports on Delegations visited during the year;
- The follow-up of supervision mission performed in the year(s) before;
- The 2024 RER study and the RER studies of the last three years (2022-2024);
- The reports on recorded exceptions, non-compliance events and any cases of 'confirmation of instructions' (Art 92.3 Financial Regulation);
- The report on the implementation of OLAF financial and administrative recommendations to OLAF and DG BUDG;

- The report on OLAF cases and on the implementation of the DG Anti-Fraud Strategy to the Commissioner, to the DG and to senior management;
- The periodic follow-up and reporting on the implementation of the action plans for AAR reservations, from the DG Risk Register and in relation to previous internal control deficiencies;
- The observations and recommendations reported by the ECA and the IAS (detailed information in Annex 8);
- The limited conclusion of the Internal Auditor on the state of internal control and the observations and recommendations reported by the Internal Audit Service (IAS) (detailed information in Annex 8);
- The accounting Officer's reports on the validation of local financial management systems;
- The mid-year internal control assessment issued by the Director RMIC;
- The contribution by the Director in charge of Risk Management and Internal Control (RMIC), including the results of internal control monitoring at the DG level.

3. Financial Regulation: additional reporting requirements resulting from the 2018 and 2024 revisions

In line with the requirements of the Financial Regulation, DG NEAR reports for the year 2024:

No cases of any in-kind donation made to the Union, for the purposes of humanitarian aid, emergency support, civil protection or crisis management aid (FR art 25.3)

- 1) No cases of "confirmation of instructions" (FR art 92.3)
- 2) Two cases of financing not linked to costs (FR art 125.3)
- 3) No Financial Framework Partnerships >4 years (FR art 131.4)
- 4) No cases of flat-rates >7% for funding indirect costs (FR art 184.6)
- 5) Four derogations from the principle of non-retroactivity pursuant to Article 196 of the Financial Regulation.
- 6) No cases of financial support to third parties >EUR 60 000 (FR art 207)
- 7) No of non-financial donations provided in the form of services, supplies or works (FR art 244.3)

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

NEAR	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)
Grants in Direct Management	25 416 940.50 €	1 404 544 365.50 €	1.81%	676 564.66 €	197 728 670.74 €	0.34%	26 093 505.16 €	1.86%
Procurement in Direct Management	10 921 527.57 €	288 706 181.76 €	3.78%	280 767.81 €	36 571 207.78 €	0.77%	11 202 295.38 €	3.88%
Budget Support and Loans in Direct Management	35 811 899.13 €	3 672 177 813.92 €	0.98%	825 743.26 €	1 070 218 060.00 €	0.08%	36 637 642.40 €	1.00%
Indirect Management with Beneficiary Countries	1 896 930.21 €	111 136 508.08 €	1.71%	288 666.79 €	191 097 491.20 €	0.15%	2 185 597.00 €	1.97%
Indirect Management with Entrusted Entities	29 190 472.26 €	2 300 305 380.82 €	1.27%	780 722.14 €	526 858 357.96 €	0.15%	29 971 194.41 €	1.30%
Others not related to a RCS	5 231 271.37 €	304 734 972.91 €	1.72%	137 121.88 €	172 000 000.00 €	0.08%	5 368 393.25 €	1.76%
OVERALL total estimated cost of control at EC level for expenditure	108 469 041.04 €	8 081 605 222.99 €	1.34%	2 989 586.55 €	2 194 473 787.68 €	0.14%	111 458 627.60 €	1.38%

NB. The absolute values are presented in EUR.

In line with previous years, the verification of expenditure is considered in DG NEAR to be ex ante control, while only the RER study is considered ex post. For HR related costs, DG NEAR assumes that ex ante control represents 98 % of total control and ex post 2 %. Evaluation costs have been included only if related to a specific project/ contract, in line with the Commission guidelines. Costs of controls are attributed to each RCS using a weighting key - 80 (total payments)/ 20 (number of contracts) – in case a direct attribution cannot be performed. Tasks and costs not attributable to any RCS can be attributed to Others. Costs are linked to all the payments made in 2024 under EC Budget and EUTF MADAD (excluding Contributions to CPF and to EU Trust Funds, as these are just transfers with no controls attached).

5. Results of the control and risk analysis for the relevant control systems (RCSs)

The section below provides further details about the results in terms of control and risk analysis for the relevant control systems (RCS).

A. Direct Management

Under Direct Management, funds are channelled to the final recipients through contracts signed directly by the Commission as the contracting authority. Under Direct Management, the control environments are Grants in Direct Management (RCS 1); Procurement in Direct Management (RCS 2); Budget Support (RCS 3). In addition, the Pegase mechanism to channel Direct Financial Support to the Palestinian institutions includes a specific set of controls (which has been reviewed by ECA) and for this reason is not considered under Direct Management.

RCS 1: Grants in Direct Management

Under Direct Management, funds are made available to the final recipients through contracts signed directly by the Commission as the contracting authority. Under Grants (RCS 1), the control results and risk analysis are the following:

- With a residual error rate for grants that has been above the materiality threshold of 2% until 2020 (2019: 2.65%, 2020: 3.34%, 2021: 1.94%, 2022: 1.40%, 2023: 0.75%), DG NEAR assesses that there is an inherent risk related to grants in its portfolio. However, grants are a key modality to implement DG NEAR's policy objectives through reaching out, amongst others, to smaller, local and grass-roots non-governmental organisations in fields such as civil society development, human rights or media. In most countries covered by DG NEAR, the space in which civil society organisations operate has been shrinking over the years, with increasing restrictions on their establishment, operations, development and independence contributing to additional difficulties in managing EU-funded projects. DG NEAR's willingness to accept risks when it comes to grants in direct management is therefore higher than for other implementation modalities because of their importance to the achievement of its policy objectives. The risk is inherent in the nature of the activities.
- Furthermore, the grant reimbursement mechanism is based on eligible actual costs and reimbursement claims submitted by the beneficiaries. Root causes of errors in grants are mainly due to misunderstanding or misinterpretation of the relatively complex contractual provisions. In several instances, they relate to the lack of safeguarding of the financial documentary evidence after project completion or the lack of response to the RER auditors. Grants are mostly implemented by non-profit organisations based in partner countries. These entities sometimes lack the necessary expertise for the rigorous application of the general and specific conditions of the grant contracts.
- Considerable efforts have been made in 2024 and in previous years to address the causes of errors and these will continue to have a positive impact in 2025. For example:

- DG NEAR continued to enhance the analysis and awareness on the types of errors, also emphasising the need for prevention. As part of these efforts, a workshop was organised to disseminate the results of the RER Study and an in-depth analysis of errors in grants (building on RER and expenditure verifications) was issued;
- Information sessions (kick-off meetings) with (new) grantees continued being organised to explain their contractual obligations and provide clear information on the most frequent sources of errors in grant management;
- Implementation of additional measures for grant management, detailed in a note distributed to all Delegations in 2021 and applied throughout 2022-2024;
- Additional training and information sessions were organised to raise awareness of the main types of errors, the lessons learnt and the controls to be enhanced in order to prevent them;
- The Finance and Contracts SharePoint spaces include a dedicated part on best practices and guidance on grant contract management.
- As a result, both the indicative residual error rate for RCS1 (based only on the grants included in the main sample) and the residual error rate derived from the grants tested in the additional grant sample (statistically representative since selected from a population of grants under direct management) within the RER study are below 2%.

RCS 2: Procurement in Direct Management

Control results and risk analysis:

- Contractual procedures are transparent, well established, and main contractors are very familiar with them.
- Review of the results of ECA reports of recent years shows that procurement operations have a low risk.
- This is confirmed by the result of the 2024 RER study, as the indicative residual error rate calculated for this RCS is below 2% and has been consistently below 2% in the last three years.

RCS 3: Budget Support in Direct Management

Control results and risk analysis:

- Review of the results of recent ECA reports shows that budget support operations have a very low risk.
- This is confirmed by the result of the 2024 RER study, as the indicative residual error rate calculated for this RCS is below 2% and has been consistently very low in the last three years.
- The system of ex ante controls, including the high-level steering mechanism put in place by DG NEAR for budget support operations, which prevents any disbursement from being made unless all required pre-conditions and targets have been met, significantly reduces the risk associated with these transactions.

B. Indirect Management

Under indirect management, the final recipient receives EU funds through a contract signed with an intermediary to which the Commission has entrusted the tasks of selecting the final recipients and managing the resulting contracts (budget-implementation tasks). The recipient is either an Indirect Management Entrusted Entity (IMEE), such as an International Organisation or Member State Agency, or an Indirect Management Beneficiary/ partner Country (IMBC). In particular, Cross-Border Cooperation (CBC) programmes are included under IMBC. The significant control environments identified and described below are then those of IMBC (RCS 4) and IMEE (RCS 5).

RCS 4: Indirect management with beneficiary/ partner countries (IMBC)

Control results and risk analysis:

- The indicative residual error rate for the RCS IMBC is below 2% in 2024 and has been consistently below 2% in the last three years.
- The 2024 RER study includes a representative sample of IPA (enlargement) transactions under IMBC. The result shows the residual error rate for IMBC-IPA is also below 2%.
 - DG NEAR receives annual management declarations, annual audit activity reports and annual audit opinions from all IPA beneficiary countries ⁽⁸¹⁾.
 - In order to safeguard the financial interest of the Commission, the internal control systems of all IPA beneficiary countries are assessed annually by DG NEAR to support the entrustment decisions.
 - In 2024, there were full ex ante controls by the EU Delegations over procurement and grant procedures managed under IMBC.
- RCS 4 also covers indirect management in the neighbourhood, including Cross-Border Cooperation.
 - In the neighbourhood, partner countries are entrusted with budget implementation. The delegation can be partial, when the Commission makes payments, or complete, when partner countries make payments to contractors and grant beneficiaries. This way of working is referred as programme estimates. Programme estimates are being phased out.
 - The Commission puts in place controls on the entities and persons that carry out these tasks. All third countries implementing the budget under indirect management are required to either have in place procedures which provide a level of assurance equivalent to the Commission's own (i.e. ensuring sound financial management, the absence of conflict of interest, the respect of the principle of transparency and the setting up of an effective and efficient internal control system) or they are requested to follow the Commission's own External Action procedures, by following the "Practical Guide on contract procedures for European Union external action (PRAG)".
 - In the programming period 2007-2013, DG NEAR was responsible for Cross-Border Cooperation programmes between EU Member States and Neighbourhood

⁽⁸¹⁾ All the documents received cover the year 2023.

countries. In January 2020, the ongoing CBC programmes under ENI were transferred to DG Regional and Urban Policy. The previous programmes under ENPI are being closed, hence only clearings were processed in the last three years (no new payments).

- The assurance over the legality and regularity of operations that are conducted by Member States designated authorities, in accordance with their own rules, is built on work carried out at two levels:
 - At Joint Managing Authority level, the daily control framework includes ex ante financial verifications before declaring expenditure eligible and follow up of audits by external auditors. The annual report is audited by the national audit authority of the host country.
 - At Commission level, the analysis is based on National Authority system audit reports; Audit Authority opinion on the annual accounts; relevant information from ECA and OLAF, any other information, acquired by the Commission in the context of day-to-day management of the programmes.

RCS 5: Indirect management with entrusted entities

Control results and risk analysis:

- The RER study includes a sample of IMEE transactions (Main rate).
- The 2024 indicative residual error rate calculated for this RCS is below 2%. Since 2017, the RCS 5 has consistently registered level of errors below 2%.

DG NEAR received annual management declarations at project level ⁽⁸²⁾ from the entities it works with under indirect management, unless the latter have agreed with the Commission to send an Annual Management Declaration covering all contracts implemented in the previous year. The management declarations from the International Financial Institutions also cover the European Western Balkans Joint Fund (EWBJF) grants.

A key factor when assessing DG NEAR's relationship with International Organisations (IOs) are certain peculiarities in the field of financial and operational reporting. Reports submitted by some IOs do not necessarily allow for an in-depth assessment of the reported expenditure, due to differences (identified and acknowledged through the positive assessment of the relevant pillars) between the accounting systems and costs structure of these organisations and those of the Commission.

Based on the above elements, DG NEAR puts in place the following measures:

- Carry out an in-depth analysis of the major errors.

⁽⁸²⁾ Delegation Agreements contain the obligation to provide a Management Declaration following the template annexed to the contract with every report. However, it is possible to agree with the Commission to send annually the Management Declaration covering all the agreements signed with the Commission. In this case, the organisation sends within the year n (this could be either the calendar year or the financial year of the organisation) the Annual Management Declaration for year n-1 covering all contracts implemented in that year. This Management Declaration is valid until the end of year n+1, i.e., it serves as the Management Declaration for payment requests/reports submitted until this point in time.

- Continue clarifying and simplifying rules, procedures, agreement templates, and framework agreements that apply to its relations with IOs. As of April 2020, the ToR for verifications of IOs were streamlined and unified with those for expenditure verification of grants and service contracts.
- Remain involved in a global assessment of terms of reference and verification missions with all UN Agencies and other External Actions DGs to implement the verification clause as set in the FAFA ⁽⁸³⁾.
- Undertake regular in-house analysis of non-financial findings stemming from verification missions to international organisations.

C. Expenditure not covered by a specific RCS

Besides Administrative Expenditure, the main categories of expenditure not covered by a specific RCS are represented by PEGASE programme and the Contributions to EU Trust Funds and to the Common Provisioning Fund ⁽⁸⁴⁾.

Pegase

The protracted crisis situation linked to the stagnation and recent regression of the Middle East Peace Process continues to require specific temporary support measures to contribute to maintaining the viability of the two-state solution. One measure is the PEGASE Direct Financial Support (DFS) programme, designed to support the building of a Palestinian state in a highly secured and controlled way. The programme helps the Palestinian Authority (PA) in the delivery of essential public services to the Palestinian population.

Through PEGASE, the EU has contributed substantially to the recurrent expenditure of the PA national budget, with systematic, predictable and unconditional contributions.

PEGASE is mainly active in three areas, namely:

- Contribution to the payment of salaries and pensions to the PA civil servants in Palestine (West Bank and Gaza Strip) - (PEGASE "Civil Servants and Pensioners" (CSP) window). A part of this amount will only be disbursed if the PA meets agreed benchmarks for reforms.
- Contribution to the provision of social allowances to poor and vulnerable families in the West Bank and the Gaza Strip (PEGASE Cash Transfer Programme (CTP) window).

⁽⁸³⁾ Financial and Administrative Framework Agreement. A Common Understanding on the use of verification Terms of Reference (ToRs), clarifying the sampling procedures and supporting documents, also entered into force as of April 2020.

⁽⁸⁴⁾ A residual category of "other contracts/ payments" covers few administrative arrangements, service level agreements and contribution agreements with other Commission's Departments, EU bodies or international institutions (namely the Office of the High Representative in Bosnia and Herzegovina), which cannot be allocated under one of the Relevant Control Systems. They overall represent 0.5% of the payments performed in 2024 (as in 2023).

- Contribution to the payment of invoices of six East Jerusalem hospitals to which the Ministry of Health refers medical cases for the provision of specialised health care services (PEGASE "East Jerusalem hospitals" (EJH) window).

The European Commission also uses PEGASE to support the resilience of the Palestinian agricultural and industrial sectors, in both the West Bank and Gaza.

Rigorous safeguard systems are in place to ensure the efficient, effective and predictable support to Palestinians, while protecting the interests of donors participating in PEGASE by ensuring that funds are disbursed with full transparency and accountability. Payments to final beneficiaries (i.e., civil servants, pensioners, poor families, hospitals) are made by the PA after the prior authorisation of the Commission.

To this end, all PEGASE interventions are under continuous overview of independent teams of auditors contracted by the EU, for ex ante, ex post and annual auditing and verification. In particular:

- ex ante verifications are carried out including in-depth screenings to identify eligible beneficiaries and/or invoices based on prior agreed eligibility criteria. The ex-ante auditors evaluate and verify the relevant PA systems, databases, internal controls and procedures to confirm their soundness and reliability. Prior to each payment, the ex-ante auditors verify and certify the eligibility of the PA request of payment and the corresponding databases/payrolls/EJH pending invoices based on the EU eligibility criteria. The ex-ante verification includes screening all beneficiaries against international and ad hoc sanction lists. In addition, the auditor for the CSP programme performs regular field visits on sample bases to the workplace of the beneficiaries to confirm their eligibility;
- ex post control activities confirm that funds have been duly disbursed to the eligible beneficiaries in line with the EUREP authorisation letter. They provide reports regarding inter alia eligible and ineligible beneficiaries/invoices, bank rejections, and noted discrepancies;
- the annual expenditure verification supports the Contracting Authority's conclusions on the eligibility of the reported expenditure and the related follow-up.

Every payment made by the European Commission, e.g., to support the payment of salaries or of pensions, of the social allowances or of the referrals' bills for the East Jerusalem Hospital, is accompanied by a financial contribution of the Palestinian Authority.

Following a recommendation issued by the European Court of Auditors, in 2018 the EU started applying a system of incentives to PEGASE CSP, specifically by linking part of the disbursements to real progress by the PA on public finance management reform, or other key policy areas jointly agreed by the PA and the EU.

Finally, the implementation of the PEGASE programs is supported by a comprehensive information system consisting of IT tools and databases. The PEGASE information system allows EUREP to manage the payments to be performed under the different PEGASE programs according to the established procedures and criteria: (i) stores detailed

information related to payments (eligible and non-eligible beneficiaries, transactions), (ii) helps to validate data quality, (iii) records the findings of various controls, (iv) supports the EUREP internal visa chain process, (v) stores the history of payments, (vi) provides reporting capabilities, (vii) monitoring the donors commitments and bank accounts and (viii) supports EUREP decision making processes.

DG NEAR contributions to the EU Trust Fund – Syria and to the EU Emergency Trust Fund for Africa

The Commission retains full responsibility for the establishment and the management of EU Trust Funds (TF) for external actions; it sets up the TF and chairs its board (composed of representatives of the Commission and of the donors).

The TFs are managed in full compliance with the applicable provisions of the Financial Regulation, and in particular the principles of sound financial management, transparency, proportionality, non-discrimination and equal treatment.

The EU TFs operate in the general system of internal control defined by the Commission. The rules and procedures developed by DG NEAR for the management and implementation of its operations are equally applicable to the EUTF.

Once approved by the Operational Board, actions are implemented in accordance with the implementing procedures provided for in the applicable Commission rules and regulations. The TFs' accounts are subject to an annual external audit.

The TF Managers take into account reports and recommendations of the different control bodies, notably the IAS and ECA, to provide an assessment of the effectiveness of risk management, control and governance processes, in addition to the results of the audits carried out at the level of contractors/beneficiaries.

The Director General of DG NEAR is Delegated Authorising Officer for the EU Regional Trust Fund in Response to the Syrian Crisis. Related activities and expenditure are therefore reported in the Annual Activity Report of DG NEAR, allocated to Relevant Control Systems and covered by the Declaration of Assurance signed by the Director-General.

The Director General of DG NEAR also receives a cross subdelegation from DG INTPA for the North of Africa window of the EU Emergency Trust Fund for Africa. DG NEAR prepares an annual report to DG INTPA on the cross subdelegation and related activities and expenditure are therefore reported in the Annual Activity Report of DG INTPA.

DG NEAR contribution to the Common Provisioning Fund (CPF)

Budgetary guarantees (BG) are provided by the Commission, on behalf of the Union, to the EIB (European Investment Bank), International Financial Institutions (IFIs) and Development Financial Institutions (DFIs) aiming at achieving Union's policy objectives. The contingent financial liability arising from the BGs under EFSD (2017-2020) and EFSD+ (2021-2027) is covered by a provisioning set aside in the Common Provisioning Fund (CPF), managed by DG BUDGET and operational since January 2021.

DG NEAR provides contributions to the CPF. The CPF manages the safety buffers (provisions) for budgetary guarantees and financial assistance programmes underpinned by the Union budget in one common portfolio. The provisions held in the CPF constitute the capital buffer for absorbing claims arising from project defaults or other losses experienced by implementing partners in respect of investment operations or from financial assistance loans supported by EU guarantees. The amount of provisioning is determined by the provisioning rate set out in the EFSD and NDICI-Global Europe regulations respectively, between 9% and 50%. For the purpose of the AAR of DG NEAR, the contributions to the CPF represent in terms of legality and regularity a zero-risk internal transfer, as all the elements of the transactions are determined by DG BUDG.

6. KPI Analysis

In 2024, 22 out of 24 KPIs have met the set targets corresponding to an overall success rate of 92%. This result shows that the global performance of DG NEAR increased in comparison with the previous year, with less underperforming KPIs out of the total number of benchmarked indicators. The KPIs results have improved in sound financial management, while in effectiveness of internal controls and audit systems have remained unchanged.

While the previously underperforming indicators KPI 8 (Timely decommitments) and KPI 9 (Reduction of old RAL) fully met the 2024 targets, the prevention of ineligible expenditure by ex-ante controls (KPI 17) has decreased to 1.13% in 2024 from 1.38% in 2023 and was still under the set target of a minimum of 2%. KPI 22 on reduction of old unclosed audits is the second KPI that did not meet the set benchmark of at least 50% in 2024 with the result of 47.62%.

KPI Name ⁽⁸⁵⁾		KPI result 2024	Annual Target/Benchmark	KPI result 2023
A – Sound financial management and efficient use of EC resources				
K01	Accuracy of forecast for global commitments	101.51%▲	Between 90% and 110%	106,05%▼
K02	Accuracy of forecast for payments	100.20%▲	Between 90% and 110%	99.75%▲
K03	Global Commitment Absorption	103.97%▲	At least 80%	96.63%
K04	Time to Grant	46.05▲	Not more than 90 days	55.44 ▼
K05	Timely registration of invoices	96.10%▲	At least 90%	94.93% ▼
K06	Timely payments	94.80%▼	At least 90%	95.56% ▼
K07	Timely Invoice Pre-Financing Clearing	94.51%▲	At least 85%	93.04%

⁽⁸⁵⁾ Explanation of the table: The arrows indicate the trend compared to the previous reporting period in terms of improvement (upwards) or deterioration (downwards). Missing arrow means that the KPI was being assessed for the first time in given year.

K08	Timely Decommittments	92.58%▲	At least 85%	77.94%
K09	Reduction of Old RAL	36.83%▲	At least 35%	31.18%▼
K10	The percentage of ongoing primary interventions with a red traffic light for current performance	2.98%▼	no more than 30%	2.97%
K11	The percentage of ongoing primary interventions with a red traffic light for future performance	3.21%▲	no more than 25%	3.56%
K12	The percentage of completed primary interventions with a green traffic light for final performance	93.24%▲	At least 50%	88.37%
K13	Reduction of the backlog for the expired recovery orders awaiting an action from the AO	81.82%▲	at least 40%	69.57%▲
B – Effectiveness of internal controls				
K14	ICF - Risk Assessment	95.91%▲	At least 80%	95.00%▲
K15	ICF - Control Environment	95.82%▲	At least 80%	94.91%▲
K16	ICF - Control Activities	96.06%▲	At least 80%	95.15%▲
K17	Prevention of ineligible expenditure by ex-ante controls	1.13%▼	At least 2%	1.38%▼
K18	ICF - Information and Communication	97.27%▲	At least 80%	95.76%▼
K19	ICF - Monitoring Activities	95.45%▼	At least 80%	95.91% =
C – Effectiveness of audit systems				
K20	Timely contractualization of audit plan: year N	81.35%▼	At least 70%	94.36%▲
K21	Timely implementation of audit plan: years N-1 and N-2	76.84%▼	At least 60%	81.25%
K22	Reduction of old unclosed audits	47.62%▼	At least 50%	64.75%▼
K23	Timely completion of audit follow-up	65.14%▲	At least 40%	60.40%▲
K24	Effectiveness of identification of ineligible expenditure by audits	2.30%▲	At least 2%	0.95%▼

A - Sound financial management and effective use of EC resources:

13 out of 13 KPIs have met their benchmarks.

In comparison to last year, both KPI8 (Timely decommitments) and KPI9 (Reduction of old RAL) have successfully met their benchmark in 2024. KPI8 measures the capacity of DG NEAR to timely decommit unused funds. It looks at the number of expired contracts during the year with open amount and calculates how many of these contracts were decommitted during the year. In 2024, DG NEAR met the benchmark of at least 85% decommitting 92.58% of unused funds.

Old RAL is defined as the open amount of level 1 and level 2 commitment positions that are more than 5 years old. KPI9 measures the reduction of old RAL by comparing the open amount of these positions at the beginning of the reporting period to their open amount at

the end of the reporting period. At the end of 2024 DG NEAR achieved the goal of at least 35% reduction in old RAL since the beginning of the year (the result is 36.83%).

Additionally, all KPIs, except for KPI6 (Timely payments) and KPI10 (The percentage of ongoing primary interventions with a red traffic light for current performance), have strengthened their results in 2024.

B – Effectiveness of internal controls:

5 out of 6 KPIs have met their benchmarks.

Only KPI17 (Prevention of ineligible expenditure by ex-ante controls) did not meet its benchmark. Its result of 1.13% is below the target of at least 2%. Regarding the result achieved for this KPI, it should be noted that a significant part of the DG NEAR's payments relates to methods of implementation, such as Indirect Management with Beneficiary Countries and with Entrusted Entities or Budget Support, where ineligible costs are rarely found by ex-ante controls. For example, for Budget Support operations, the payments can be temporarily suspended until the conditions are met, and no ineligible cost is encoded. Furthermore, contractors and other partners are regularly and carefully guided in the financial management of contracts and preparation of financial reports and are informed about best control practices. This results in better quality reports and implementation that reduces the potentially ineligible costs to be identified by ex-ante controls. Therefore, identifying less than 2% of ineligible expenditure is not reflecting any issues in the effectiveness of the internal control systems. Moreover, this KPI depends as well on the contract portfolio composition as some contracts have a very low possibility to identify a high value of ineligible amounts.

C – Effectiveness of audit systems:

4 out of 5 KPIs have met their benchmarks.

Only KPI22 (Reduction of old unclosed audits) did not meet the benchmark of at least 50% with a value of 47.62%. The result is very close to the benchmark. Financial units/sections made significant efforts with the closures, preceded by recovery actions when needed. It was not always possible to close old audit records for various reasons, e.g.: contradictory still ongoing, delay in audit execution, high workload on more urgent priorities, and technical issues in the IT systems.

Priorities for 2025

Based on the analysis of KPI17 on prevention of ineligible expenditure by ex-ante controls and KPI22 on reduction of old unclosed audits, different causes and corrective actions have been identified by DG NEAR. Delegations and HQ Units will strongly focus on the improvement of those 2 KPIs which did not reach the target in 2024. Additional monitoring and quality check exercises will be conducted during the year to assure that in 2025 DG NEAR improves effectiveness of internal controls and audit systems.

Results at Delegation level

% of green KPIs	2021		2022		2023		2024	
	# of EUD	%	# of EUD	%	# of EUD	%	# of EUD	%
Total Delegations	22		22		22		22	
80% and more	12	55% ▼	13	59% ▲	21	95% ▲	20	91% ▼
60% and more	20	91% =	21	95% ▲	22	100% ▲	22	100% =
Less than 60%	2	9% =	1	4% ▲	0	0% ▲	0	0% =

Overall Green KPI Result	2020	2021	2022	2023	2024
Albania	92%	85%	89%	100%	95%
Algeria	78%	65%	70%	100%	100%
Armenia	83%	70%	75%	90%	89%
Azerbaijan	91%	80%	85%	84%	94%
Belarus	61%	54%	52%	75%	
Bosnia & Herzegovina	92%	81%	81%	100%	95%
Egypt	78%	77%	85%	90%	90%
Georgia	83%	81%	85%	100%	95%
Israel	57%	78%	79%	81%	95%
Jordan	71%	62%	82%	100%	89%
Kosovo* ⁽⁸⁶⁾	75%	65%	79%	95%	80%
Lebanon	54%	41%	86%	100%	100%
Libya					83%
Moldova	96%	89%	82%	100%	89%
Montenegro	88%	89%	89%	95%	95%
Morocco	96%	69%	79%	95%	95%
Republic of North Macedonia	92%	84%	89%	100%	100%
Palestine	83%	78%	86%	90%	89%
Serbia	91%	85%	75%	86%	95%
Syria	78%	78%	70%	86%	75%
Tunisia	96%	85%	82%	86%	95%

⁽⁸⁶⁾ This designation is without prejudice to positions on status and is in line with UNSC 1244 and the ICJ Opinion on the Kosovo declaration of independence.

Türkiye	83%	81%	82%	90%	70%
Ukraine	96%	81%	67%	90%	95%

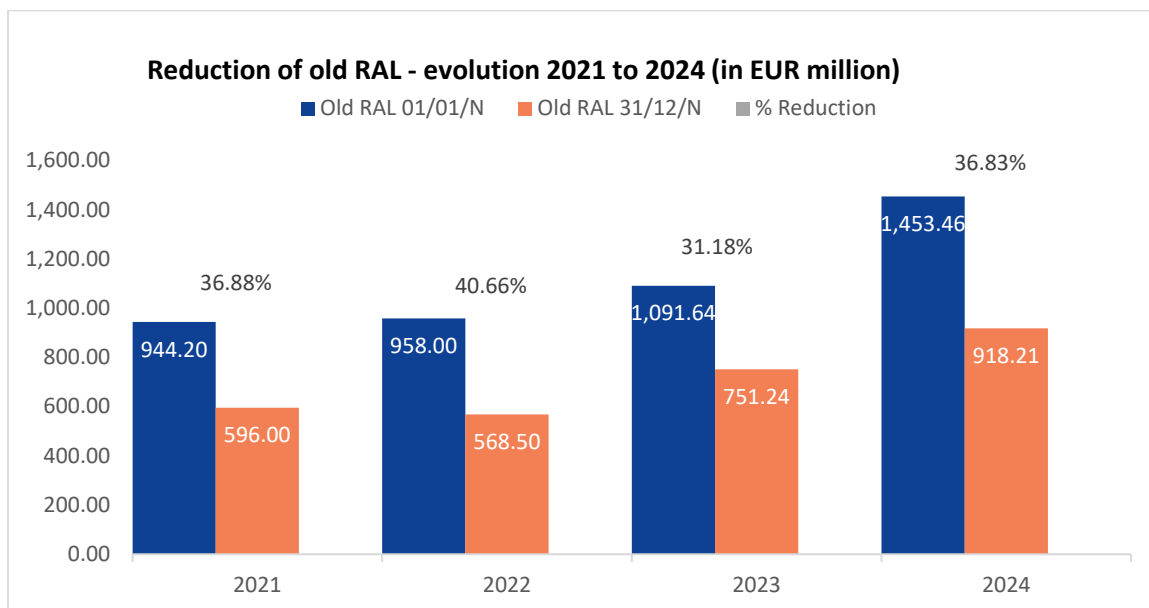
KPI Name		EAMR 2024	Annual Target/Benchmark	EAMR 2023
A – Sound financial management and efficient use of EC resources				
K01 ⁽⁸⁷⁾	Accuracy of forecast for global commitments	107.48%▲	Between 90% and 110%	98.71%
K02	Accuracy of forecast for payments	99.00%▲	Between 90% and 110%	98.94%▲
K03	Global Commitment Absorption	112.69%▲	At least 80%	97.34%
K04	Time to Grant	46.11▼	Not more than 90 days	55.67▼
K05	Timely registration of invoices	96.70%▼	At least 90%	96.90%▲
K06	Timely payments	95.99%▼	At least 90%	96.54%▲
K07	Timely Invoice Pre-Financing Clearing	95.92%▼	At least 85%	96.59%
K08	Timely Decommitments	92.37%▲	At least 85%	79.82%
K09	Reduction of Old RAL	29.63%▼	At least 35%	35.31%▼
K10	The percentage of ongoing primary interventions with a red traffic light for current performance	2.72%▼	no more than 30%	2.97%
K11	The percentage of ongoing primary interventions with a red traffic light for future performance	2.80%▼	no more than 25%	3.56%
K12	The percentage of completed primary interventions with a green traffic light for final performance	92.71%▲	At least 50%	88.37%
K13	Reduction of the backlog for the expired recovery orders awaiting an action from the AO	82.76%▲	at least 40%	69.57%▲
B – Effectiveness of internal controls				
K14	ICF - Risk Assessment	95.91%▲	At least 80%	95.00%▲
K15	ICF - Control Environment	95.82%▲	At least 80%	94.91%▲
K16	ICF - Control Activities	96.06%▲	At least 80%	95.15%▲
K17	Prevention of ineligible expenditure by ex-ante controls	2.66%▼	At least 2%	1.38%▼
K18	ICF - Information and Communication	97.27%▲	At least 80%	95.76%▼
K19	ICF - Monitoring Activities	95.45%▼	At least 80%	95.91% =

⁽⁸⁷⁾ KPI1, KPI17 and KPI24 are not benchmarked at Delegations/HQ Units level.

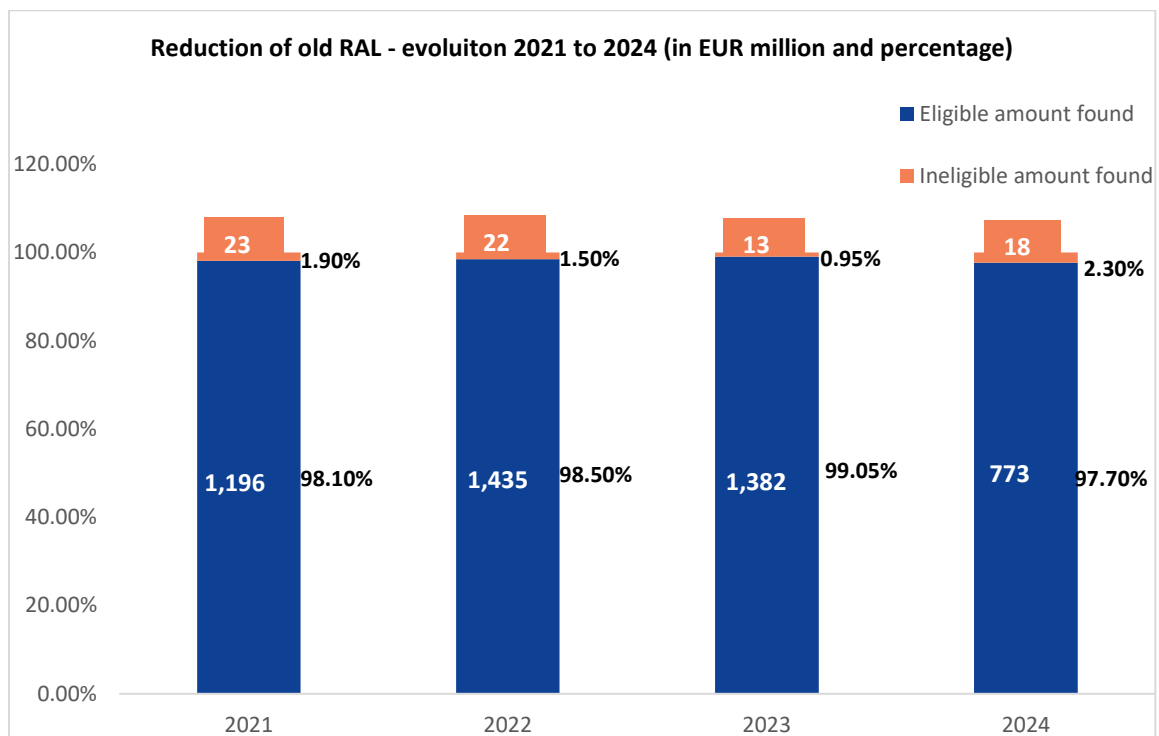
C – Effectiveness of audit systems				
K20	Timely contractualization of audit plan: year N	80.00% ▼	At least 70%	94.36% ▲
K21	Timely implementation of audit plan: years N-1 and N-2	76.97% ▼	At least 60%	81.25%
K22	Reduction of old unclosed audits	63.38% ▼	At least 50%	64.75% ▼
K23	Timely completion of audit follow-up	68.89% ▲	At least 40%	60.40% ▲
K24	Effectiveness of identification of ineligible expenditure by audits	2.74% ▲	At least 2%	0.95% ▼

Results at KPI level

- **KPI 1** - Accuracy of forecast for global commitments - did meet the target range of 90%-110%. In 2024, DG NEAR achieved 101.51% of its annual financial forecast for global commitments (EUR 10,401 million out of a total of EUR 10,246 million forecasted). In 2024, DG NEAR achieved 106.05% of its financial forecast for decisions (EUR 5,788 million against a total of EUR 5,458 million forecasted)
- **KPI 2** - Accuracy of forecast for payments - did meet the target range of 90%-110%. In 2024, DG NEAR achieved 100.20% of its financial forecasts for payments (EUR 8,982 million out of a total of EUR 9,000 million forecasted), compared to 99.75% in 2023.
- **KPI 3** - Global Commitment Absorption - In 2024, DG NEAR achieved to absorb 103.97% of the Commitments that expire during the year (EUR 5,548 million against a total of EUR 5,741 million), meeting the KPI benchmark of at least 80%.
- **KPI 4** - Time to Grant - met the target benchmark of no more than 90 days. In 2024, DG NEAR signed grant agreements or notified grant decisions within 46.05 days, which is an improvement when compared to 55.44 days in 2023.
- **KPI 5** - Regarding the timely registration of invoices (i.e. within 7 calendar days of the reception date.), DG NEAR maintained the excellent results of the previous years, meeting the benchmark of at least 90% with a value of 96.10%. This means a slight increase compared to the previous reporting period (94.93% in 2023).
- **KPI 6** - In 2024, DG NEAR was able to reach 94.80% of payments paid within the contractual deadline, which meets the benchmark of at least 90%. This KPI has slightly decreased compared to 2023 (95.56%).
- **KPI 7** - Timely Invoice Pre-financing Clearing - At DG NEAR level, 94.51% of the total number of invoices of pre-financing was timely cleared and thus above the benchmark of at least 85%.
- **KPI 8** - Timely Decommittments - In 2024, at DG NEAR 92.58% of the unused funds were timely decommitted, which is above the target of at least 85%.
- **KPI 9** - Reduction of old RAL - DG NEAR managed to reach the benchmark in 2024 with a KPI value of 36.83%. The graph below shows the evolution of reduction of old RAL in value over the last 4 reporting periods.



- **KPI 10** - The percentage of ongoing primary interventions with a red traffic light for current performance – the KPI has met its benchmark of no more than 30% of primary interventions with red traffic light with 2024 result of 2.98%.
- **KPI 11** - The percentage of ongoing primary interventions with a red traffic light for future performance – the KPI has met its benchmark of no more than 25% of primary interventions with red traffic light with 2024 result of 3.21%.
- **KPI 12** - The percentage of completed primary interventions with a green traffic light for final performance – the KPI has met its benchmark of at least 50% of completed primary interventions with a green traffic light with 2024 result of 93.24%.
- **KPI 13** - Reduction of the backlog for the expired Recovery Orders awaiting an action from the AO – DG NEAR has managed to reduce the number of RO's with a value of an 81.82%. This KPI did meet the target of at least 40% and this is a substantial improvement compared to 2023 when the KPI was 69.57%.
- **KPI 14 to 19** - Except for KPI 17, all KPIs related to the Effectiveness of Internal Control Systems have been met at DG NEAR level in 2024. For KPI 17, the undue payments prevented by ex-ante controls as a percentage of the total invoiced amount is equal to 1.13%, which is below the benchmark of at least 2%.
- **KPI 20 to 24** - Except for KPI 24, all KPIs related to Effectiveness of the Audit System have met their targets at DG NEAR level in 2024. KPI 24 – Ineligible amounts identified by audits as % of the audited amount - increased compared to the previous year and is above the benchmark target of at least 2%. In 2023, only 0.95% was identified by the auditors, while in 2024 this was 2.30%. The graph below illustrates the evolution of this KPI over the past 4 years.



Overall, the DG NEAR results on the various KPIs prove that sound financial management is in place and internal controls and audit systems functions are effective.

ANNEX 8: Reporting on the internal and external audits and assessing the effectiveness of Internal control systems

The annual assessment of effectiveness of the internal control systems has been carried out based on the following sources.

1. Self-assessment by the DG

Review of the selected internal control monitoring criteria (ICMC)

The selection of 48 ICMC identified to monitor the effectiveness of the internal control system of the DG has been revised after the first semester 2024. The criteria are consistent with the indicators in terms of sound financial management and fraud risk management in the Annual Management Plan (AMP).

The review of the current status of the criteria which can be monitored during the year did not lead to the identification of any new **control deficiencies**. Some (potential) concerns were noted in the following areas:

In three cases, the targets were not fully achieved but they do not represent control deficiencies:

- the effectiveness of the audit system, is under the target values for all three associated KPIs. However, the results are not yet indicative at this stage of the year as a substantial part of the contracting usually happens in the second semester, so results should improve at DG level and be within the target value by the end of the year.
- the budget execution, as monitored by the average of two associated KPIs, is under the target value. Nevertheless, experience shows that a substantial part of the contracting happens in the second semester, so results should improve at DG level and be within the target value by the end of the year.
- As explained also below, long delays in finalising Exceptions (EXC) and Non-Compliance (NCE) workflows occurred: the average time to obtain the final VISA in the first semester was 94 days, with 52% events approved within 60 days (below the target of 60% approved within 60 days). Excluding special justified circumstances, it is essential that the VISA chain is finalised promptly, demonstrating that internal controls are effective in detecting and correcting negative events in a timely manner.

Overall results achieved in terms of KPIs

Results at DG level. The results achieved by the other 12 Key Performance Indicators adopted by DG NEAR and not included as ICMC did not lead to the identification of any control deficiency, as also confirmed by the analysis of the EAMR annual reports prepared by each Delegation and Directorate.

Results at Delegation level. The results achieved at Delegation level confirmed the positive trend, with only two Delegations having reached less than 80% of the KPI targets. See Annex 7 for further details.

% of green KPIs	2021		2022		2023		2024	
	# of EUD	%	# of EUD	%	# of EUD	%	# of EUD	%
80% and more	12	55%▼	13	59%▲	21	95%▲	20	91%▼
60% and more	20	91% =	21	95%▲	22	100%▲	22	100% =
Less than 60%	2	9% =	1	4%▲	0	0%▲	0	0% =

EAMR/ AOSD Reports of EU Delegations and HQ Directorates

The accountability and reporting chain in DG NEAR are organised as a pyramid, through which the statements of assurance signed by each Head of Delegation set the basis for the assurance provided by the other sub-delegated Authorising Officers at the upper levels of the pyramid. All Authorising Officers by sub-delegation substantiate their statements of assurance in their annual reports taking into account the results achieved for the 24 KPIs.

All annual reports prepared by the EU Delegations and by HQ Directorates have been analysed. Overall, three reservations were reported. Two under the remit of the Directorate B – Neighbourhood South and Türkiye and one under the Directorate E – Ukraine Service (formerly SGUA – Support Group for Ukraine) in relation to the difficulties in monitoring adequately all projects in Syria, Libya, and Ukraine. Reservations were already reported in 2023 and have been closely monitored over the past year.

Political and security developments in Syria and Libya keep hindering a thorough implementation and monitoring of project components. The Delegations face considerable challenges in implementing standard monitoring and evaluation activities due to the volatile security and access difficulties in conducting on-site project visits or other verifications in the majority of locations.

- In Syria, there were very rare possibilities to travel throughout 2024, particularly in the second half of the year due to the escalation of conflict in Lebanon, which also entailed bombing of all crossing points, resulting in only one mission carried out by the Delegation's cooperation staff in 2024. Nevertheless, missions and field visits by staff members inside Syria could take place in 2025 as per the current ameliorated security assessment carried out by the Delegation.
- In Libya, Delegation staff is not in a position to perform all the necessary checks across the entire country owing to high operational costs, enduring instability, the absence of access to documents, visas, roaming permits and access rights to project sites, which keeps preventing proper monitoring and evaluation. Third Party Monitoring, audits, expenditure verifications, evaluations and Result-Oriented Monitoring will continue to be used to mitigate the particular risks inherent in working in Libya.

Regarding Ukraine's case, the implementation of EU assistance takes place under the challenging conditions of the ongoing war of aggression and massive destructions in the energy sector. Within their EAMR the Delegation reports the ongoing constraints for on-site

monitoring and project visits, as well as difficulties in retaining professional staff due to mobilisation, persistent extreme stress during night air raids and occasional strong limitations in the electricity supply.

These challenges led to keeping the related reservations in the AAR.

As a matter of fact, widespread political, socio-economic and humanitarian crises keep creating instability and operational difficulties in many countries, as the continuing Russia's aggression on Ukraine, the Syrian civil war, Libyan crisis, Israel attacks in Lebanon, Azerbaijan's military operations in Nagorno-Karabakh, or the ongoing conflict between Israel and Palestine, posing continuous challenges within the internal control functioning.

Within their EAMR, many Delegations have reported increasingly difficult working conditions due to continuous in-country political instability and governmental polarisations, often leading to a negative perception of EU's presence, potentially undermining the processes necessary to carry out efficient and effective cooperation actions. In particular:

- Azerbaijan Delegation reported a lack of responsiveness from various state authorities to formal communication and invitations/requests, that coupled with the Non signature of the Financing Agreement with Azerbaijan for 2023 will lead to a reduced number of the projects to be contracted in the course of 2025, having a direct impact on EU-Azerbaijan cooperation.
- In Georgia the democratic backsliding, including shrinking space for democratic dialogue and increasing acts of intimidation against civil society and media, forced the Delegation to start the process for the extension of the crisis declaration to the whole territory of Georgia, with a formal request sent to HQ in January 2025.
- Armenia Delegation reported shortcomings concerning the lack of systematic monitoring mechanisms by Government bodies when it comes to different reform or investment projects and a fragmented Government-led donor coordination. While the administrative capacity and monitoring remains a challenge, the EU-Armenia Investment Coordination Platform has helped to accelerate investments on the ground. Newly introduced policy dialogue and more systematic monitoring from the side of the Delegation is intended to address shortcomings in the implementation and monitoring of projects.
- In Jordan, as pointed out in the 2023 EAMR, complex internal processes are an important obstacle for a smooth programming, where late decision-making and poor governance resulted in considerable additional workload for the Delegation. Similar delays are observed in the finalisation and approval for budget support payments.
- Lebanon continues to suffer from long-standing multidimensional political, socio-economic and financial crises that were further exacerbated by the hostilities between Hezbollah and Israel that restarted on 8 October 2023. Recently the country has also been grey listed by the FATF, which has heightened reputational risks and shall lead to increased transaction costs and delays in capital inflows, underscoring the urgent need to strengthen supervision and compliance in high-risk non-financial sectors to exit the grey list.

- In Palestine, the Delegation has reported that a number of contracts in Gaza were suspended in 2024 or were implemented at a minimal level. Auditors' accessibility to supporting documents in Gaza is slow or impossible, fact that delays the expenditure verifications. The suspension or reorientation of activities to the West Bank, since October 2023, mitigated the risk of incurring ineligible expenditures. The current situation is limiting or even preventing the implementation of the interventions and without a viable political solution, the sustainability of the EU support to trade will be seriously at risk. Furthermore, it is reported that the transfer of funds to Palestinian partners has become increasingly difficult due to refusals by correspondent or Israeli banks to execute wire transfers over compliance concern.

The many refugees crisis represent another important challenge outlined within numerous EAMR as the fast-changing dynamics are hindering the proper implementation of the foreseen internal control procedures. In particular:

- In Armenia, the influx of over 100 000 refugees from Nagorno-Karabakh - representing over 4% of the Armenia's population - is having a profoundly challenging socio-economic impact on the country.
- For the Jordan Delegation 2024 was a challenging year in the context of the Syrian refugee response within the country. The absence of a formally adopted Jordan Response Plan translated in some additional challenges to the coordination efforts on the part of the donor community at large. The dialogue strongly supported by the EUD in 2023 on aligning refugee response mechanisms to national systems has borne modest results to date. Moreover, the inclusion of refugee response programmes in national social welfare and assistance systems proved to be a sensitive topic in terms of policy dialogue.
- In Lebanon the escalation of the conflict with Israel in 2024 has further exacerbated the vulnerabilities of both the Lebanese and the refugee populations, increasing needs for social assistance, which continue to be coupled with weak governance, lack of institutional and individual capacities and insufficient financing mechanisms.
- The Palestine Delegation outlined how the escalating conflicts in Gaza, the West Bank, severely affects the ability to deliver essential services. The war keeps displacing thousands, and political and security obstacles keep adding further complexity. The current situation is limiting or even preventing the implementation of the interventions and without a viable political solution as of now.

Finally, it is worth noting that the IC related major deficiencies reported within the EEAS 2024 survey have been flagged within the EAMR of the concerned countries, namely:

- HR issues as lack of staff, staff retirement or staff training represent a major deficiency for Georgia and Syria Delegations.
- The lack of reliable Internet and IT services providers constitutes a major deficiency for Azerbaijan and Lebanon Delegations. The same applies also to West Bank and Gaza Strip area, but as a modest deficiency.

The synthetic results of the survey filled in by all Delegations are already included as ICMC at the level of the five internal control components. The results have also been analysed in

detail and did not lead to the identification of any significant internal control deficiency.

DG NEAR Internal Control Survey

The latest DG NEAR internal control staff survey was launched on 24 September 2024 and kept open until 18 November 2024. In total, 592 DG NEAR staff members participated, both from Headquarters and from Delegations (participation rate of 36%). The goal of the survey was to assess the effectiveness of the current internal control system and to identify potential areas for improvement, based on participants' experiences.

Overall, the survey results showed that participants take a rather positive stance towards the internal control framework, with 47% of colleagues having attended Internal Control trainings over the past 3 years. Nevertheless, areas for improvement have emerged under the Internal Control Component 4 (Information and Communication) and the Internal Control Component 5 (Monitoring Activities).

These components had the lowest positive rate among the participants (both 63% - below the target of 70%). In particular:

For the Information and Communication Component, there was limited awareness about the Internal Control Framework and about the information available on the intranet NEARnet. It emerged as well that a limited relevant information on internal control is communicated to contractors, entrusted entities and other implementing partners. Furthermore, 68% of the participants was unable to recall any awareness campaigns from the past year. In addition, many participants expressed the need of having access to a more cohesive information overview on IC procedures, as well as calling for a more coordinated information exchange between the HQ and the DEL. It would be beneficial to implement on the number of IC awareness initiatives.

For the Monitoring Activities Component, there was limited agreement that the supervision of the internal control systems is adequate and proactive, making it challenging to timely identify and deal with internal control issues. Participants reported that the many different tools available for monitoring are often leading to procedural and operational hiccups, calling also for an increase in monitoring procedures towards contractors and beneficiaries, as well as for a higher number of controls on medium and long term loans.

DG NEAR Anti-Fraud Survey

The third edition of the Anti-Fraud survey was open between November 2023 and January 2024. Participation rate reached 58% with 865 staff members contributing.

In general, the results showed a good state of the anti-fraud culture and environment in the DG. In comparison to the previous Anti-Fraud Survey, there has been a significant increase in attendance of Anti-Fraud training sessions. All staff members have indeed been requested to attend an anti-fraud training at least once every three years.

No internal control deficiencies were identified, but a few areas for improvement were noted and some actions were planned, such as:

- Revision of the internal communication efforts in cooperation with OLAF, in order to engage staff more effectively;
- Reinforcement of key messages and guidance by management, encouraging reporting while assuring protection against retaliation, and highlighting internal available

guidance and resources.

Commission Staff Survey

In 2023, the Commission also launched a staff survey. The analysis of the results of the 13 questions which are considered by DG HR linked to internal control did not lead to the identification of any significant control weakness.

DG NEAR reached a good participation rate of 53%, which is a 28% increase compared to the last survey from 2021.

Although below the EC average for all questions, improvement was registered in eight out of 13 questions and the staff engagement index (69%) showed a 2% increase compared to the previous survey, remaining close to the overall EC average (73.8%).

The most significant increase came from the questions related to the role of the senior management and effective team performance management. This could be explained by a number of new appointments in senior management functions. Moreover, in 2023, DG NEAR adopted a new HR Strategy including several actions addressing the issues identified in the Staff Survey.

The only slight deterioration was recorded in two questions related to learning opportunities and career path which is partly dependent on the design of the Commission policies (under the remit of DG HR). The results of the individual DGs are affected by different staff composition (Officials vs Contractual Agents vs Local Agents) and location (HQ in Brussels vs Delegations). The new HR Strategy of DG NEAR contains 13 actions specifically targeting the talent management objective. However, only a small number of these could enter the planned implementation period before the launch of the Staff Survey.

The second lowest result in the DG NEAR Staff survey is associated with the presence of an atmosphere of trust, whose question registered anyway an increase of 5% in respect of the previous survey. Perceived deficiencies may arise from various aspects of the control environment, as well as factors unrelated to internal control systems. Addressing these issues necessitates a collaborative effort across various organizational levels. While several actions outlined in the new HR Strategy of DG NEAR have the potential to address these aspects, they may require a significant amount of time to yield results in terms of “trust atmosphere”, as it requires time to build and develop trust. Furthermore, the recent approval and signing of a Management Charter by the NEAR management team advocates for trust-based management.

Risk assessment

DG NEAR regularly updated its risk register during the year. The risk register is approved by senior management in the framework of the FAST (Financial Assistance Steering) Committee.

All risks were closely monitored, and no significant issues have materialised, also due to the implementation of the mitigating actions included in the action plan. The risk assessment, covering all DG objectives, identified one critical risk in the DG Risk Register. No new risk emerged. In particular:

- **One critical risk** ⁽⁸⁸⁾ was confirmed in the annual risk assessment as it continues to represent significant exposure affecting the DG internal control system:
 - *Impact of the conflict in Middle East to NEAR cooperation in the region* (Critical: Likelihood 4 – High and Impact 4 – High) – This risk, initially identified as significant in late 2023, has been escalated to critical in the latest risk register update of mid-2024. The scope of concern has broadened beyond the Gaza Strip to include heightened regional instability throughout the Middle East, notably in the West Bank, East Jerusalem, Lebanon, and, to a lesser extent, Syria. The escalating regional tensions pose significant challenges to the operations across the Delegations in the region. It may have negative impact on DG NEAR’s objectives in the region due to delays, modifications, and potential cancellations of actions, destruction of EU-funded infrastructure, and increased economic strain, including risks to Palestinian loan repayments to European Investment Bank (EIB) covered by the EU guarantee. Active monitoring and tailored risk mitigation strategies are being deployed to address this complex and evolving situation.
- **Ten previously identified risks** remained **significant**.
 - The *two risks related to the impact of war on Ukraine* ⁽⁸⁹⁾ ([linked to a reservation and potentially affecting ICP 12](#) – “The Commission deploys control activities through corporate policies that establish what is expected and in procedures that put policies into action”) keep a very high residual risk level. However, in line with the results of the latest peer-review performed by the Central Services, they are considered covered by the cross-cutting critical risk on the ‘*uncertainty in the geopolitical landscape*’ encoded at corporate level by the SG.
 - The corporate cross-cutting critical risk on the ‘*uncertainty in the geopolitical landscape*’ covers another significant risk as well: *Monitoring projects Syria and Libya* ([linked to a reservation and potentially affecting ICP 12](#)), whose residual risk levels remained unchanged (Significant: Likelihood 4 – High and Impact 3 – Medium).

In conclusion, no significant issues have been flagged in the implementation of the action plans. The DG risk register, including the action plans, will be reviewed and followed up in 2025.

2. Exceptions, non-compliance events and confirmations of instruction

In 2024, overall, 76 non-compliance (NCE) and exception (EXC) events were approved, 66 registered in CRIS and 7 registered for the Administrative budget and 3 registered for the

⁽⁸⁸⁾ According to Commission guidelines, a risk is defined as critical if it can: jeopardise the realisation of major policy objectives; cause serious damage to the Commission’s partners (Member States, companies, citizens, etc.); result in critical intervention at political level (Council/Parliament) regarding the Commission’s performance; result in the infringement of laws and regulations; result in material financial loss; put the safety of the Commission’s staff at risk; or in any way seriously damage the Commission’s image and reputation.

⁽⁸⁹⁾ Impact of war in Ukraine on resources (budgetary and human), on legality and regularity and on assurance ([linked to a reservation in the 2023 Annual Activity Report - AAR](#)) and Impact of war in Ukraine and energy crisis on partner countries.

EUTF MADAD and NOA. No confirmation of instructions was notified. The analysis of the events did not reveal any major or systemic weakness. They appear to be isolated errors and do not point to any pattern or to any particular internal control deficiencies requiring targeted corrective actions.

Seven non-compliance events were registered due to discrepancies in signing dates between ABAC and ARES or paper records, leading to legal commitments being made prior to budgetary approval. Five exceptions were related to EU measures against Kosovo, while three exceptions and one non-compliance event were linked to the organisation of the 'Conference on Supporting the future of Syria and the region'. Three exceptions resulted from the conflict in Israel and Gaza Strip, and another three were due to tight deadlines caused by the migration to SUMMA. Additionally, three non-compliance events involved travel expense reimbursements for selected candidates undergoing medical examinations in Brussels, which DG HR considers essential due to the high risks associated with hiring unfit candidates, with no alternative solution thus far. Finally, three exceptions stemmed from Russia's unprovoked and unjustified invasion of Ukraine. It is also noteworthy that 29 cases are associated with the use of Special Conditions waving/modifying one or several provisions from the General Conditions. Despite the distinct nature and accompanied justifications, these deviations may introduce risks during implementation and subsequently challenge the existing control system. As such, AOSDs will maintain vigilant oversight and endeavour to minimise their occurrence. The table below presents the distribution in terms of Domain.

EXC and NCE 2024 – Domain

Domain	EXC	NCE	TOT
ENI	6	8	14
ENPI	0	2	2
NDICI ⁽⁹⁰⁾	11	9	20
EUTF MADAD	0	1	1
EUTF NOA	0	2	2
IPA	8	2	10
IPA III	12	2	14
UKRAINE FACILITY	5	0	5
NEAR COMMON STRATEGY	0	1	1
Admin	1	6	7
Total	43	33	76

The number of exceptions decreased by 7% while non-compliance events increased by 3% compared to the five-year average. The most significant increase from the previous year was observed in ENI (+8) and NDICI (+7) domains. This rise can be attributed to the combined impact of the current geopolitical challenges and the internal reorganization

⁽⁹⁰⁾ Including NDICI Geographic and Thematic.

within the DG, which has placed additional pressure on human resources.

Trends in closed EXC and NCE 2017 – 2023 ⁽⁹¹⁾



3. Ongoing monitoring of the implementation of control and anti-fraud strategies

ROM (Results Oriented Monitoring) and Evaluations

The implementation of the 2024 plans has encountered several issues. However, there are no major issues to flag and no systematic weaknesses in internal control have been identified:

In the countries associated with the 2024 AAR reservation, some of the foreseen ROM reviews have been cancelled or postponed to 2025, except for Syria.

- In Ukraine, 3 ROM reviews were cancelled, the first one because the project implementation phase ended and the other two due to internal decision of the delegation to not review some projects coming from the EAMR list.
- In Libya, 2 ROM reviews were cancelled, the first due to internal decision of the delegation to not review some projects coming from the EAMR list and the second one was postponed to 2025 in light of the lack of support from the IP.
- In Syria, 2 ROM reviews were completed remotely, and 4 ROM reviews were conducted using the tandem modality (locally based expert working with a mission leader outside Syria).

Moreover, there have been some ROM reviews modifications also in Palestine. Specifically, in West Bank and Gaza Strip 4 ROM reviews have been cancelled. The first one has been postponed to 2025 because the IP was without a project manager during Q4 2024, while the remaining 3 as consequence of an internal decision of the delegation to

⁽⁹¹⁾ ADMIN cases previously unaccounted for as they were not logged within the established system were included in the total count for the years 2020-2022.

not review some projects coming from the EAMR list.

Recurring issues in intervention logic and indicators impact the effectiveness of programming, design, and implementation. Common problems include a lack of coherence between outputs and outcomes, unrealistic targets, and poor-quality indicators in the Logical Framework Matrix (LFM), which hinder accurate progress reporting and OPSYS encoding. In 64% of ROM reviews, internal monitoring systems were found inadequate in measuring progress due to weak outcome and indicator design. Additionally, 26% of monitored interventions faced difficulties in achieving intended outcomes, often due to unrealistic planning or ineffective indicators that fail to capture actual results.

DG NEAR defined in 2024 a new strategic approach to evaluation, endorsed by senior management in September 2024. This led to the cancellation of the 2024-2028 Multiannual Strategic Evaluation Plan and the development of a new framework with an updated plan still in development.

This situation may negatively impact the DG's internal control system by challenging its ability to ensure accountability, transparency, and informed decision-making. Weak intervention logic and indicators may affect the accuracy of performance data, making it harder to assess progress and identify areas for improvement, potentially leading to inefficiencies in resource allocation and implementation. To help mitigate risks and support more effective decision-making, the successors of DG NEAR (DG ENEST and DG MENA) should focus on strengthening their intervention logic, improving indicator quality, and enhancing internal monitoring systems.

RER Study

In 2023, DG NEAR suspended the RER ex post controls for 110 contracts (overall contract value EUR 810.5 million) implemented in Ukraine, Russia and Belarus, due to the political situation following the Russian unprovoked and unjustified invasion of Ukraine and the subsequent impossibility to communicate with and obtain cooperation from the national authorities and the majority of beneficiaries in these countries. The 52 contracts implemented in Ukraine represent 95% of the value of the contracts temporarily excluded (EUR 771 million). **The contracts in Ukraine have been included in the RER**

population of the 2024 Study. The ex post controls on contracts related to Russia and Belarus remain suspended, due to the political situation following the Russian unprovoked and unjustified invasion of Ukraine and the subsequent impossibility to communicate and cooperate with the national authorities and most beneficiaries in these countries. The contracts related to Russia and Belarus excluded so far will be re-introduced in the RER population once the political situation allows DG NEAR to resume the ex post controls and provided that the contracts meet the conditions set out in the RER methodology and manual.

The residual error rates (RER) calculated for specific segments (the DG main rate, the specific rate for Indirect Management with IPA Beneficiary Countries and the Direct Management Grants) are below 2%. The derived DG NEAR global rate is also below 2%. None of these rates are above the materiality threshold. This is the result of the efforts of previous years in addressing the main sources of errors.

The residual error rates (RER) calculated in 2024 are below 2% for specific segments (DG

main rate, specific rate for Indirect Management with IPA Beneficiary Countries (IMBC) and additional grant rate). The derived DG NEAR global rate was also below 2%. All the error rates are below the materiality threshold. This is the result of the efforts of previous years in addressing the main sources of errors.

The financial units at HQ and the EU Delegations directly concerned by the errors raised in the 2024 RER study will follow up on the findings and encoding recovery actions (if any) in the Audit Module.

Indirect Management by Beneficiary Countries (IMBC) verifications

In 2024, DG NEAR carried out audit missions to Albania, Serbia, Türkiye and Montenegro with a view to entrust budget implementation tasks under indirect management.

In the first 3 countries, a proper Management and Control Systems was in place, leading the auditors to issue a positive opinion for signing the respective Financing Agreements (FAs).

For Montenegro, critical findings were identified (need to complete legal basis and institutional setup), which implied that the FAs will be signed with a suspensive clause, thus blocking the transfer of EU funds until adequate corrective measures are taken.

Supervision missions

In early 2024, DG NEAR received the Internal Audit Service's (IAS) follow-up report ⁽⁹²⁾, which concluded negatively on the implementation of the recommendation related to the effective performance of supervision missions to EU delegations (EUDs). The IAS identified substantial delays compared to the deadlines set in the supervision missions manual. Consequently, the IAS has re-opened the recommendation and will reassess DG NEAR performance in the future.

According to the revised Supervision Missions Manual adopted in January 2023, visits to the Neighbourhood and Enlargement Delegations are required at least once every four and three years, respectively. The Multi-Annual plan 2023-2027, updated in late 2023, included four missions for 2024 (two to Neighbourhood and two to Enlargement Delegations). By the end of 2024, all Delegations were planned to be visited in line with the minimum recommended frequency, except for Bosnia and Herzegovina (the mission originally planned for 2024 was postponed to early 2025 for overlapping with the EEAS inspection and expected change of Head of Delegation in summer 2024). However, due to necessary adjustments in 2024, only two missions were ultimately conducted (Syria and Ukraine), while two were postponed:

- The supervisory mission to Algeria (last conducted in 2020) was postponed to early 2025 due to the turnover of three key staff members (a new Head of Delegation and Head of Cooperation starting in September 2024, with the Deputy Head of Cooperation position expected to be filled by end-2024).

⁽⁹²⁾ See [Ares\(2024\)1822384](#).

- The supervisory mission to the EU Delegation in Belgrade was also postponed to March 2025 following changes in key HQ personnel, including a recent arrival of a new officer responsible for IPA Coordination and a new Head of Unit starting in September 2024. Conducting the mission immediately after these transitions or at the end of 2024, during a peak workload period for the Delegation, would have compromised its effectiveness.

As a result, the originally accumulated backlog was not fully recovered by the end of 2024, but efforts have been made to minimize delays, with both postponed missions scheduled for early 2025.

In response to the recent reopening of the IAS recommendation concerning the effective performance of supervision missions to EU delegations (EUDs), a new monitoring table has been prepared for each responsible Directorate ⁽⁹³⁾. This table covers all aspects of the supervision mission, including planning, reporting, and follow-up. The responsible Directorates have been informed of the reopening of the IAS recommendation and are progressively improving their supervision mission follow-up processes. These efforts will continue following the reorganisation of DG NEAR which resulted in the set-up of two Directorates-General, DG ENEST and DG MENA.

Apart from the identified delays and gaps in compliance with the Supervision Mission Manual, no significant issues at the DG level were found in the available reports concluded over the past three years.

Anti-fraud strategy

DG NEAR has developed and implemented its own **anti-fraud strategy (AFS)** since 2014, on the basis of the methodology provided by OLAF. It was last updated in March 2021, and it is currently subject to a review. In particular, a fraud risk assessment was completed through a survey addressed to select staff (e.g., all management and financial actors) and a workshop with Anti-Fraud Focal Points and led to the identification – in the context of the Anti-Fraud Strategy – of 19 high or very high-fraud risks.

However, following the IAS audit on the Anti-Fraud Strategies adopted by several Services in the RELEX family (DG NEAR, DG INTPA, DG ECHO, FPI and EEAS), the revision of DG NEAR's AFS was postponed in anticipation of a reception of the findings. The findings arrived end of November 2024 and the Anti-Fraud Strategy will be updated early 2025 after reception of Audit Final report. Once received, the AFS will be updated and presented for the peer-review by OLAF and other RELEX services.

The implementation of the strategy is being monitored through the follow-up of **annual action plans** and reported to the Commissioner and to management at least twice a year. All relevant actions under the 2024 Action Plan are being implemented. The achieved results will be to an extent assessed in the context of the next Anti-Fraud and Internal Control Surveys.

⁽⁹³⁾ See [Ares\(2024\)3208087](#).

- The Action Plan from the latest Anti-Fraud Survey is actively being followed up. To engage staff more effectively, encourage reporting while ensuring protection against retaliation, and highlight internal guidance and resources, the available training offerings have been revised and updated. Ad hoc trainings and information sessions on anti-fraud were organised in Delegations. Additionally, NEAR Talks sessions were conducted in cooperation with the internal communications team. A periodic newsletter is sent to Focal Points to keep them informed of the latest developments, and the NEARnet page has been thoroughly revised following the launch of the new intranet in May 2024.
- Despite the mandatory requirement established in December 2023 (Ref. Ares(2023)8260585), only 64% of NEAR staff had completed an anti-fraud training by the end of April 2024. Management (including Directors, Heads of Unit, Heads of Delegation/ Office) should actively encourage, recognise, monitor and report staff participation in mandatory anti-fraud trainings.

DG NEAR played a proactive role in shaping the revised **Commission anti-fraud strategy** Action Plan of 2024. DG NEAR contributed with set of proposals that was sent to OLAF and later on discussed in the framework of the FPDnet meetings.

The communication and revised action plan ⁽⁹⁴⁾ were adopted on 11 July 2023. The action plan includes 44 actions grouped under seven themes. DG NEAR is involved in the implementation of five of them (together with OLAF and other RELEX services), namely action 10, 20, 21, 22, and 23. All these actions are progressing according to the established timeline. All actions under DG NEAR remit in the previous action plan were considered closed.

Sensitive Functions

Following the adoption of the new Commission Guidance on Sensitive Functions, DG NEAR has performed a complete review of its approach and practices. After taking into account any possible compensating measures, only the **genuinely** sensitive functions are identified in the IT tool Sysper, with a consistent approach across the DG, covering Headquarters and EU Delegations. A register of sensitive posts is in place, in line with Commission guidance, all exceptions are recorded and a regular process to review and confirm DG NEAR's sensitive functions has been defined. In this respect:

- Three potential cases of derogations to the planned mandatory mobility of five years were identified. However, the functions performed by jobholders significantly changed following the DG reorganisations in 2021 and 2022, therefore the five years were not actually reached.
- Two cases of deviations in respect of DG NEAR internal policy on sensitive posts were identified, involving posts that should have been flagged as sensitive. The concerned Directorates have updated the related job descriptions (in the first case, it was agreed that the post would remain unflagged, as it does not include AOSD functions, while in

⁽⁹⁴⁾ Respectively COM(2023)405 and SWD(2023)245.

the second case, the update has been postponed – HR colleagues are awaiting instructions on cross-DG work, expected to be solved in the first semester of 2025).

Implementation of the remedial actions for previously identified internal control deficiencies

A combination of **major** and **minor** issues affected the two principles ICP 10 and 12, resulting in two **major deficiencies** identified in the context of the 2023 annual assessment.

ICP 10 The Commission selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels.

IAS very important recommendations concerning **i) External Investment Plan – EFSD guarantee** and **ii) IAS review of the Commission’s risk at payment** and **iii) audit on intervention-level evaluations**.

- i) All four very important recommendations were addressed to DG INTPA, but they also affect DG NEAR internal control systems. The action plan was adopted by DG INTPA in March 2023. As associated service, DG NEAR has been contributing to the implementation of some actions and monitoring the progress in their implementation. Two very important recommendations are still open, and their implementation is ongoing.
- ii) The very important recommendation stemming from the IAS review of the Commission’s risk at payment emphasizes the need for enhanced analysis of ECA findings. This action has been addressed in 2024.
- iii) One very important recommendation related to the audit on intervention-level evaluations implying the complete overhaul of the evaluation process (in particular monitoring, overview and reporting at Headquarters’ level) is due by mid-2025; the second very important recommendation on certain “quick fixes” is expected to be implemented by early 2025.

Related action plans have been adopted by the responsible services and implementation is underway.

ICP 12 The Commission deploys control activities through corporate policies that establish what is expected and in procedures that put policies into action.

Monitoring of projects in Syria and Libya: the measures included in the action plans linked to the related reservation and risk are being implemented and, without Commission presence on the ground, allow to mitigate the systemic risks related to the operations. No issues materialised in terms of legality and regularity so far. However, the two countries remain active conflict zones, so a reservation has been maintained in 2024.

Impact of the Russian unprovoked and unjustified invasion of Ukraine on the implementation of the control strategy: the measures included in the action plans linked to the related reservation and significant risks are being implemented. No issues

materialised in terms of legality and regularity; however, the exposure remains still considerable since:

- The security situation remains critical and largely unpredictable for field visits; progress in implementation is therefore still being monitored also through desk reviews and remote solutions (as during the pandemic).
- Similarly, controls for 2024 were planned with use of remote solutions whenever security constraints apply for travel and field visits.
- The implementation of the Audit and Verification Plan is closely monitored and is progressing above benchmarks for the timely contractualization of the audit plan in 2024, with no particular delay or disruption is to be noted.
- RER ex post controls in Ukraine have resumed in 2024 and include the contracts which were excluded from the 2022 and 2023 RER studies. However, controls on contracts related to Russia and Belarus remain suspended, due to the impossibility to communicate and cooperate with the national authorities and most beneficiaries in these countries.
- Supervision Mission to Ukraine Delegation resumed and took place in April 2024 for the first time since September 2016.
- Results-oriented monitoring (ROM) reviews in Ukraine are actively being conducted both remotely and physically with local experts. The measures included in the Control Plan (in particular audits, evaluations and ROM) were implemented as planned.

Supervision missions: As explained above, the plan for 2024 had to be adapted in order to maximize the effectiveness of one supervision missions. This was due to the turnover of two key staff members for Serbia and three in Algeria in late 2024. It was concluded that conducting the missions immediately after these transitions would have compromised their impact, while a late-2024 schedule would have coincided with a high workload period for the Delegations. Consequently, the backlog accumulated in 2020 could not be fully cleared by the end of 2024, though it was reduced to three Delegations.

In the meantime, other measures remain in place to supervise and monitor the activities performed in the Delegations, particularly if they have not been visited according to the planned frequency and will be continued in 2025 by the successor DGs of DG NEAR.

- on programming: quality review of programming, policy dialogue and adaptation of the programmes to the country's circumstances.
- on performance: regular follow-up of the KPI dashboard, systematic monitoring of the implementation of assistance programmes, enhanced monitoring on large commitments, regular portfolio reviews.
- in general: regular videoconferences (VTCs) with EUDs, specific instructions or notes to the Delegations, support through helpdesk.

In addition, the follow-up of action plans of previous missions was enhanced but still in several instances the Delegations have not provided the necessary information on implemented actions either after six or twelve months and it is still frequent that the deadlines set in the supervision missions manual are not respected in practice. This was confirmed in early 2024, in the Internal Audit Service's (IAS) follow-up report, which concluded negatively on the implementation of the recommendation related to the

effective performance of supervision missions to EU delegations (EUDs). Consequently, the IAS has re-opened the recommendation and planned to reassess DG NEAR performance in second semester 2024.

In response to the reopening of the IAS recommendation, a new monitoring table has been prepared for each responsible Directorate. This table covers all aspects of the supervision mission, including planning, reporting, and follow-up. The Directorates have been informed of the reopening of the IAS recommendation and are progressively improving their supervision mission follow-up processes.

4. Audit conclusions, findings and recommendations

European Court of Auditors (ECA)

Statement of Assurance – DAS 2023 (Discharge)

In line with the methodology implemented since 2017, the European Court of Auditors did not present an error rate for the 'Global Europe' chapter, as the number of transactions the ECA audited was not statistically representative.

In its **annual report on the implementation of the EU budget** for the financial year 2023, the ECA addressed five recommendations to the DGs implementing the EU funds under the Chapter *Neighbourhood and the World*, three recommendations were accepted, one was partially accepted (n. 3) while one (n. 4) was not accepted:

Recommendation n. 1 - Improving the existing controls to reduce the errors in clearing of pre-financing.

DG NEAR and the other services have accepted this recommendation. The commitment to keep improving the controls before payment and to provide more guidance to our implementing partners is put in place, especially on how the partners report the incurred costs to the Commission.

Recommendation n. 2 - Guiding beneficiaries on the allocation of shared costs.

DG NEAR and the other services have accepted this recommendation. A guidance on how these costs should be allocated and reported to the Commission is being developed.

Recommendation n. 3 - Ensure that beneficiaries of EU funds apply the rules on visibility of the support they receive from the European Union.

DG NEAR and the other services have partially accepted this recommendation. While the Commission has put in place adequate controls on EU visibility rules, cases of non-compliance with these rules are often found, so the joint communication and visibility guidelines are being reviewed to take into account the lessons learned.

Recommendation n. 4 – Increasing field monitoring visits by staff in **EU delegations**.

DG NEAR and the other services have rejected this recommendation. Under current budget constraints, the Commission cannot commit to increasing human and financial resources for field visits. However, monitoring visits are organised, based on priority needs. Not all projects require the same type and intensity of monitoring, and there are ways to monitor projects that do not require on the spot visits by the Commission's staff, such as results oriented monitoring and third-party monitoring.

Recommendation n. 5 – Enhancing the mechanisms to monitor and steer blending operations, to avoid delays in implementation.

DG NEAR and the other services have accepted this recommendation. The role of the EU Delegations vis-à-vis the International Financial Institutions will be reinforced, so that they can supervise the blending projects as appropriate.

Audit reliability of accounts

The ECA audit on the **reliability of accounts** for the financial year 2023 concluded that the Commission accounts were not affected by material misstatements.

Performance reports closed in 2024 and follow up of closed audits

Three **new performance audit reports** were issued in 2024:

- 1 – **The Facility for Refugees in Turkey**: SR no. 6/2024
- 2 – **The Commission's systems for recovering irregular EU expenditure**: SR no. 7/2024
- 3 – **The EU Trust Fund for Africa**: SR no. 17/2024

The Commission has (fully or partially) accepted all recommendations, and the corresponding action plans have been developed.

In addition, ECA published:

- the [Opinion 01/2024](#) concerning the proposal for a Regulation of the European Parliament and of the Council on establishing the Reform and Growth Facility for the Western Balkans.

Reporting on the implementation of recommendations stemming from **closed ECA performance audits** continued in 2024. In particular:

- **EU support for the rule of law in the Western Balkans**: in January 2024, DG NEAR reported as implemented all the actions addressing the ECA recommendations stemming from the Special report 01/2022
- **Reducing grand corruption in Ukraine**: in March 2024, DG NEAR reported as implemented the actions addressing 6 out of 7 recommendations stemming from the Special report 23/2021. ECA is currently carrying out a follow-up of the recommendations contained in the ECA Special Report. The results of the follow-up will be published in the ECA Annual Report 2024.

- **Facility for Refugees in Turkey:** By the end of 2024, one recommendation stemming from the Special Report no. 6/2024 was reported as implemented. The implementation of the other three recommendations is ongoing as per the action plan.

Finally, there is **one new performance audit** in progress for which DG NEAR is in the lead:

- **IPA III Window 3:** The focus of this audit is to analyse how the EU support to transport/energy infrastructure in Western Balkans has been implemented. The auditors concluded the preliminary phase of the audit by the end of 2024. In the first quarter of 2025, the audit will be kicked off. The Special Report is planned to be published by mid-2026.

Internal Audit Service (IAS)

Between February 2024 and January 2025, the IAS issued two reports:

1. **Audit on Allocation of Human Resources in EU Delegations** (final audit report issued on 04/11/2024, the action plan submitted to the IAS on 28/11/2024, to be approved by the IAS).

The final report concluded that overall the audited process for allocating human resources in EU Delegations (EUDs) implemented by the Commission and the EEAS complied with the applicable rules and internal procedures, including the stable staffing principle. However, the auditors noted that some weaknesses exist in the design and implementation of the process and formulated one very important recommendation. The action plan was adopted with a view to (1) engage with other Commission services to agree on a methodology that allows the comparison of all EU delegations (2) select the subset of key indicators that will contribute to the workload assessment, to improve the efficiency of the data collection process.

2. **Audit on anti-fraud strategy** (final audit report issued on 31/01/2025, the action plan adopted on 25/02/2025, to be approved by the IAS).

The final report concluded that DG NEAR has adequately designed and effectively and efficiently implemented its anti-fraud activities. The auditors identified nine strengths in various aspects of the anti-fraud activities, ranging from written procedures to awareness raising. To address certain weaknesses the IAS formulated four recommendations, all rated as 'important'.

Follow-up on IAS critical and very important recommendations from previous years' audits

In 2024, IAS performed a follow-up on two audits and reviewed the implementation of two very important recommendations. As a result, one of them was closed and one remained open.

The following very important recommendation was closed as fully implemented:

- **Audit on the Neighbourhood Investment Facility and the Western Balkans Investment Framework** – one recommendation closed (the last one).

The following very important recommendation remained open and will be reviewed by IAS again:

- **Audit on intervention-level evaluations** – the recommendation has been only partially implemented. During 2024, DG NEAR updated its Evaluation Guidelines, prepared several 'How to Guides' and checklists (including quality assurance checklist/criteria), held some webinars on evaluation methodology covering the requirements for the dissemination of results and preparation of follow up action plans. The yearly exercise to prepare the Operational Evaluations Plan followed an updated guidance focusing on the how and what to plan, when and what to evaluate to respond to accountability, transparency and learning obligations. The outstanding actions to be implemented or finalised concern quality assurance and follow up of evaluation recommendations until their completion.

Very important and important open recommendations

The IAS open very important **recommendations** addressed to DG NEAR are four, of which:

- one is considered implemented by DG NEAR, but not yet reviewed by the IAS;
- two are under implementation (not yet due) and
- one considered partially implemented after the IAS follow-up, as described above.

The very important recommendation, which is considered implemented by DG NEAR, but not yet reviewed by IAS originates from the thematic review on the Commission's risk at payment. It concerns the analysis and (internal) reporting of the root causes of errors in relation with ECA findings. To implement it, DG NEAR has started to provide necessary inputs to DG BUDG as per corporate instructions. In addition, every year DG NEAR issues a note to all AOSDs with the analysis of the errors in grant contracts and in contracts implemented in indirect management with entrusted entities, which is based on the results of RER study, ECA audits and expenditure verifications.

Two very important recommendations are under implementation (not yet due):

1. The first one stems from the **audit on intervention-level evaluations**. Its main objective is to improve monitoring, overview and reporting at Headquarters' level. To achieve this, by mid-2025 DG NEAR will put in place:
 - robust monitoring of the evaluation processes in line with roles and responsibilities stipulated in the revision of the guidance;
 - strengthened collaboration with the M&E focal points network;
 - workstream preparing the availability of features in OPSYS that will enable the different purposes (programming, studies etc.);
 - systematic publication of evaluation results.
2. The second open recommendation stems from the audit on Allocation of Human Resources in EU Delegations. To implement it, DG NEAR will:

- engage with other Commission services to agree on a methodology that allows the comparison of all EU delegations (not only under DG NEAR remit);
- select the subset of key indicators that will contribute to a more precise workload assessment and improve the efficiency of the data collection process.

This action is due by 31/12/2025.

One very important recommendation is overdue for more than 6 months, as described above in the paragraph on the recommendations followed up by IAS but not yet closed.

Ongoing IAS audits

Two IAS audits are currently ongoing:

1. audit on IPA III programming – this audit has been changed to a consultancy after the preliminary survey;
2. audit on control over aid to countries in war (renamed “over countries covered by a crisis declaration” and targeting countries in DG MENA’s portfolio).

OLAF & EPPO

Cooperation with OLAF and EPPO was maintained throughout 2024 in line with the respective administrative agreements. In addition, the periodic reporting to the Commissioner and to NEAR senior management has been ensured.

Regular reminders to the competent AOSDs have been sent, both about the initial assessment of the OLAF recommendations and about the implementation of outstanding OLAF recommendations. The assessment by the AOSDs of the OLAF recommendations was completed within 3 months in 100% of cases.

For more details, see Chapter 2.1.2.e) *Fraud prevention, detection, and correction* in the main body.

Accounting Officer’s reports on the validation of local financial management systems

Due to the SUMMA migration, DG BUDG did not conduct a local system’s validation for the last one and a half years. All outstanding recommendations for the previous validations have already been closed in 2022 and there are no new ones.

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

A. Annex related to "Control results" – Table estimated risk at payment and at closure

Table X : Estimated risk at payment and at closure (amounts in EUR mios)

DG NEAR	Payments made (2024:MEUR)	minus new prefinancing (plus retentions made) (in 2024:MEUR)	plus cleared prefinancing (minus retentions released and deductions of expenditure made by MS) (in 2024:MEUR)	Relevant expenditure (for 2024:MEUR)	Detected error rate or equivalent estimates	Estimated risk at payment (2024:MEUR)	Adjusted Average Recoveries and Corrections (adjusted ARC, %)	Estimated future corrections (and deductions) (for 2024:MEUR)	Estimated risk at Closure (2024:MEUR)
-1	-2	-3	-4	-5	-6	-7	-8	-9	-10
RCS 1 - Grants in Direct Management	1 404.54	-1 121.20	530.18	813.52	1.19% - 1.19%	9.68 - 9.68	0.18% - 0.18%	1.46 - 1.46	8.22 - 8.22
RCS 2 - Procurement in Direct Management	288.71	- 53.21	59.37	294.86	0.29% - 0.29%	0.86 - 0.86	0.18% - 0.18%	0.53 - 0.53	0.32 - 0.32
RCS 3 - Budget Support	3 672.18	0.00	0.00	3 672.18	0.32% - 0.32%	11.75 - 11.75	0.18% - 0.18%	6.61 - 6.61	5.14 - 5.14
RCS 4 - IMBC/IMPC	111.14	- 96.48	250.65	265.30	0.94% - 0.94%	2.49 - 2.49	0.18% - 0.18%	0.48 - 0.48	2.02 - 2.02
RCS 5 - IMEE	2 300.31	-2 254.20	1 100.20	1 146.30	1.46% - 1.46%	16.74 - 16.74	0.18% - 0.18%	2.06 - 2.06	14.67 - 14.67
Other payments (PEGASE, Administrative exp., other)	304.73	- 39.88	16.97	281.82	0.75% - 0.75%	2.11 - 2.11	0.18% - 0.18%	0.51 - 0.51	1.61 - 1.61
Contributions to CPF	803.35	0.00	0.00	803.35	0.00% - 0.00%	0.00 - 0.00	0.00% - 0.00%	0.00 - 0.00	0.00 - 0.00
DG total	8 884.96	-3 564.96	1 957.35	7 277.35		43.63 - 43.63	0.16% - 0.16%	11.65 - 11.65	31.98 - 31.98
					Overall risk at payment in %	0.60% - 0.60%		Overall risk at closure in %	0.44% - 0.44%
						(7) / (5)			(10) / (5)

Additional information to be provided by the DGs managing EDF and contributing to and/or managing EUTF (amounts in EUR mios)

NEAR	Payments made (2024;MEUR)	minus new prefinancing [plus retentions made] (in 2024;MEUR)	plus cleared prefinancing [minus retentions released and deductions of expenditure made by MS] (in 2024;MEUR)	Relevant expenditure (for 2024;MEUR)	Detected error rate or equivalent estimates	Estimated risk at payment (2024;MEUR)	Adjusted Average Recoveries and Corrections (adjusted ARC; %)	Estimated future corrections [and deductions] (for 2024;MEUR)	Estimated risk at Closure (2024;MEUR)
-1	-2	-3	-4	-5	-6	-7	-8	-9	-10
Total EDF	0.00	0.00	0.00	0.00	0.00% 0.00%	0.00 0.00	0.00 - 0.00	0.00 - 0.00	0.00 - 0.00
Total EC Budget	8 890.05	3 490.09	1 933.43	7 333.39					
of which Bekou	0.00	0.00	0.00	0.00					
of which Africa	37.00	0.00	0.00	37.00					
of which Colombia	0.00	0.00	0.00	0.00					
of which Syrian Crisis (Madad)	50.00	0.00	0.00	50.00					
Net EC Budget (excluding EUTF)	8 803.05	3 490.09	1 933.43	7 246.39					
Total EDF budget	0.00	0.00	0.00	0.00					
of which Bekou	0.00	0.00	0.00	0.00					
of which Africa	0.00	0.00	0.00	0.00					
of which Colombia	0.00	0.00	0.00	0.00					
of which Syrian Crisis (Madad)	0.00	0.00	0.00	0.00					
Total EC Budget excluding EUTF	0.00	0.00	0.00	0.00					
T003 : Bekou	0.00	0.00	0.00	0.00					
T005 : Africa	0.00	0.00	0.00	0.00					
T006 : Colombia	0.00	0.00	0.00	0.00					
T004 : Syrian Crisis (Madad)	81.91	74.88	23.92	30.95					
Total EU Trust Funds	81.91	74.88	23.92	30.95					
Total = sub-total (a) + sub-total (b)	8 884.96	3 564.96	1 957.35	7 277.35					

Notes to the table

(1) Relevant Control Systems 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. Transactions under the technical code LIGA (Liquidity Fund for Guarantee Agreements) related to the financial guarantees from the External Lending Mandate (ELM) are excluded. These transactions - paid from the Common Provisioning Fund (CPF) following guarantee calls - are already captured under the CPF provisioning (in the same or previous years). Accordingly, for the purpose of the AAR, the amounts corresponding to budgetary guarantees should be reported only on the side of the provisioning of the CPF rather than on that of the guarantee calls paid out of the CPF.

(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.

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

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

(6) In this column, we disclose the detected error rates which are derived by a backwards calculation based on results from the residual error rate study; i.e. by adding the estimated future corrections (if not assumed to be zero) to the risk at closure.

(7) The estimated risk at payment is based on risk estimated at closure (column 10) plus the estimated future correction (column 9).

(8) The adjusted average recovery and corrections percentage is mostly based on the 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. DG NEAR calculates the ARC based on the implemented financial corrections and recoveries by RCS (average of previous years and reporting year, in amount) divided by the average of payments during the same period (average of previous years and reporting year, in amount). Implemented financial corrections and recoveries: based on the recovery orders issued by DG NEAR for the reimbursement of undue payments identified by ex post controls (recovery orders encoded with recovery context *errors, irregularity, OLAF notified, RER*).

(9) The Average of Recoveries and financial Corrections (ARC) in percentage multiplied by the corresponding relevant expenditure.

(10) This column provides the estimated risk at closure based on the average error rates per RCS (based on the last 3 years) from the main sample of the residual error rate study.

B. Reservations

Recapitulative Table

Reservation Title	Financial Impact (in m EUR)			Residual error rate 2024	Evolution
	2022	2023	2024		
External restrictions to control financial programmes in Libya, Syria and Ukraine	N/A	N/A	N/A	N/A	Maintained

B.1. Reservation External restrictions to control financial programmes in Libya, Syria and Ukraine

DG	NEAR
Title of the reservation, including its scope	External restrictions to control financial programmes in Libya, Syria and Ukraine (Non-quantified reservation)
Domain	Direct Management Grants and Procurements, Indirect Management with Entrusted Entities and Budget Support (for Ukraine only).
Programme (or other relevant segment) in which the reservation is made and total (annual) amount of this programme	Part of the programmes specifically targeting Syria (EUR 26 million paid in 2024), Libya (EUR 77.5 million paid in 2024) and Ukraine (EUR 726 million paid in 2024) under the budget that is implemented inside these three countries.

Reason for the reservation	<p>Providing financial assistance through ENI, NDICI and EUTF North of Africa (specifically in Libya) in these three countries is politically and operationally vital for achieving various DG objectives. However, operational and security constraints pose challenges in effectively overseeing, evaluating and controlling EU projects. Despite the implementation of mitigating measures, these limitations significantly impact on-site visits and verifications in the majority of locations.</p> <p>In Libya, providing financial assistance holds considerable political importance, particularly in establishing relations with this strategically significant country, focusing on security and migration. However, despite the partial relocation of the Delegation in Tripoli, there are systemic risks linked to the difficulties to monitor the programmes in an unstable context, especially outside Tripoli.</p> <p>Similarly, the contribution for Syria is crucial for implementing EU policies aimed at addressing migration triggers and violent extremism while fostering stability and inclusion at the local level. The security context, especially along the northern borders, remains volatile, making direct monitoring of projects inside Syria increasingly difficult.</p> <p>In the case of Ukraine, it is a political imperative for the EU to support the country, its government, and population in dealing with the repercussions of the unprovoked and unjustified Russian invasion. This support aims to build resilience and assist the country on its path to EU integration. Security risks from ongoing war activities, including mine risks and frequent air raids, limit the ability of EU Delegation to monitor projects. Although the RER study resumed in 2024, after contracts previously excluded in 2022 and 2023 were reintroduced into the study, some on-the-spot checks, audits, expenditure verifications, and evaluations have been suspended or restricted, adapting to on-the-ground developments for security reasons. Monitoring project implementation, ROM, and audits are still largely conducted remotely.</p>
Materiality criterion/criteria	The legality and regularity-related criterion of 2%.
Quantification of the financial impact (amount at risk)	There is no quantification of the impact. For the time being, there is no indication of material infringement of legality and regularity in these programmes; however, DG NEAR cannot perform all the monitoring and controls it needs to perform, due to the instability in the countries.
Impact on the assurance	<p>Resources may potentially not be used for the intended purpose.</p> <p>Principles of sound financial management may potentially not be respected.</p> <p>The legality and regularity of financial transactions may be compromised.</p>
Responsibility for the weakness	Instability and conflict situation in the concerned countries.
Responsibility for the corrective action	<p>Libya</p> <ul style="list-style-type: none"> • The Delegation (now partially relocated to Tripoli) will continue to gradually perform more monitoring visits, mostly in Tripoli. • Third Party Monitoring (TPM) will continue in order to improve monitoring capacities, increase the understanding of local dynamics in the country and react quicker and better to address the evolving needs on the ground. • The projects in Libya continue to be subject to audits, expenditure verifications, evaluations as well as ROM (Results-Oriented-Monitoring)

monitoring.

Syria

The Delegation will continue taking the following steps:

- ensure compliance with the EU's Restrictive Measures, which remains a contractual obligation of each and every partner;
- emphasise dialogue with partners to ensure that the EU's political parameters for engagement in Syria are respected;
- implement a system of third-party monitoring (TPM);
- Implement its Control Plan 2025, through the established risk assessment methodology, subject the projects with the highest risk exposure to audit or expenditure verification, results-oriented monitoring missions or on the spot checks where possible;
- continue participating in Technical Working Group with other donors on risk assessment and management, including for instance on the exchange rate manipulation and arbitrage by the Syrian Central Bank, or on Parameters and Principles for engagement with the United Nations;
- resume missions and field visits inside Syria as per ameliorated security assessment.

Ukraine

The Delegation (partially relocated to Brussels) will continue to:

- use external monitoring capacity through a service provider for following up on the implementation of a major programme aimed at providing housing solutions for IDPs (Internally Displaced Persons) and returnees and other programmes and projects subject to the security situation;
- carry out additional control measures introduced in 2022, such as additional checks of invoices, monitoring of the banking system and checking projects' accessibility to funds, screening the names and entities against the sanction lists;
- monitor the implementation of the control plan, follow up on any significant delays and disruptions and increase the number of missions and the suspended controls, once security arrangements will allow;
- liaise continuously with the implementing partners and with audit and control providers, including the RER study, to monitor the situation and react as quickly as possible to disruptions.

The successors of DG NEAR (DG ENEST and DG MENA) will continue to ensure sound implementation within the limits imposed by operational and access constraints in their respective regions. **However, the three countries remain active conflict zones, providing clear and objective justification for the reservation.** Nonetheless, the measures taken, and those planned, have already contributed to a deeper understanding of local dynamics, enabling a faster and more effective response to address a very unstable and erratic environment. This is particularly crucial when it comes to realigning ongoing projects or, in worst-case scenario, suspending or cancelling them. These measures will help mitigate risks and support the two DGs in managing the former DG NEAR portfolio more effectively.

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

HUMAN RESOURCES MANAGEMENT

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

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

Source of data: SEC (2020)146 for the period 2020-2022 and SEC (2023) 200 for the period 2023-2024

Baseline 2019	Target (2022) + (2024)	Latest known results (2024)
39%, 9 out of 23	2020-2022 targets: 2 first female appointments 2023-2024 targets: 2 first female appointments	52% ⁽⁹⁵⁾

Indicator 2: DG NEAR staff engagement index

Source of data: Commission staff surveys 2018 and 2021

Baseline 2018	Target (2024)	Latest known results (2024)
65% ⁽⁹⁶⁾	>=70%	69% ⁽⁹⁷⁾

Main outputs in 2024:

Description	Indicator	Target	Latest known results (2024)
Recruitment on vacant posts	Vacancy rate	Below 5%	1.5% ⁽⁹⁸⁾
Implementation of the NEAR Action Plan (HR strategy)	% of the 35 actions started or completed	100%	97%
Implementation of	% of 38 post moves	100%	95% ⁽⁹⁹⁾

⁽⁹⁵⁾ The target of new management appointments of female middle managers has been reached. The DG's score is above EC average in terms of both female middle managers (52% versus EC 49%) and female senior managers (55% for DG NEAR vs 45% for EC Average).

⁽⁹⁶⁾ 69% for staff in HQ and 59% for staff in EU Delegations. Latest result from 2023 was 69%; 71%; for staff in HQ and 66% for staff in Delegations.

⁽⁹⁷⁾ The 2023 survey participation rate for DG NEAR (HQ and Delegations) was 53%. For HQ the participation rate was 78%. The DG has started a reflection on how to update its HR Strategy and Action Plan based on the latest survey results, in order to reach the target.

⁽⁹⁸⁾ Vacancy rate for officials / job quotas.

the results of the Workload Assessment in Delegations: Posts cut, moved and created in Delegations	finalised		
Increased number of women appointed to first time middle management functions ⁽¹⁰⁰⁾	Number of new first female appointments to middle management positions	1 new first female appointment by end of 2024	Achieved (2 female first appointments out of 3 were made during 2024). Both as concerns new appointments and total number of female managers (52% for middle managers and 55% for senior managers)

DIGITAL TRANSFORMATION AND INFORMATION MANAGEMENT

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

Indicator 1: Degree of implementation of the digital strategy principles by the most important IT solutions ⁽¹⁰¹⁾: TMS (GOVIS ID IS-90), IPA-APP (IS-1085) and IESAQ (IS-89)

Source of data: DG NEAR

Baseline (2020)	Target (2024)	Latest known results (2024)
1.1	1.5	1.5 ⁽¹⁰²⁾

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

Source of data: DG NEAR– key data asset inventory (in units C3, R1 and R5)

Baseline (2020)	Target (2024)	Latest known results (2024)
55%	75%	75% ⁽¹⁰³⁾

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

⁽⁹⁹⁾ Two posts moves remain to be done when becoming vacant

⁽¹⁰⁰⁾ The target 2024 is 50% of middle management posts occupied by female managers.

⁽¹⁰¹⁾ The European Commission Digital Strategy (C(2018)7118) calls on Commission services to digitally transform their business processes by developing new innovative digital solutions or make evolve the existing ones in line with the principles of the strategy. At the beginning of the year N+1, the Solution Owner and IT Investments Team will assess the progress made on the basis of the proposed modernisation plan. For each of the 3 solutions, a table will reflect – per principle – the progress achieved during the last year.

⁽¹⁰²⁾ It concerns IPA-APP on the cloud, EU-Login for TMS.

⁽¹⁰³⁾ Key data assets have been revised, updating metadata (owners, stewards, etc.), and deleting obsolete ones.

Source of data: HR AMC and DPC

Baseline (2019)	Target (2024)	Latest known results (2024)
12.5%	100%	100% ⁽¹⁰⁴⁾

Main outputs in 2024:

Description	Indicator	Target	Latest known results (2024)
Improved IT security of local NEAR applications	Implement recommendations from DIGIT vulnerability assessments performed in 2023 for DG NEAR information systems	70%	80% ⁽¹⁰⁵⁾
Protection of IT systems and maturity	Bi-annual revision of the DG NEAR I.S. Security Plans	100%	80% ⁽¹⁰⁶⁾
IT security compliance	Percentage of IT priority controls implemented for local information systems	100%	100%
Improved digital way of working	Number of closed QSIGN-tasks in Ares ⁽¹⁰⁷⁾	250	359
Progressive elimination of residual paper-based procedures by the full adoption of the qualified electronic signature in replacement of hand-written signatures when they are legally required	Decreasing % of docs signed in Ares with parallel paper ⁽¹⁰⁸⁾	2%	2.5%
Information sharing increased	% of NEAR files available for reading in ARES to all Commission ⁽¹⁰⁹⁾	10%	9.97%
Digital culture fostered	% of statutory staff that followed at least one IT training in 2024	15%	44% ⁽¹¹⁰⁾
Data protection compliance	% of staff attending	100%	100% ⁽¹¹¹⁾

⁽¹⁰⁴⁾ In 2024, an additional 22,36% of staff in HQ attended awareness raising activities on data protection. The statistics consider NEAR staff in headquarters only as NEAR staff in Delegations receive training from the EEAS systematically and are not counted for the purpose of this indicator.

⁽¹⁰⁵⁾ All high and medium priority recommendations have been implemented.

⁽¹⁰⁶⁾ It will need to be revised following the split of DG NEAR into DG ENEST and MENA on 1 February 2025.

⁽¹⁰⁷⁾ Focusing on the use of QES (Qualified Electronic Signature): the extrapolated number of closed QSIGN-tasks in Ares for 2022 is 150. For 2023, a 20% increase is targeted.

⁽¹⁰⁸⁾ In 2020 out of all documents signed in ARES the share of documents signed with parallel paper was 7.9%.

⁽¹⁰⁹⁾ Baseline 2020: 0%.

⁽¹¹⁰⁾ During 2024, 44 % of staff participated in at least one IT training, most of which were related to cybersecurity, ABAC, MS teams and project management. These trainings indicate support for a more digital and data-driven Commission.

improved	awareness raising activities		
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In 2024, DG NEAR continued the implementation of the **Commission's Data Protection Action Plan** (C (2018) 7432 final) as reviewed in 2020 (C (2020) 7625 final), in particular:

- cooperate with the Data Protection Officer (DPO) including participation in the Commission's Data Protection Coordinators (DPCs) network regular meetings and working groups;
- report to the DPO on compliance with the Commission's Data Protection Action Plan - Monitoring 2024 - Request for report on compliance & Satisfaction survey;
- work closely with the NEAR operational controllers on drafting new records specific to DG NEAR and related privacy statements and on revising the existing records specific to DG NEAR and the related privacy statements as part of the annual review exercise launched by the DPO;
- provide advice to NEAR operational controllers and staff in drafting privacy statements for corporate decentralised processing operations (e.g., meetings/events);
- ensure the management of the records and access rights of the NEAR operational controllers into the Data Protection records Management System (DPMS);
- provide advice to NEAR staff on other related data protection issues;
- cooperate with other DGs on data protection issues, in particular with DG INTPA and the Service for Foreign Policy Instruments (FPI) to ensure a coherent implementation of data protection rules in the Commission's external action activities;
- provide input to the Internal Audit Service (IAS) on the limited review on data protection, targeting external action DGs, to assess the state of compliance with the key provisions of Regulation (EU) 2018/1725 and associated Commission Decision 2020/969 (implementing rules), with particular consideration to the transfer of personal data to third countries, coordinate with the other DGs the action plans in response to the IAS recommendations and ensure their follow-up and implementation;
- raise awareness on data protection to DG NEAR management and staff: the DPC continued to ensure that management and staff are equipped with guidance on the data protection concepts, on the most common processing operations and on handling data breaches, through the dedicated data protection Intranet page.

⁽¹¹⁾ With an additional percentage of 22,36% of DG NEAR staff attending data protection awareness raising training in 2024, the cumulative target of 100% was achieved.

SOUND ENVIRONMENTAL MANAGEMENT

Objective: DG NEAR takes account of its environmental impact in their actions and actively promotes measures to reduce the related day-to-day impact of the administration and its work, with the support of their respective EMAS Correspondents/EMAS Site Coordinators.

Main outputs in 2024:

Description	Indicator	Target	Latest known results (2024)
Paperless working methods at DG level and staff awareness actions to reduce office paper use.	Number of actions	2 actions (on paperless and electronic signature)	2 ⁽¹¹²⁾

⁽¹¹²⁾ The following 2 actions were completed in 2024: 1) DG NEAR developed a guide on dealing with paper files, highlighting the EC Digital Strategy, with a particular focus on “digital by default” and 2) DG NEAR has also delivered internal trainings and provided personal support to colleagues on these topics.

ANNEX 11: Implementation through non EU entrusted entities and/or EU Trust Funds

A. EU Regional Trust Fund in response to the Syrian Crisis

B. Indirect management with implementing partners other than EU institutions or EU bodies



2024

**Annual AOSD Report for EU
Trust Funds**

**The European Union
Regional Trust Fund
in response to the
Syrian crisis**

1. POLICY AND OPERATIONAL HIGHLIGHTS OF THE YEAR

1.1. EU Response to the Syrian refugee crisis

In the 14th year of the Syrian crisis, the needs of Syria's refugees fleeing to neighbouring countries have continued to be unparalleled in scale, severity and complexity, with far-reaching repercussions for the stability of the entire region and beyond. The situation of Syrian refugees continues to be a challenge for the refugees themselves and their hosting countries – particularly for Lebanon, where a severe economic and political crisis has taken hold.

Inside Syria, an estimated 6.8 million people have been internally displaced (IDPs), with most of the population remaining dependant on international humanitarian assistance. In the surrounding region, around 4.8 million refugees are still being hosted by neighbouring countries, which continue to make and demonstrate extraordinary solidarity and efforts to manage the influx of refugees caused by crisis. Türkiye continues to host the largest absolute number of Syrian refugees (2.9 million¹¹³), while Lebanon hosts the largest number of Syrian refugees per capita (768,000), followed by Jordan (over 611,000 Syrians). A significant number of Syrians (over 300,000) sought refuge in Iraq, the vast majority of whom are in the Kurdistan Region.

The fall of Bashar al-Assad's regime has sparked a significant shift in the refugee situation. The United Nations Refugee Agency (UNHCR) forecasts that approximately one million Syrian refugees may return to their homeland between January and June 2025. This potential large-scale return is driven by a combination of factors, including renewed hope among refugees, pressure from host countries, and calls from Syria's transitional government. However, the UNHCR emphasizes that returns should be voluntary and that refugees' right to seek asylum must be preserved. Despite the optimism, challenges remain, including concerns about safety, livelihoods, and access to basic services in Syria. The situation is complex, with the possibility of both returns and new displacements occurring simultaneously.

Since the start of the conflict in 2011, the European Union and its Member States have joined forces to create new mechanisms to work together and ensure coordinated, fast and flexible response to the varied and ever-evolving needs of people and affected communities. In financial terms, to date the EU and its Member States continue to be the largest international donor to the Syrian crisis response, with over EUR 33 billion mobilised to help Syrians both inside Syria as well as those displaced elsewhere in the region, including the countries hosting them. A large part of the resilience assistance provided to these neighbouring countries has been implemented through the EU Regional Trust Fund in Response to the Syrian Crisis, the Madad Fund, hereinafter referred to as the Trust Fund,

⁽¹¹³⁾ Source: https://data.unhcr.org/en/situations/syria#_ga=2.86712408.1785597489.1673857458-1695355579.1588690114 (last update: 31 Dec 2024).

which came into force in December 2014 in order to provide a coherent, comprehensive and joint aid response to the manifold and increasing needs arising from the Syrian crisis across the region.

It should be noted that, according to its Constitutive Agreement, in addition to address the needs of Syrian refugees, internally displaced persons in Syria and returnees, hosting countries and local communities, the Trust Fund may also be mobilised for reconstruction and state-building needs in a future post-conflict scenario. In this regard, and based on the success of the Trust Fund, the possibility of extending this Trust Fund (whose operational implementation phase will end on 14 June 2025) or creating a similar instrument could be considered, with a view to providing a rapid, flexible and European response in support of the reconstruction of Syria.

Syria remained a priority for the EU in 2024. On 27 May, during the eighth edition of the Brussels Conference on 'Supporting the future of Syria and the region' hosted by the European Union, the donor community pledged a total amount of €7.5 billion. This strong commitment showed once more the willingness of the EU and the international community to mitigate the impact of the Syrian crisis; and support the populations both in Syria and in neighbouring countries. In addition to critical humanitarian support, the situation in the region continues to call for sustained, coordinated efforts to target social cohesion and resilience, across the axes of the humanitarian-development-peace nexus.

In this regard, the Trust Fund uniquely encompassed the entire humanitarian-development nexus, enabling it to respond to various needs across emergency, post-emergency, and development contexts. This integrated approach not only addressed immediate humanitarian crises but also laid the groundwork for longer-term recovery and development efforts, making it a vital instrument for promoting stability and resilience in the region.

1.2. Regional context

Throughout 2024 the Trust Fund continued playing a key role through its contracted actions, to tackle the Syrian refugee crisis and to respond to the needs of Syrian refugees and their hosting communities in neighbouring countries, whose capacity and resilience are already overstretched by the unprecedented deterioration of the regional context and of their socio-economic and financial situation.

While the crisis in Gaza has already spilled over into a region-wide conflict, the ongoing geopolitical crisis and the war in Ukraine have left the Syrian population more vulnerable than ever.

As for Syria's neighbours, the situation in **Lebanon** is dire. To the political, social and financial crisis that began five years ago we must now add the over one million people, Lebanese and refugees from Syria, that have been impacted and/or displaced by the violent escalation between Israel and Hezbollah, and the destruction of public infrastructure in the country. The announced ceasefire is a positive evolution, one the EU has always advocated. The EU will continue focusing its support to enhance good governance, economic reform and recovery and green economy in Lebanon.

In **Jordan**, the war in Gaza and the instability in the region have significantly exacerbated

existing social tensions and contributed to a deteriorating economic situation. Vulnerable populations, including Syrian refugees, face the highest risk of turning to harmful coping mechanisms.

Iraq, on the other hand, is still challenged by both internal and external political instability, economic volatility, and low institutional capacity. The Iraqi population in general – and groups in vulnerable situations in particular – continue to be affected by poor public service delivery as well as poverty and underemployment. The full re-integration of returnees and of the remaining caseload of displaced people, including IDPs and refugees, remains a driver of conflict and a threat to Iraq's internal stability and security.

Finally, **Türkiye** continued to make significant efforts to host and meet the needs of one of the largest refugee communities in the world. However, efficient integration measures are needed to address the prolonged presence of refugees in the country. Public discontent with the presence of Syrian refugees increased and became an important electoral topic and a matter of constant debate.

1.3. Operational highlights of the year

The Trust Fund formally ended on 14 December 2021, with EUR 2.36 billion in operational funds allocated by the Operational Board and contracted by the Trust Fund for actions on the ground focusing primarily on education, livelihoods, health, water and sanitation, social assistance and social protection. Operational implementation phase will end on 14 June 2025, followed by liquidation period until December 2026.

As of 31 December 2024, out of the 129 Trust Fund operational contracts, 24 were still ongoing in Lebanon (8), Jordan (11), Türkiye (4) and Iraq (1), across all sectors, such as, basic education (5), higher education (1), health (4), livelihoods (5), WASH (5), and protection (4) corresponding to a contracted amount of EUR 839.8 million, with EUR 2.347 billion paid, of which EUR 81.9 million in 2024, and overall implementation rate of 98%. Most of the still ongoing contracts are infrastructure-related, which have been heavily delayed by COVID-19 pandemic and the earthquake that affected South of Türkiye in February 2023. Additionally, several contracts have been delayed due to the dire situation in Lebanon and will also conclude their implementation in 2025.

During 2024, contracted actions required continuous monitoring and follow up, to ensure that they lead up to the results expected by the Trust Fund and its partners despite the continuous challenges the region has been facing during the Trust Fund implementation.

These challenges required continuous adaptation of ongoing actions in close cooperation and dialogue with partners, including through contract amendments (primarily no-cost extensions) pursued in line with the Action Documents approved by the Board, and in order to ensure that the allocated resources are optimized, in the ultimate interest and benefit of most vulnerable people, Syrian refugees and host communities, as per Trust Fund mandate.

In line with Constitutive Agreement, throughout the year, the Operational and Trust Fund Boards were informed of progress in implementation of the Trust Fund, notably through the

transmission of the Annual Report and Provisional Accounts in February 2024¹¹⁴ and the transmission of Final Audited Accounts in June 2024. A Joint Meeting of the Operational and Trust Fund Boards took place on 5 December 2024 at the Albert Borschette Conference Centre in Brussels, to update Board members on the overall state of implementation of the Trust Fund during 2024, and to provide an overview of contents presented in this report; the minutes of the meeting were approved by the members of the Operational and Trust Fund Boards via tacit written procedure on 10 January 2025.

1.4. Communication and visibility

In 2024, communication efforts remained central to enhancing the visibility of the Trust Fund and promoting the European Union's response to the Syria crisis. Building on the foundation laid in previous years, the Trust Fund's communications showcased the EU's unwavering commitment to supporting those affected by the Syrian crisis. This reinforced the EU's reputation as a leading actor in addressing the needs of Syrian refugees and their host communities on the international stage. Emphasis was placed on success stories and impact videos, giving a voice to those who directly benefited from the Trust Fund's support and bringing their experiences to the forefront. As of 31 December 2024, progress has been made on the following activities:

- **Website improvement and regular update.** The EUTF Syria's official website was improved with regular updates in the form of both editorial and visual contents. With the aim of consolidating a robust information system for the programme, as evidenced by the close collaboration between communications and the monitoring component, the ["Monitoring & Reporting" webpage](#) was enhanced. This improvement includes the provision of the latest reporting, presented in accessible formats such as downloadable PDF documents or interactive formats, notably the [dynamic version of the latest Results Report 12th](#), and the production of 17 brand new project-specific factsheets. The EUTF contributed significantly to the new migration webpage on the DG NEAR website, which now hosts several Madad success stories.
- **Organisation of communication missions to Lebanon and Jordan.** Two communication missions were conducted, with the support of the communication contractor Altair, to Lebanon (24-27 June) and Jordan (6-9 May and 11 June). Extensive preparation was carried out in close collaboration with the Trust Fund team, the relevant EU Delegations, and the regional Desks. In each target country, priority projects across key sectors were visited to capture their impact through the perspectives and experiences of direct beneficiaries. These included Syrians, host communities, local and national authorities, project staff, and other key stakeholders. In total, 13 Trust Fund projects were covered (8 in Jordan and 5 in Lebanon). The missions were successful in capturing a diverse array of high-quality communication materials, including high-resolution photos, video interviews, human interest stories, testimonials, and quotes. These materials were carefully organized and archived in the Trust Fund Communication drive, playing a crucial role in

(¹¹⁴) In line with the Constitutive Agreement, the Annual Report and provisional Annual Accounts were approved by the Operational Board via tacit written procedure in February 2024; they were subsequently transmitted to the Trust Fund Board.

supporting the effective execution of communication efforts.

- **Regular presence in DG NEAR's social media platforms.** The Trust Fund content was featured on the main NEAR social media accounts - particularly Facebook, X, and Instagram - with an average of one campaign per month, establishing a regular Trust Fund presence in the NEAR social media calendar. Each campaign, comprising multiple posts and utilizing diverse formats such as visual cards, reels, and short videos, was executed in close coordination with communication colleagues in the NEAR Headquarters as well as the relevant EU Delegations, ensuring alignment with overarching communication messaging. A key element of these campaigns was their broad reach, with content strategically shared across the most suitable social media platforms, such as NEAR, EU Neighbours South, EU Delegations, implementing partners, and others. This collaborative approach not only supported the creation of informed content but also ensured that the campaigns were customized to align with the specific interests and needs of diverse audiences in the target region. Trust Fund Social media campaigns include:
 - December: [10 years of impact of the EUTF](#);
 - November: the [story of Maal](#)'s beekeeping project, enhancing the Jordan Valley ecosystem;
 - August: a success series featuring: [Sabah in Jordan](#), transitioning from housewife to creative chocolatier; [Bawar in Iraq](#), who excelled in the digital startup sector; [Abdel and Ahmad](#), showcasing an example of integration and social cohesion; and [Amira in Lebanon](#), collaborating with other refugee women to create and sell handmade crochet items.
 - April-May: Trust Fund communications highlighted the challenges and hopes of Syrians at the Brussels VIII Conference, featuring voices like [Rasha Muhrez](#) and [Ammar Sabouni](#), and a comprehensive cultural agenda entitled "[Tales of Art from Syria](#)";
 - March: celebration of women & girls in science, with testimonies from [Khadija](#) in Lebanon and [Fatima](#) in Jordan.
 - February: a focus on "green success stories," including [Raz](#) and her organic strawberries; [Ahmed](#)'s renewable energy business, and [Salem](#)'s organic farming techniques.
 - January: campaigns highlighting Trust Fund support for [health in Lebanon](#); economic development through [cultural heritage preservation in Iraq](#), and [water and sanitation services in Jordan](#).
- **Support to EUTF-funded projects' communication and visibility.** Throughout the year, regular coordination with communication focal points of Trust Fund implementing partners was maintained, ensuring thorough and timely review of editorial and digital content, including videos, social media posts, newsletters, merchandising, and project factsheets. Coordination was also prioritized ahead of strategic programmatic events at the project level. These materials were reviewed in consultation with the relevant EU Delegations and promoted across Trust Fund partners' online and offline platforms in both the region and Europe, highlighting the human impact of the Trust Fund through compelling stories and direct experiences from the field.

- **Photo and video production.** The Trust Fund communication missions, carried out in close collaboration with the communication contractor Altair, played a pivotal role in producing high-quality photo collections and video footage from over 13 projects across the region. These missions included video interviews with 25 beneficiaries in Jordan and 27 beneficiaries in Lebanon, capturing compelling stories that document funded activities on the ground. The resulting "multimedia bank" provides a valuable repository of up-to-date, high-quality content for use on the Trust Fund and NEAR websites, key program reports, ad hoc publications, and EU events, including the Brussels Conferences. At the time of reporting, 11 video-products (6 from Jordan and 5 from Lebanon) have been produced and widely disseminated across all NEAR platforms. Some of these videos were also showcased in key programmatic events, such as the Brussels VIII Conference on Syria (April and May 2024) and the annual Trust Fund Board Meeting (December 2024).
- **Human Interest Stories.** In-person interviews were conducted with beneficiaries from all identified funded projects. This process resulted in the creation of 18 human-interest stories (HIS) presented in an editorial format, showcasing the personal experiences and perspectives of the primary Trust Fund beneficiaries. Through impactful quotes and direct narratives, these stories capture the human element of Trust Fund initiatives, highlighting the transformative journeys of individuals and communities impacted by the Trust Fund's work. The HIS have been widely amplified through the Trust Fund's and NEAR's main online and offline platforms (including the social media, key reporting and factsheets, as well as featured by aligned platforms such as the new NEAR migration webpage, the [EU Neighbours South website](#) and [Capacity4dev](#)).
- **EUTF factsheets.** Building on the insights from the technical analyses and operational reports produced by the Trust Fund Monitoring Team, communications transformed the wealth of information into clear, accessible factsheets aimed at a broader audience. Both [the EUTF overall factsheet](#) and the three country-specific factsheets (covering support in [Jordan](#), [Lebanon](#), [Iraq](#)) were thoroughly revised and improved, with content regularly updated to reflect the latest available data. They are published in the section ["Our Work" of the EUTF website](#).
- **Contribution to the Brussels VIII conference.** The communication efforts undertaken by the Trust Fund team have made a substantial contribution within the framework of the *Brussels VIII Conference for the Future of Syria and the Region*. Specifically, the support provided consisted of the following actions: i) the provision of quality photo material showcased in the photo exhibition entitled *"Echoes of resilience: a visual chronicle of hope among youth in Syria and the region,"* organized by DG NEAR at the European Parliament; ii) the preparation of key editorial content, in the form of human interest stories and photos, intended for the NEAR-ECHO conference factsheets. In addition to support offered for the organization of the primary communication activities throughout the Conference, the Trust Fund team, in collaboration with NEAR's communication department and other involved services (EEAS, ECHO, FPI, and Delegations), played a pivotal role in the conception, development and execution of the Brussels Conference's cultural agenda 2024, a rich event programme rolled out in Brussels between 30 April-27 May.

- **IntraComm.** Throughout the reporting period, more than five informative articles were produced for the NEAR internal communication platform, ensuring that colleagues remained engaged, informed, and connected with the Trust Fund's progress. These articles addressed a wide array of topics, including project updates, key milestones, collaborative initiatives, and success stories. By offering a detailed overview of the program's efforts, these articles fostered cross-functional awareness and highlighted the collective achievements of the Trust Fund.

The outcomes of the Trust Fund's communication efforts throughout 2024 were presented at the annual Board meeting in Brussels on December 5th. The presentation offered a thorough overview of the successful execution of various communication initiatives, highlighting key milestones, engagement metrics, and the effectiveness of Trust Fund messaging. Focus was given to the impact of these efforts on stakeholders and the broader community. Additionally, the meeting provided a strategic platform for setting the direction of future communications, ensuring alignment with the Trust Fund's overarching goals.

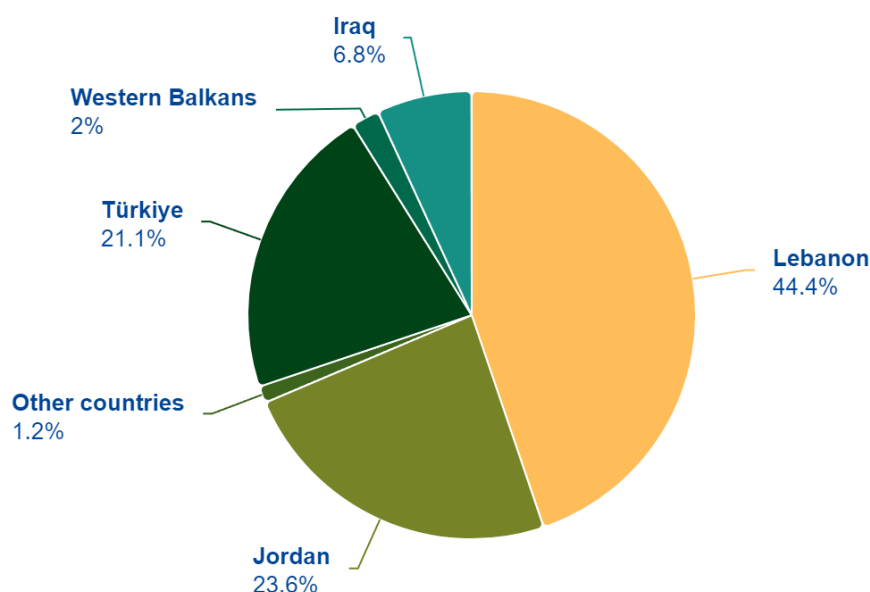
2. PROGRAMMING, IMPLEMENTATION AND RESULTS (INCLUDING EVALUATIONS)

2.1. Trust Fund allocations per country

Lebanon's share of Trust Fund contributions overall (about 44%) is the highest of all targeted countries, whereas **Jordan** benefits of the second biggest share of the overall contributions of the Trust Fund with about 24% of funds allocated. **Türkiye** benefits of 21% of Trust Fund allocations. Following the recommendation of the Mid-term Evaluation in 2018 and the allocation of the second tranche of the Facility for Refugees in Turkey (FRiT), the Trust Fund did not finance new actions in **Türkiye** as of 2019. Finally, **Iraq** is the fourth key beneficiary of Trust Fund allocations, with about 7% of overall resources.

The chart below represents cumulative distribution of overall Trust Fund allocations per country as of December 2024:

Breakdown by country



2.2. Trust Fund allocations per sector

The Trust Fund has proven its added value as a tool that could adapt and respond quickly and efficiently to the needs and challenges on the ground, evolving throughout its lifetime to adapt to ever changing challenges including the recent dire situation in Lebanon due to the conflict between Israel and Hezbollah. As the crisis became increasingly protracted and exacerbated by new crises, the Trust Fund moved from providing an emergency-type of response to early recovery assistance, to equipping refugees and host communities with tools and skills for greater self-reliance and perspectives for a better future; and to structural, system strengthening of public sector service delivery capacities in Jordan and Lebanon.

By December 2024 the Trust Fund had reached a total volume of over EUR 2.38 billion. Of this, EUR 17.88 million was allocated to administrative costs, while approximately EUR 2.36 billion was directed toward operational funds. These operational funds, allocated by the Operational Board and contracted by the Trust Fund, support actions on the ground primarily in the areas of education, livelihoods, health, Water, Sanitation and Hygiene (WASH), social protection, and assistance. These efforts align with the humanitarian-development-peace nexus approach.

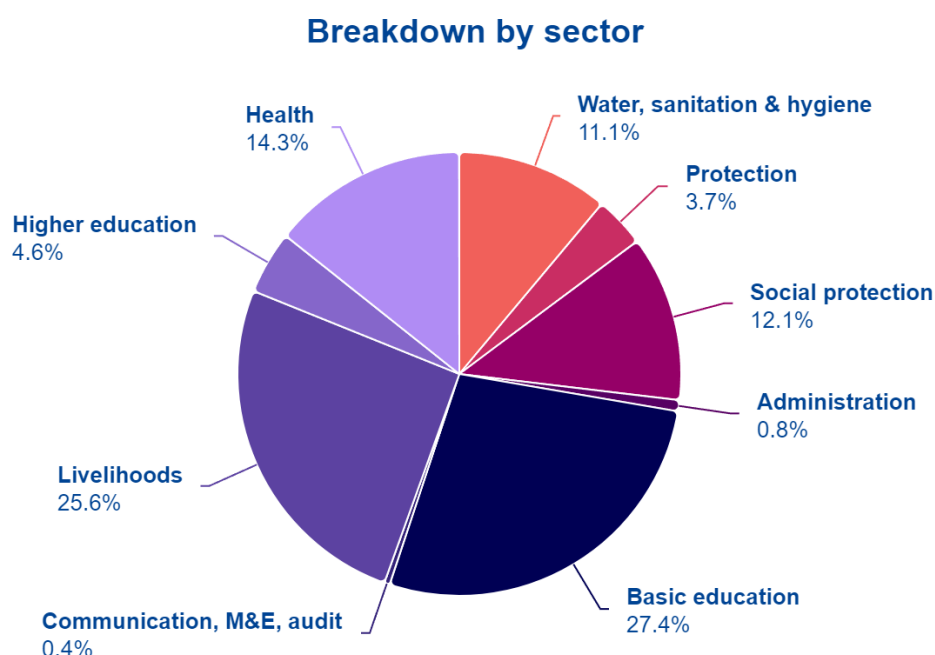
Livelihoods and protection/social protection together account for 41% of the Trust Fund's portfolio (25.6%, 3.7%, and 12.1%, respectively). These areas are critical as they provide refugees and host communities with cash and income-generating opportunities necessary for sustaining a living. In principle, this support reduces the risk of affected households falling into debt or resorting to harmful coping mechanisms such as early marriage, child labor, and gender-based violence.

Education, a fundamental pillar of the Trust Fund's interventions, represents 32% of the operational portfolio (27.4% for basic education and 4.6% for higher education). This translates into schooling opportunities for vulnerable children, including both Syrian

refugees and children from host communities. Education offers a vital pathway for creating safe spaces, fostering continued growth, and ensuring psychosocial stability for children affected by crisis.

Health and WASH have confirmed their crucial asset in supporting most vulnerable communities with basic services, including for health: medications, primary health assistance, and vaccines (including COVID-19 vaccines). They represent 26% of our portfolio (respectively 14.3% and 11.1%).

The graph below presents an overview of the Trust Fund funding since 2015 until the end of 2023 per sector.



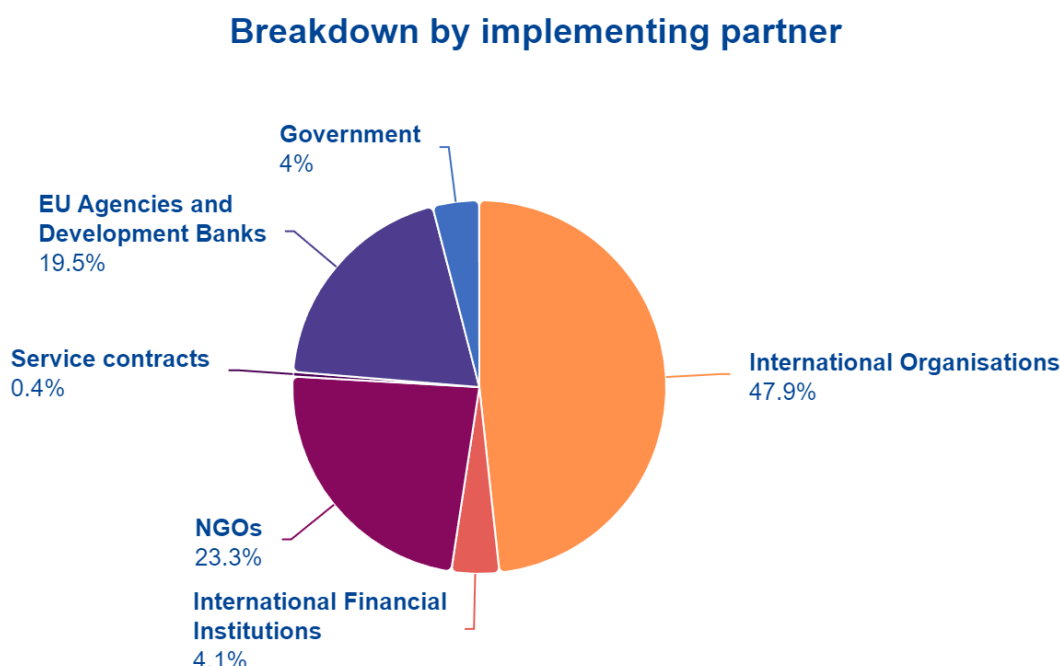
2.3. Trust Fund allocations per implementing partners

The Trust Fund collaborates with a diverse range of implementing partners, including EU Member States and their Development Agencies, International Organizations (IOs), Non-Governmental Organizations (NGOs), International Financing Institutions, Third States, and private businesses.

Most of the Trust Fund's resources (approximately 71%) are managed indirectly through IOs, with UNICEF, WFP, and WHO serving as key partners alongside other UN agencies such as UNHCR, UNDP, FAO, IOM, UN Women, and UNESCO. Public Service Bodies, including EU Member States and their Development Agencies (e.g., AECID, AFD, GIZ, AICS, DAAD), as well as International Financial Institutions like the EIB and KfW, also play a significant role. To a lesser extent, Third States (notably Jordan and Serbia) contribute as part of the Trust Fund's broader strategy of supporting system-strengthening approaches.

The remaining 29% of resources are implemented through direct management, primarily involving NGOs such as the International Medical Corps, Save the Children, Norwegian Refugee Council, and Danish Refugee Council.

A detailed breakdown by implementing channel is presented in the pie chart below.



2.4. Follow up performance in monitoring and evaluation

The Monitoring & Evaluation (M&E) strategy of the Trust Fund is developed around three key objectives:

- To provide evidence-based knowledge on progresses achieved by Trust Fund-financed projects and to inform on their management, through regular and ad-hoc Results Oriented Monitoring (ROM) (**Specific Objective 1**).
- To measure the effectiveness of Trust Fund Actions, through centralized data collection and analysis, based on disaggregated regular results reporting (**Specific Objective 2**).
- To evaluate the sustainability, efficiency and effectiveness of Trust Fund-funded Programmes at thematic and geographic level and to assess potential prospects of impact, through portfolio Evaluations (**Specific Objective 3**).

Altogether, the set of M&E activities implemented continue to play a key role in ensuring accountability and transparency towards Trust Fund Board members, final beneficiaries, national authorities, other stakeholders, and the general public. In line with the relevant internationally recognised standards, the M&E system has grown as a tailor-made structure, building on the Sustainable Development Goals, the overarching results framework of the European Commission and the DG NEAR Results Framework. The Trust Fund's Results Framework⁽¹¹⁵⁾ includes 37 Key Performance Indicators (KPIs) across seven thematic sectors and provides the basis for regular results reporting and aggregated

¹¹⁵ Results Framework 2021 – EUTF Syria and Region is available here: <https://europa.eu/!Buy7uk>.

analysis at Trust Fund level.

Under **Specific Objective 1**, 18 ROM reviews were performed in 2024, concerning projects in Jordan, Lebanon and Türkiye. A table summarising ROM key findings until December 2024 is available on the Trust Fund M&E webpage ⁽¹¹⁶⁾. “Final/ ex-post” ROMs, complementing the usual checks of “ongoing” projects. Overall, the ROM reviews carried out so far (64 since 2021) confirmed that the choice and design of projects were very relevant and pertinent to the needs of refugees and hosting communities. In terms of efficiency, while delays in the implementation of the projects occurred often, mainly linked to external fragile context, flexibility in negotiating extensions helped compensate delays and achieve results and to maintain initiative effective on the ground. Finally, sustainability remains a concern mainly due to difficult and complex context and systemic factors that counteract longer-lasting effects.

With regards to **Specific Objective 2**, in September 2024 the Trust Fund released its 12th Results Report, which informs about progresses achieved until 31 March 2024. Results reports released by the Trust Fund are fed by Quarterly Information Notes (QINs) ⁽¹¹⁷⁾. The QINs are conceived as an operational monitoring tool that provides an updated view on progresses building on the projects’ logframe matrix, where the respective indicators current values are measured against their individual targets. The targets reflect those indicated by the project logframes and may evolve to adapt to ever-changing needs and challenges faced by Implementing Partners during implementation.

According to the analysis of the 12th Results Report, since its establishment, the Trust Fund has reached more than 11 million beneficiaries with direct access to services. Output achievement in aggregated terms show high levels of delivery in the three categories of indicators ⁽¹¹⁸⁾: in access to services, local capacity strengthening, and local infrastructure improvements, aggregated targets have been achieved.

The level of available disaggregation has continued to improve in local capacity strengthening compared to previous reporting periods, while it shows the same level regarding access to services. Data indicate a higher percentage of women and refugees receiving direct services, while women from host community members are reached more effectively through capacity-strengthening activities.

⁽¹¹⁶⁾ https://trustfund-syria-region.ec.europa.eu/monitoring-evaluation_en

⁽¹¹⁷⁾ Quarterly Information Notes (QIN) guidelines can be found here: <https://europa.eu/D7HMBV> and template here: <https://europa.eu/464kR7>. All M&E documents are accessible in the Trust Fund website: <https://europa.eu/mkbCJx>.

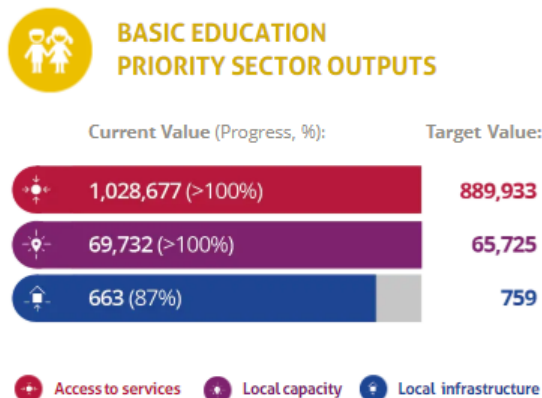
⁽¹¹⁸⁾ The 37 KPIs are divided in 3 categories: 1. “Access to services” refers to individual beneficiaries accessing direct services (e.g. health consultations, public education, cash assistance, protection services, among others.); 2. “Local capacities” refer in particular to people receiving training (teachers, health personnel, staff employed in municipalities, etc.); and 3. “infrastructure improvements” refer to rehabilitation, upgrades or new facilities (i.e.: schools, hospitals, WASH infrastructure, among others).

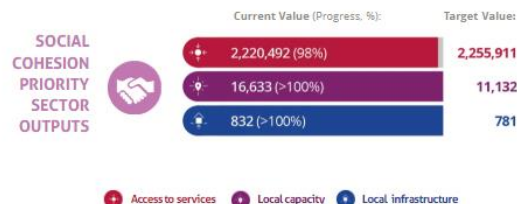
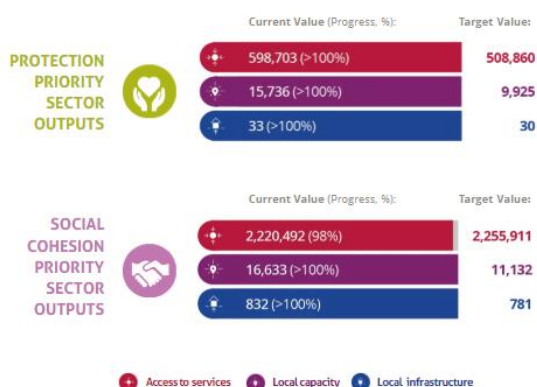
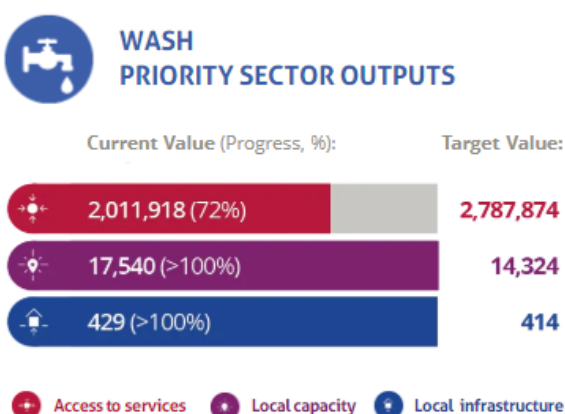
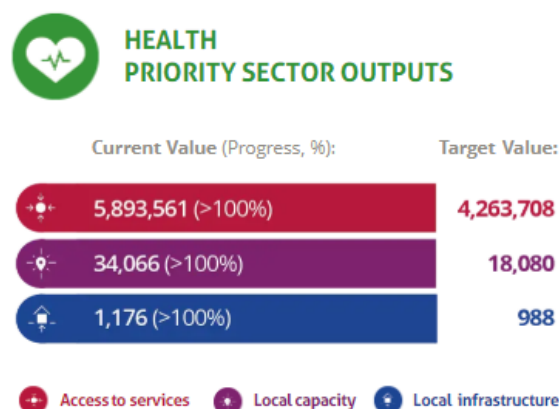
Overall progress - Target Category
EU Regional Trust Fund in Response to the Syrian Crisis



Figure 3: Overall progress of the Trust Fund (as of 31/03/2024)

Zooming into **achievements by sector**, basic and higher education, health and protection, show full achievement of planned aggregated outputs in terms of access to services, while livelihood and social cohesion targets show high levels of output achievement. Access to safely managed water, which is closely linked to improved infrastructure and institutional capacity building, continues to report a slower progress (72%) although it shows a substantial increase compared to previous periods. In terms of local capacities strengthening, the aggregated planned outputs have been delivered in all sectors. In terms of local infrastructure improvements, only basic education (at 87%), shows a little margin for improvement.





From a **country perspective**, the projects in **Lebanon** continue to show the highest output delivery in terms of access to services, compared to the previous reporting period, while Lebanon and Jordan maintain their global target achievements and ongoing progress, **Iraq** globally shows full attainment of sector targets in the three categories, also due to finalisation of most of projects in the country. Projects in **Türkiye** continue to perform well regarding access to services, except in the WASH sector due to challenges related to infrastructure improvements needed to ensure access to water.

Under **Specific Objective 3**, in May 2024 the Trust Fund launched its **Final Evaluation**, aimed at assessing the overall functioning, performance and achieved/ expected impact of the EUTF from its inception until today, with a specific view on how the EUTF has contributed to the response to the Syrian crisis in the recipient countries (Jordan, Lebanon, Türkiye and Iraq). The final evaluation will provide, inter alia, conclusions and lessons regarding the actual Trust Fund outcome achievements over time, as well as statements regarding the feasibility and effectiveness of the trust fund model itself.

Furthermore, in May 2024 the Trust Fund also launched a **Regional Study on Education**. It aims to provide an in-depth analysis of the EUTF's educational support provided throughout several years with a view to draw lessons learned for future programming to improve enrolment, attendance, learning achievement of Syrian and host communities in three partner countries – Lebanon, Jordan, Türkiye.

Final reports for both activities are expected in the first quarter of 2025.

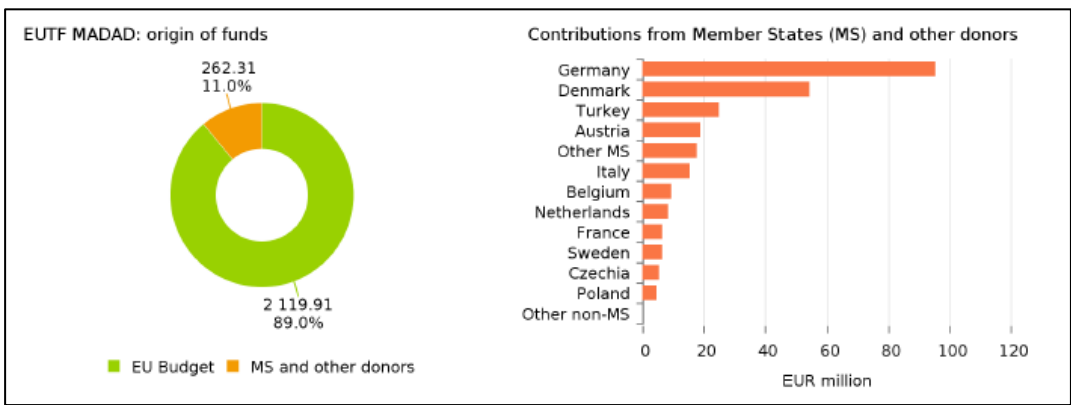
3. FINANCIAL REPORT

3.1. Amounts pledged and received

In 2024, the Trust Fund did not mobilise additional contributions, as it officially came to an end of its contracting phase on 14 December 2021. The total budget of the Trust Fund as of 31 December 2024 is EUR 2,382.22 million, including contributions from the EU budget, 21 Member States, Türkiye and the United Kingdom.

Contribution from the EU budget represents 89% (EUR 2,119.92 million¹¹⁹) of the overall Trust Fund budget, with resources mainly drawn from ENI with 1,494 billion, followed by IPA II (EUR 502.93 million (¹²⁰)), DCI (EUR 118.87 million) and ECHO (EUR 3 million).

The remaining 11% (EUR 262.31 million) consists of contributions from 21 EU Member States (EUR 234.66 million), with additional EUR 24.65 million from Türkiye and EUR 3 million from the United Kingdom.



Source: DG BUDG Monthly Report on the Multiannual Implementation of EU Trust Funds (December 2022)

An overview of the status of contributions and voting rights as of 1st December 2024 is provided in the table below:

⁽¹¹⁹⁾ The cumulative amount made available for commitments and for payments through a contribution from EU Budget for EUTF MADAD includes an amount of EUR 139.68 paid by the Commission to reimburse a contribution made by Turkey to the Madad EUTF under IPA operational programmes (indirect management), hence calculated as contribution from the EU budget.

⁽¹²⁰⁾ Inclusive of EUR 139.68 million paid by the Commission to reimburse a contribution made by Turkey to the Madad EUTF under IPA operational programmes (indirect management), hence calculated as contribution from the EU budget.

EU Regional Trust Fund in Response to the Syrian Crisis

Status of contributions and voting rights as of 1 December 2024

Donor	All pledges €	Contributions as per Contribution Certificate (CC)	Payments in €	Status in the Operational Board	Voting rights based on contribution certificate(s) with at least one payment received since 04/12/2019	Status in the Trust Fund Board	Voting rights
EU*	2.119.914.529 €	2.119.914.529 €	2.102.140.000 €	Donor with voting right	97	Donor with voting right	1
Germany	95.000.000 €	95.000.000 €	95.000.000 €	Donor with voting right	15	Donor with voting right	1
Denmark	53.748.647 €	53.748.647 €	53.748.647 €	Donor	0	Donor with voting right	1
Austria	18.500.000 €	18.500.000 €	18.500.000 €	Donor	0	Donor with voting right	1
Italy	15.000.000 €	15.000.000	15.000.000 €	Donor	0	Donor with voting right	1
Netherlands	8.000.000 €	8.000.000 €	8.000.000 €	Donor	0	Donor with voting right	1
Belgium	9.000.000 €	9.000.000 €	9.000.000 €	Donor with voting right	3	Donor with voting right	1
France	6.000.000 €	6.000.000	6.000.000 €	Donor	0	Donor with voting right	1
Czech Republic	5.000.000 €	5.000.000 €	5.000.000 €	Donor	0	Donor with voting right	1
Poland	4.197.318 €	4.197.318 €	4.197.318 €	Donor	0	Donor with voting right	1
Finland	3.000.000 €	3.000.000 €	3.000.000 €	Donor	0	Donor with voting right	1
Sweden	6.000.000 €	6.000.000 €	6.000.000 €	Donor	0	Donor with voting right	1
Hungary	3.000.000 €	3.000.000 €	3.000.000 €	Donor	0	Donor with voting right	1
Slovakia	3.000.000 €	3.000.000 €	3.000.000 €	Donor	0	Donor with voting right	1
Spain	3.000.000 €	3.000.000 €	3.000.000 €	Donor	0	Donor with voting right	1
Estonia	1.050.000 €	1.050.000 €	1.050.000 €	No presence		Donor	
Portugal	450.000 €	450.000 €	450.000 €	No presence		Donor	
Bulgaria	450.000 €	450.000 €	450.000 €	No presence		Donor	
Lithuania	100.000 €	100.000 €	100.000 €	No presence		Donor	
Romania	80.000 €	80.000 €	80.000 €	No presence		Donor	
Latvia	60.000 €	60.000 €	60.000 €	No presence		Donor	
Malta	20.000 €	20.000 €	20.000 €	No presence		Donor	
Total EU Member States	234.655.965 €	234.655.965 €	234.655.965 €		18		14
Total EU & MS, pledges & commitments	2.354.570.494 €	2.354.570.494 €	2.336.795.965 €		115		15
Turkey	24.650.229 €	24.650.229 €	24.650.229 €	Donor	0	Donor with voting right	1
United Kingdom	3.000.000 €	3.000.000 €	3.000.000 €	Donor	0	Donor with voting right	1
Grand Totals	2.382.220.722 €	2.382.220.722 €	2.364.446.193 €	Total voting rights	115	Total voting rights	17

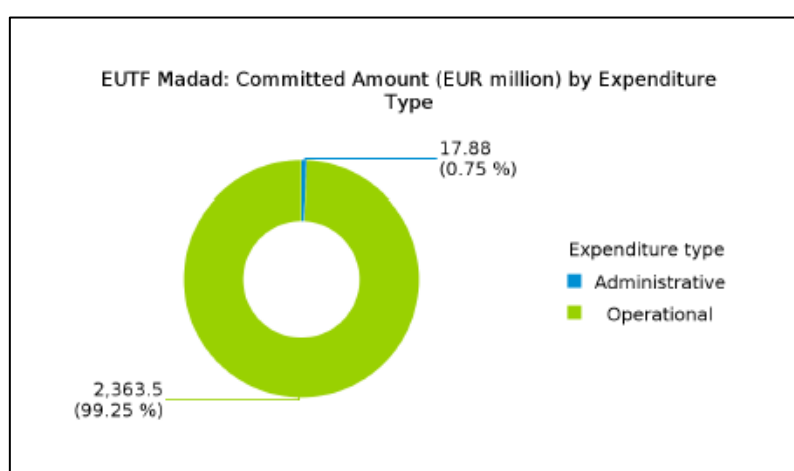
* Incl. EUR 139.7 million paid by the Commission to reimburse a contribution made by Turkey to the EUTF under IPA operational programmes.

3.2. Amounts paid

To date, EUR 2,347 billion have been paid to partners since inception of the Trust Fund, with an overall payment implementation rate of 98% relative to the overall commitment appropriations. Amounts paid out in 2024 were EUR 81.9 million, meeting the initial forecasts for the year; annual financial execution shows an acceleration in projects' implementation compared to 2023, in line with the end of the Trust Fund and the swift approach of its latest date for operational implementation in June 2025.

3.3. Beneficiaries and amounts contracted

No new contracts channelled by the Trust Fund were signed in 2024, with the exception of an audit contract for the expenditure verification of EUTF Madad projects (EUR 100,811). The overall Trust Fund resources are largely allocated to operations on the ground, representing 99.25% of committed amounts (EUR 2,363.5 million), with a minimal 0.75% (EUR 17.88 million) allocated to administrative costs and consequent remarkable efficiency gains, given the complexity of the region and the volume of resources allocated, managed by the Trust Fund. A list of all signed contracts under the Trust Fund can be downloaded on the EUTF Madad's website ⁽¹²¹⁾.



Source: DG BUDG Monthly Report on the Multiannual Implementation of EU Trust Funds (December 2022)

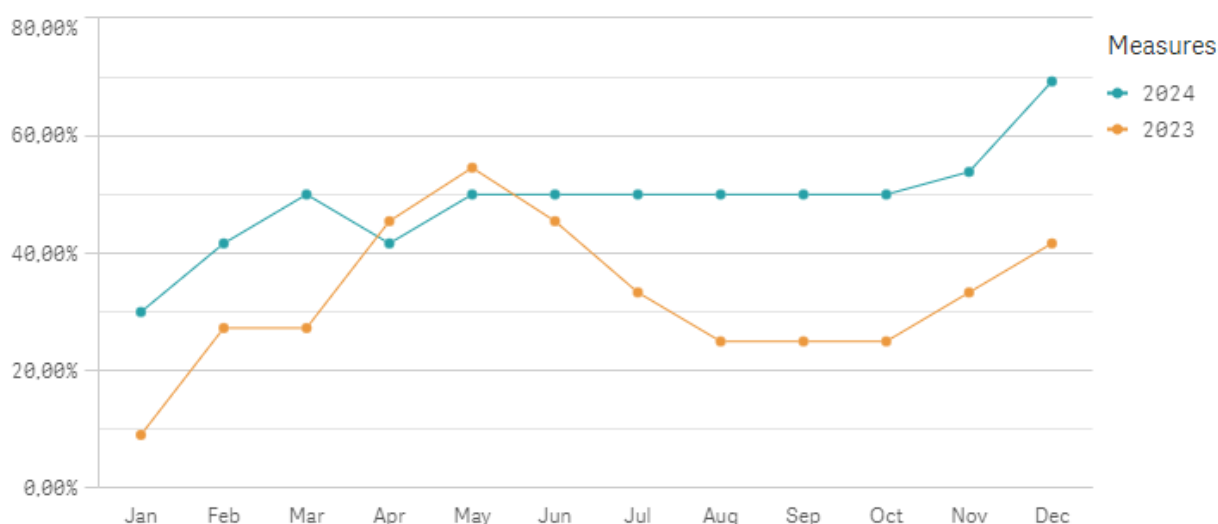
The Trust Fund operational budget translates into 67 actions ⁽¹²²⁾ approved by the Operational Board and committed, and into 129 Legal Commitments (of which 24 still ongoing at 31 December 2024) targeting priority needs of refugees and host communities in key benefitting countries impacted by the Syrian crisis, in partnership with EU Member States' and their Development Agencies, International Organizations (IOs) and Non-Governmental Organisations (NGOs), International Financing Institutions, and Third States (ref. par. 2.3 of this report) primarily in Lebanon (44%), Jordan (24%), Türkiye (21%) and Iraq (ref. par. 2.1).

⁽¹²¹⁾ The list of signed contracts can be found at: https://trustfund-syria-region.ec.europa.eu/document/2b8ab955-c593-4abb-83fe-8b94b410a8b0_en

⁽¹²²⁾ The list of Action Documents of the Trust Fund Madad is attached to this report in Annex 5.6.

3.4. KPI analysis

The 11 KPIs applicable to the Trust Fund in 2024 pertain the areas of Sound Financial Management (seven KPIs¹²³) and Effectiveness of Audit Systems (four KPIs¹²⁴) see annex KPI report). Trust Fund performance during 2024 shows a very good improvement compared to previous year, with 9 KPIs within benchmark.



Source: EAMR 2024 Dashboard

By category, **orange KPIs** concern:

– Sound Financial Management:

K06 – Payment Time: the indicator measures the number of payments paid on time. In 2024 28 out of 34 invoices were paid on time, representing more than 80% of total compared to the benchmark of 90%.

K08 – Timely decommitment: the indicator measures the capacity of our DG to timely decommit unused funds. In 2024, the target achieved was 80% compared to the 85% benchmark.

⁽¹²³⁾ Six KPIs: K02; K03; K05; K06; K07; K08; K09.

⁽¹²⁴⁾ Four KPIs: K20; K21; K22; K23.

4. MANAGEMENT AND INTERNAL CONTROL

4.1. Control results

4.1.1. Control effectiveness as regards legality and regularity

4.1.1.1. Results of ex-ante controls

Most of the contracts are under indirect management with pillar-assessed entities who are very much aware of the relevant eligibility criteria for expenditure.

With regards to contracts in direct management, the contractors are mainly well-established NGO's that are similarly familiar with eligibility criteria for expenditure. Final reports with request for payment for settlement of balance are paid based on expenditure verification reports and ad hoc sampling of expenditures is performed at least once during the lifetime of a grant contract.

4.1.1.2. Results of external audits

The Annual Accounts of the Trust Fund were subject to external audit. The annual accounts consist of the annual financial statements and the annual financial report for the financial year ended December 31, 2023. The annual financial statements comprise the balance sheet as at December 31, 2023, and the statement of financial performance and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

The external Auditors issued an unqualified opinion, stating that the annual accounts of the Fund present fairly, in all material aspects, its financial position as at December 31, 2023, and the results of its operations and cash flow, for the year then ended, and are prepared in accordance with its Financial Regulation, and, in accordance with the accounting rules adopted by the Commission's accounting officer, which are derived from the International Public Sector Accounting Standards, as issued by the International Public Sector Accounting Standards Board.

Operations-wise, the Trust Fund falls under the scope of DG NEAR Control Plan, with external audits planned yearly and coordinated by DG NEAR's Audit and Internal Control services. The 2024 Control Plan (Ares(2023)8708740) initially foresaw seven audits, with ACR at 12.36% of the overall portfolio. During 2024, the Control Plan was modified to postpone two planned audits to 2025 since no final financial reports were approved during the year (audits on interim reports when the projects are in their final months are not an efficient and effective use of financial resources from a control point of view.) Two other audits were proposed alternatively, reducing the ACR to 10.76%, still falling within the recommended brackets. Audits have been fully contracted, resulting in positive KPI K24. Implementation of audits of N-1 is ongoing, while that of N-2 is concluded with four audits implemented and follow-up ensured as appropriate.

4.1.2. Fraud prevention, detection and correction

The Trust Fund Madad is included in the Anti-Fraud Strategy of DG NEAR and therefore covered under the relevant section of the AAR.

During 2024, no cases were reported to OLAF for further assessment on alleged risks of fraud and no new OLAF investigation was launched. Moreover, no OLAF investigation was concluded in 2024 which could lead to the identification of weaknesses in terms of fraud prevention, detection, and correction.

4.2. Observations and recommendations made by IAS/ECA

The Trust Fund was subject of an IAS audit (Ares (2016) 503448 29-01-2016). The IAS recommendations resulted in an action plan adopted by DG NEAR to implement the 10 recommendations under its responsibility. All actions have been implemented as planned by end of 2017 and have been monitored since.

The ECA clearing letters notified in 2024 on transactions sampled for the year 2023, did not identify financial findings requiring a recovery.

ECA analysis of the sampling for the 2024 transactions is ongoing (3 transactions sampled).

4.3. Assessment of the effectiveness of the internal control systems

The Trust Fund operates in the general system of internal control defined by the Commission. In addition, the Trust Fund is subject to external audit. In this framework, the Trust Fund has put in place the organisational structure and the internal control systems suited to the achievement of the policy and control objectives, in accordance with the standards and having due regard to the risks associated with the environment in which it operates.

In implementing Trust Fund appropriations, the Trust Fund staff takes into account reports and recommendations of the different control bodies, notably the IAS and Court of Auditors, for the purpose of providing an assessment of the effectiveness of risk management, control and governance processes as well as the results of the audits carried out at the level of contractors/beneficiaries. The European Anti-Fraud Office (OLAF) exercises the same powers over the Trust Fund in its entirety, including its governance bodies and the representatives of donors and observers participating in such bodies, as it does in respect of other activities of the Commission.

Monitoring of the compliance and effectiveness of the internal control systems was done on a continuous basis, adjusted and complemented where necessary. Exceptions, derogations, prior approvals and non-compliance events that occurred during the reporting period have been registered and documented (ref. Annex 1).

As mentioned above, the Trust Fund is included in DG NEAR's Control Strategy, Annual Risk Assessment and Control Plan. In accordance with Commission guidelines, the target population of the Trust Fund contracts is risk-assessed yearly, on contract-by-contract basis. Controls variously include Expenditure Verifications (EV), Results Oriented Monitoring (ROM) and On-the-spot checks (OSC). The criteria to select the projects included global risk, as well as considerations on project challenges and/or projects not visited, not easy to access and/or in need of technical expertise on concrete sectors. ROMs foreseen under the 2022 Control Plan have been fully implemented above plans (ref. paragraph 2.4 above) and OSCs carried out for most ongoing actions.

The Trust Fund Manager ensured availability of a business management workflow process in place based on EC standard operating procedures in line with PRAG, MAP and the Companion.

The Trust Fund Manager took appropriate measures to ensure that, when actions financed by the Trust Fund are implemented, the financial interests of the Union and of the donors are protected by the application of preventive measures against irregularities and fraud, by effective controls and, if irregularities or frauds are detected, by the recovery of the amounts wrongly paid. The contracts and agreements signed with third parties authorise the Commission to carry out controls on the spot, to suspend payments and implementation of actions where serious irregularities or fraud are noted, and to apply, where appropriate, effective, proportionate and deterrent contractual penalties.

4.4. Conclusions as regards assurance

In line with the available financial resources of the Trust Fund, human resources have been reinforced in DG NEAR since 2017 for both the operational and financial management of the Trust Fund, in Directorate R and B as well as in EU Delegations. Relevant planning of remaining administrative funds has taken place, decreasing over the coming years the staffing in line with expected continued project closures, while at the same time ensuring the sufficient level of resources in both Headquarters and Delegation to continue overseeing the implementation of a very large portfolio.

The completion of all actions under the action plan in response to the recommendations of the IAS audit by end of 2017, and monitoring of compliance since then, provides further assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management.

The control procedures put in place, further strengthened by the systematic, overall review, monitoring of Trust Fund's income as well as the establishment of the Control Plan, give the necessary guarantees concerning the legality and regularity of the underlying transactions.

5. DECLARATION OF ASSURANCE (AND RESERVATIONS)

I, the undersigned,

Manager of the European Union Trust Fund in Response to the Syrian Crisis,

In my capacity as authorising officer by sub-delegation

Declare that the information contained in this report gives a true and fair view ⁽¹²⁵⁾.

State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of the self-assessment, ex-post controls, and the observations of the Internal Audit Service for years prior to the year of this declaration.

Confirm that I am not aware of anything not reported here which could harm the interests of the European Union Trust Fund in Response to the Syrian Crisis.

Brussels, 31 January 2024

(e-signed)

Alberto Cortezón Gómez

Trust Fund Manager

⁽¹²⁵⁾ True and fair in this context means a reliable, complete and correct view on the state of affairs in the DG/Executive Agency.

6. ANNEXES

6.1. List of derogations, exceptions, non-compliance events, prior approvals and events to be reported

6.2. Questionnaire on the effectiveness of ICF implementation (filled in by the manager of the EU Trust Fund)

6.3. KPI Report

6.1. List of derogations, exceptions, non-compliance events, prior approvals and events to be reported

	DEROGATIONS EXCEPTIONS AND NON-COMPLIANCE EVENTS - YEARS 2024								
	Derogations are deviations from established processes and procedures which are explicitly allowed for by the applicable rules but nevertheless require adequate justification. Derogations are approved by the competent authority before action is taken (ex ante).								
nmb	NUMBER AND TYPE of DEROGATIONS	DECISION / PROJECT TITLE	DECISION / CONTRACT REF.	TYPE OF CONTRACT	ENTITY (if known)	SDAO reporting responsibility	DATE OF SIGNATURE	NAME AOS	ARES REF.
	Total number of derogations								
	Exceptions are deviations from established processes and procedures which are not specifically allowed for by the applicable rules. Exceptions are not a breach of rules or procedures. They are approved by the competent authority before action is taken (ex ante).								
nmb	NUMBER AND TYPE of EXCEPTIONS	DECISION / PROJECT TITLE	DECISION / CONTRACT REF.	TYPE OF CONTRACT	ENTITY (if known)	SDAO reporting responsibility	DATE OF SIGNATURE	NAME AOS	ARES REF.
	Total number of exceptions								
	A Non-Compliance Event is a departure from established processes and procedures or is a gap in existing controls, detected only after (ex post) action was taken. It could consist of a breach of existing regulatory and/or contractual provisions.								
nmb	NUMBER AND TYPE of NON COMPLIANCE EVENTS	DECISION / PROJECT TITLE	DECISION / CONTRACT REF.	TYPE OF CONTRACT	ENTITY (if known)	SDAO reporting responsibility	DATE OF SIGNATURE	NAME AOS	ARES REF.
1	10 a	Integrated Social Services Provision to Lebanese and Syrian Refugees communities in Lebanon"- ISOSEP	T04.253	Contribution Agreement	AICS	Alberto CORTEZON GOMEZ	11/25/24	GAZTELU-MEZQUIRIZ Francisco	Ares/2024/8403313
	Total number of non-compliance events								

6.2. Questionnaire on the effectiveness of ICF implementation (filled in by the manager of the EU Trust Fund)

iCAT Self-Assessment DG NEAR

iCAT self-assessment for DG NEAR

Fields marked with * are mandatory.

The purpose of this questionnaire is to support the assessment of the effectiveness of the Internal Control System in your DG/agency in line with the Internal Control Standards for Effective Management in 2024. The questionnaire is built around the Internal Control Standards for Effective Management, which are hereafter further broken down into several questions. You are asked to tick an answer for every question and add comments wherever possible. For those questions for which you will NOT give a fully positive assessment, it is important to provide a comment explaining the reasons why you chose that answer and including suggestions for actions that could be taken to make the control fully effective.

Internal Control Component I Principle 2

* The oversight by the Director-General of the internal control system within the DG is adequate and effective.

Maximum 1 selection(s)

- ☒ My assessment is positive
- ☐ My assessment is positive but changes are needed
- ☐ My assessment is negative in some respects
- ☐ My assessment is negative
- ☐ I cannot assess because...

Comment

Internal Control Component I Principle 4

* Management defines the competences necessary to achieve objectives [and evaluates them].

Maximum 1 selection(s)

- ☒ My assessment is positive
- ☐ My assessment is positive but changes are needed
- ☐ My assessment is negative in some respects
- ☐ My assessment is negative
- ☐ I cannot assess because...

Internal Control Component I Principle 5

* The DG defines clear roles and responsibilities and holds individuals accountable for the performance of internal control responsibilities across the organization.

Maximum 1 selection(s)

- ☒ My assessment is positive
- ☐ My assessment is positive but changes are needed
- ☐ My assessment is negative in some respects
- ☐ My assessment is negative
- ☐ I cannot assess because...

Comment

Internal Control Component V Principle 16

* Internal control assessments focus on the DG's main activities and risks.

Maximum 1 selection(s)

- ☒ My assessment is positive
- ☐ My assessment is positive but changes are needed
- ☐ My assessment is negative in some respects
- ☐ My assessment is negative
- ☐ I cannot assess because...

Comment

Internal Control Component V Principle 17

* There is a systematic follow-up of significant issues identified through the supervisory activities.

Maximum 1 selection(s)

- ☒ My assessment is positive
- ☐ My assessment is positive but changes are needed
- ☐ My assessment is negative in some respects
- ☐ My assessment is negative
- ☐ I cannot assess because...

6.3. KPI Report

Selections:	Directorate General: NEAR Directorate: NEAR T004 KPI									
Title:	Summary									
	K02 - Pay. Forecast	- Global Commit.	K05 - Inv. Reg.	K06 - Pay. Time	Timely Inv. PF Cle	Timely Decommit	K09 - Old RAL	17 - Ex-ante Inelig	K20 - Aud. Plan (N	Aud. Impl. (N-1 &
NEAR T004	1.017152345	1	0.979166667	0.823529412	0.925925926	0.8	0.733581974	0.003905283	1	0.8
	K22 - Exp. Audits	K23 - Audit TTF	K24 - Aud. Inelig.	I01 - Ctr. Forecast	I02 - Exp. Ctr.	I07 - Old Pref.	I08 - RAL Absorp.	21C Aud. Full Imp	K20B Aud. Full Impl. (N)	
NEAR T004	0.666666667	0.5	0.008842754	0	0.186666667	0.313910128	0.388303229	0.5	0	

B. INDIRECT MANAGEMENT WITH IMPLEMENTING PARTNERS OTHER THAN EU INSTITUTIONS OR EU BODIES

Contract Number	Contract Title	Programmes concerned (Instrument)	Delegation in Charge	LC Type description	Complete Name	Start date	End date	Com L2 Accepted Amount (Eur)	Justification of the recourse to indirect centralised management	Justification of the selection of the bodies	Summary description of the implementing tasks entrusted to these bodies
454503	700001901 - EU4 Good Governance: Support for Improvement in Governance and Management (SIGMA) in the Western Balkans and Türkiye	21-27 IPA III	Headquarters	Contribution Agreement	ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT	30.04.2024	29.04.2026	12 000 000,00	Under the Financial Regulation, indirect management is the default management mode for entrusting EU funds to the pillar-assessed entities, which is the case of the OECD in this particular case. In addition, this is a long-standing program, where the management mode has proven to be administratively efficient, as well as effective in terms of results, for both the EC and the OECD.	The Sigma program is a joint initiative of the EU and the OECD established more than 30 years ago. We continue working in close partnership in pursuing the EU agenda in the field of public administration reforms (PAR) in the EU candidate countries and the countries in EU neighborhood, for which OECD is one of the primary standard-setters in Europe. The actions and expertise are well appreciated by the beneficiary administrations, but also by the Commission services (in the EU delegations, as well as in the headquarters) in our daily PAR policy implementation streams.	The Sigma program operates on the basis of action plans (typically set for 18 months), detailing priorities and activities for each beneficiary country in the Western Balkans, as well as for the activities carried out at the level of the region. These action plans are reviewed and approved by the EC. The main activities include regular conduct of comprehensive assessments of the beneficiaries' administrations, provision of advisory and technical assistance in addressing the reform needs, capacity building and knowledge sharing (including through thematic conferences, seminars or analytical studies).

457411	700002218 - TA for HI-BAR (energy transition and hydrogen financing)	21-27 IPA III	Headquarters	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	13.11.2024	12.05.2028	2 500 000,00	For the Technical Assistance component of the "HI-BAR" Investment Programme, the EU has provided a grant of EUR 6.5 million to EBRD via a Contribution Agreement signed on 13 November 2024. The HI-BAR Investment Programme comprises (i) the Technical Assistance component and (ii) a EFSD+ Guarantee component; and was given a positive opinion by the EFSD+ Operational Board in January 2023. The Programme is being implemented by the European Bank for Reconstruction and Development, in indirect management mode as foreseen by Regulation 2021/947 (NDICI-GE).	EBRD is a pillar-assessed entity and has been a long-standing implementing partner of the European Commission, with a proven track record of successful investments in target countries and sectors, aligned with EU priorities. Following the EFSD+ call for proposals in 2022, EBRD submitted a Proposed Investment Programme "HI-BAR" (comprising a request for an EFSD+ Guarantee and corresponding Technical Assistance) which was given positive opinion by the EFSD+ Operational Board in January 2023. The EFSD+ Guarantee Agreement for the "HI-BAR" Programme was signed on 12 March 2024, followed by negotiations and signature of the Contribution Agreement for Technical Assistance on 13 November 2024.	The Programme seeks to support the transition towards an effective climate resilient low carbon economy and society. Through the contribution for Technical Assistance, the EU enables EBRD to support project preparation and implementation, capacity building and policy dialogue activities related to the target sectors and types of projects envisaged as part of the Programme. This TA will be vital for the preparation of the underlying investments, ensuring timely deployment and increased impact of the EFSD+ Guarantee, in line with the EU policy priorities.
457411	700002218 - TA for HI-BAR (energy transition and hydrogen financing)	21-27 NDICI Neighbourhood	Headquarters	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	13.11.2024	12.05.2028	4 000 000,00	For the Technical Assistance component of the "HI-BAR" Investment Programme, the EU has provided a grant of EUR 6.5 million to EBRD via a Contribution Agreement signed on 13 November 2024. The HI-BAR Investment Programme comprises (i) the Technical Assistance component and (ii) a EFSD+ Guarantee component; and was given a positive opinion by the EFSD+ Operational Board in January 2023. The Programme is being implemented by the European Bank for Reconstruction and Development, in indirect management mode as foreseen by Regulation 2021/947 (NDICI-GE).	EBRD is a pillar-assessed entity and has been a long-standing implementing partner of the European Commission, with a proven track record of successful investments in target countries and sectors, aligned with EU priorities. Following the EFSD+ call for proposals in 2022, EBRD submitted a Proposed Investment Programme "HI-BAR" (comprising a request for an EFSD+ Guarantee and corresponding Technical Assistance) which was given positive opinion by the EFSD+ Operational Board in January 2023. The EFSD+ Guarantee Agreement for the "HI-BAR" Programme was signed on 12 March 2024, followed by negotiations and signature of the Contribution Agreement for Technical Assistance on 13 November 2024.	The Programme seeks to support the transition towards an effective climate resilient low carbon economy and society. Through the contribution for Technical Assistance, the EU enables EBRD to support project preparation and implementation, capacity building and policy dialogue activities related to the target sectors and types of projects envisaged as part of the Programme. This TA will be vital for the preparation of the underlying investments, ensuring timely deployment and increased impact of the EFSD+ Guarantee, in line with the EU policy priorities.

457407	700002216 - EFSD+ TA to EBRD's Growth4All Guarantee Programme	21-27 IPA III	Headquarters	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	05.12.2024	04.12.2028	4 014 722,00	<p>The “Growth for All Programme in the Western Balkans” is an EFSD carry forward guarantee which has been approved at the WBIF Board meeting on 5 December 2022 and it is implemented by EBRD, and the corresponding technical assistance action attached to the relevant guarantee agreement is an integral part of the programme, which was also approved at the same WBIF Board. In the context of the European Fund for Sustainable Development (EFSD) and of its successor, the European Fund for Sustainable Development Plus (EFSD+), the technical assistance accompanies investments which will be delivered through a relevant guarantee agreement. The activities foreseen under a technical assistance component are conducive to the investments made in the guarantee programme itself, and therefore will have a leverage effect that magnifies the impact of the guarantee product and of the overall programme. Therefore, due to the intrinsic complementarity between the guarantee product and the technical assistance, the recourse to indirect centralised management by means of partnership ensures that the desired impacts are achieved in the most efficient and most effective way than by the Union alone.</p>	<p>The European Bank for Reconstruction and Development (EBRD) has been selected in light of its track record in financing MSME investments and of its long-term engagement in building market economies. Moreover, EBRD's strong local presence in the Western Balkans ensures capillarity of the action thanks to the close partnerships with local financial institutions, which are fundamental to effectively reach and direct new lending towards those MSME businesses who need it the most.</p>	<p>The “Growth for All Guarantee Programme in the Western Balkans” is composed by two interlinked components: (i) a guarantee agreement signed on the 19th of August 2024 and (ii) a technical assistance component signed in December 2024. This latter will provide support in reconciling supply and demand of MSME financing by reducing the risk associated with such financing and encourage financial intermediaries to direct new lending towards those businesses who need it the most. More specifically, the activities deployed under the technical assistance component will consist of a range of capacity-building measures benefitting participating financial institutions (“PFIs”) engaged in the guarantee programme, supporting them in the implementation of the projects, as well as market-wide measures, including policy dialogue and other feasibility measures. These activities are comprised in the following macro areas of intervention: PFI Capacity Building; Legal and Regulatory Assessment, Legal Counsel, and Policy Dialogue; Monitoring and Reporting; and Marketing and Communications Outreach Activities.</p>
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456063	700002080 - Convention de contribution "Vers une justice plus protectrice, accessible et efficace au Maroc » MA-JUST" CdE	21-27 NDICI Neighbourhood	Morocco	Contribution Agreement	CONSEIL DE L' EUROPE	01.06.2024	30.09.2027	5 500 000,00	<p>Comme indiqué dans la décision, la formulation de la Phase II du programme d'appui au secteur de la justice vise une plus grande interaction entre les acteurs de la justice en impliquant aussi l'ensemble des acteurs de la chaîne pénale, afin d'éviter l'effet silo relevé lors de la phase précédente. Elle vise à améliorer et renforcer notre appui en faveur des justiciables avec un accent sur l'accès à la justice des populations vulnérables (aide juridique et juridictionnelle), jusqu'ici donnant moins de résultats. En termes de nouveautés, elle porte un appui spécifique aux mécanismes assurant l'intégrité de la justice (Inspections) et la mise en œuvre de nouvelles lois (Médiation et arbitrage) et un objectif spécifique visant la rationalisation du recours à la détention carcérale, indépendamment des réformes législatives. Pour rappel, certains indicateurs de l'AB conclu en 2020, concernant la détention provisoire, mesures alternatives et juges de peines alternatives, n'ont pas été atteints en l'absence d'amendements du code pénal et de procédure pénale.</p> <p>La dynamique du changement de l'action est basée sur quatre vecteurs de transformation transversale: le développement législatif, la transformation digitale, le renforcement des capacités, et l'égalité-parité des hommes et des femmes. Comme indiqué dans la décision, Elle est confiée aux partenaires de mise en œuvre à un opérateur institutionnel en gestion indirecte qui a la compétence dans ces quatre domaines. Le Conseil de l'Europe (y compris la CEPEJ), organisation internationale de renom,</p>	<p>Comme indiqué dans la décision, l'entité envisagée a été sélectionnée sur base des critères suivants:</p> <ul style="list-style-type: none"> - expertise thématique - capacité de gestion - approche stratégique de l'engagement multilatéral de l'UE (interlocuteurs politiques et stratégiques importants) - être titulaire de mandats en matière d'harmonisation dans le secteur de la Justice. 	<p>Le projet confié au conseil de l'europe vise un renforcement de l'Etat de droit par un pouvoir judiciaire accessible et efficace conformément aux standards internationaux. Le programme met un accent particulier sur l'amélioration de l'efficacité juridictionnelle et l'accès à la justice. Parmi ses priorités figurent l'amélioration de l'interaction entre les acteurs de la justice, l'accès à la justice des populations vulnérables et adaptée aux enfants, la promotion de l'égalité de genre, l'inclusion et la lutte contre la discrimination, la lutte contre les violences faites aux femmes et la traite des êtres humains, la rationalisation du recours à la privation de liberté et l'utilisation de mesures alternatives à la privation de liberté dans le cadre de l'approche basée sur les droits humains commune à la totalité de l'action.</p>
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								apparaît comme un partenaire de choix pour mener une grande partie de cet ambitieux programme et donner une cohérence aux actions, sous le mode de la gestion déléguée.			
455169	700001960 - Strengthening capacities towards a coherent national social protection system across the humanitarian, development and peace nexus	21-27 NDICI Neighbourhood	Palestine*	Contribution Agreement	INTERNATIONAL LABOUR ORGANIZATION	01.07.2024	30.06.2027	2 000 000,00	Foreseen in the action to ensure high levels of technical expertise/a specific mandate in social protection, alignment with global standards and EU policies, knowledge of Palestinian context and of the region, experience with nexus and shock responsive social protection, experience in governmental social protection systems, institutional capacity building and policy dialogue, as well as ability to coordinate diverse stakeholders. The proposal of a joint UN programme is to ensure efficiency and create synergies.	ILO is a globally-renowned organisation in providing specialised technical expertise, standards, tools and methodologies. In Palestine, ILO has extensive and long-standing experience in strengthening policy and legal frameworks through social and national dialogue, and notably working with the Ministry of Social Development. UNICEF is also uniquely positioned in Palestine as both a humanitarian and development actor.	Support to policy reforms along the international agreed upon Social Protection Floors (Persons with disabilities, elderly, survivors of gender-based violence (GBV), children experiencing violence). In particular, supporting the MoSD for the implementation of key laws and policies, as well as capacity building activities to MoSD and other relevant agencies, coordination of partners in the sector, and strengthening of the humanitarian development nexus in cash assistance.
455947	700002065 - Confidential data	14-20 ENI	Tunisia	Contribution Agreement	Confidential data	02.07.2024	01.07.2028	4 630 000,00	Structural support needed for ministries	Country and sector experience	Promote active monitoring of public policies and pluralist, inclusive debate on reform issues

455165	700001964 - Enhancing Foreign Language Education Quality in Türkiye	21-27 IPA III	Türkiye	Contribution Agreement	CONSEIL DE L' EUROPE	12.07.2024	11.07.2029	4 863 000,00	<p>The entity is pillar assessed and offers the most advantageous combination of thematic expertise, management capacity and anchoring in the local context.</p> <p>The project focuses on the national implementation of the Common European Framework of Reference (CEFR) devised by the Council of Europe (CoE) to provide a transparent, coherent and comprehensive basis for the elaboration of language curricula guidelines, the design of teaching and learning materials, and the assessment of foreign language proficiency. Since CoE has extensive work and experience on language education at the methodological and political level and developed a number of international legal instruments and standards on language education policies, plurilingualism, and intercultural awareness and competence; which are not available neither in the market nor in the other implementing partners, the CoE is the best and the only option to best achieve the objectives of the project.</p> <p>CoE will work with the Turkish Ministry of National Education (MoNE) to enhance the quality and effectiveness of foreign language education in Türkiye in alignment with evidence-based international standards, specifically the Common European Framework of Reference for Languages (CEFR) and the CEFR Companion Volume (2020) developed by the CoE.</p> <p>CoE will</p> <ul style="list-style-type: none"> • reinforce the capacity of the MoNE in particular the Board of Education (BoE) and its Educational Research Department to implement the CEFR and the CEFR Companion Volume (2020) in foreign language education efficiently and effectively at the levels of policy, assessment, in-service teacher education and classroom practice, thereby enhancing the quality of foreign language education as an integral element in plurilingual and intercultural education; • support foreign language teachers and learners with resources aligned with the CEFR and the CEFR Companion Volume (2020); • support students in developing their linguistic and intercultural competences and • raise awareness among learners and teachers about the importance and value of high-quality foreign language education as an important element of plurilingual and intercultural education and its contribution to inclusive societies.
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456420	700002127 - EU Support for Public Finance Reform Single-Donor Trust Fund	21-27 NDICI Neighbourhood	Algeria	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	15.07.2024	14.07.2027	2 500 000,00	The choice of finalising a Contribution Agreement with a pillar assessed entity was due to lack of specific expertise at the level of EUD and size of the programme. These elements would have made direct management an inefficient choice.	<ul style="list-style-type: none"> - The World Bank has extensive institutional experience in the field of technical assistance provided at the request of partner country authorities. - The partner is able to mobilize expertise in the requested area of intervention within a short time frame. The partner is capable of managing projects in very diverse contexts. - The partner has a stable presence in the country and has a sufficient understanding of the local political, economic and social context. - The partner(s) has gained the trust of the authorities. 	- Technical assistance in the field of fiscal and budgetary governance, and related processes.
456381	700002123 - ELMED Plus Power Interconnection - EBRD Part	21-27 NDICI Neighbourhood	Tunisia	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	16.10.2024	15.10.2029	5 300 000,00	Support via technical assistance to the Ministry of energy	Country and sector experience	Technical assistance on low carbon pathways, market integration plans and environmental/social studies
459743	700002470 - NWFE Grid Reinforcement Project	21-27 NDICI Neighbourhood	Egypt	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	26.11.2024	25.11.2028	15 400 000,00	EXPERIENCE IN THE COUNTRY / REGION (as per OPSYS)	BLENDING: TAM/BOARD	BLENDING CONTRACT

450838	700001738 - EU for Hayah Karima (الحيات الريفية) - EU support to Rural Development, Climate Change Resilience and Nutrition	21-27 NDICI Neighbourhood	Egypt	Contribution Agreement	WORLD FOOD PROGRAMME	01.01.2025	31.12.2028	29 800 000,00	EXPERIENCE IN THE COUNTRY / REGION (as per OPSYS)	WFP + FAO AS LEADERS IN THE DOMAIN	COORDINATION WITH THE GOVERNMENT, PARTLY IN DIRECT IMPLEMENTATION, PARTLY IMPLEMENTED BY PARTNERS
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459588	700002435 - Integration through Employment Support in Urban and Rural Environments (INSURE)	21-27 NDICI Rapid response	Türkiye	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	29.11.2024	28.11.2027	72 500 000,00	<p>The previous phases of the action funded by the Facility for Refugees in Turkey and all of the livelihoods actions under the EU's refugee assistance are implemented via indirect centralised management due to the existence of multiple intervention areas and various government institutions involved and to ensure the protection of the financial interests of the Union.</p>	<p>The choice of the partner reflects the EU's strategic approach and multi-lateral commitment as UNDP is a key implementing partner for the delivery of the EU's development assistance and an important policy and strategic actor in the sector concerned. Also, UNDP is an important policy and strategic actor in the sector concerned, it has well-established partnerships with the relevant Turkish authorities, physical presence in Türkiye, and significant experience in implementing EU-funded projects.</p>	<p>UNDP will collaborate with the Turkish Employment Agency (ISKUR), Ministry of Agriculture and Forestry and Ministry of Labour and Social Security -Directorate General of International Labour Force along with a broad range of local, regional and national stakeholders.</p> <p>Furthermore, UNDP will be responsible for the revision of ISKUR's Applied Training programme (ATP) digital system and implementing guidelines, supporting ISKUR in ATP implementation, provision of Turkish language courses to refugees, supporting ISKUR in provision of soft-skills trainings to beneficiaries, work permit support to refugees, business engagement and outreach for ATP, identification and registration of Seasonal Migratory Agricultural Workers in the Work Permit Exemption System and provision of their work permit exemption documents, labour market assessments, sector-driven selection of beneficiaries for new employment in labour-absorptive sub-sectors across rural areas, development and implementation of cooperative support programme including mentoring, micro-grants and/or in-kind support for cooperatives in the agriculture sector, improvement and evaluation of selected seasonal agricultural settlements and needs assessment, and development of models.</p>
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461226	700002588 - Digit Remit Maroc	21-27 NDICI Neighbourhood	Morocco	Contribution Agreement	INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT	01.12.2024	30.11.2028	1 500 000,00	Le FIDA a lancé en 2020 le programme regionale « Plateforme pour les envois de fonds, les investissements et l'entrepreneuriat des migrants en Afrique (PRIME) ». Comme follow up de ce Programme, le projet Digit Remit a été conçu pour une action spécifique qui cible le Maroc.	La raison de la sélection de l'agence de NU FIDA - Fonds International de Développement Agricole - est : l'expertise thématique de son département: FFR Facilité de Financement pour les Envois de Fonds	Le projet Digit Remit Maroc confié à FIDA vise à optimiser les envois de fonds numériques pour le développement rural et l'inclusion financière au Maroc
460802	700002557 - Soutien au renforcement et à la modernisation de l'administration publique au Maroc pour une administration et des parcours centrés sur les usagers	21-27 NDICI Neighbourhood	Morocco	Contribution Agreement	ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT	01.12.2024	30.11.2027	1 300 000,00	Specific expertise and according to the selection criteria of the Financing Agreement.	OECD, as the repository of standards and principles of good administration, was considered the preferred partner. Indeed, the OECD has in-depth expertise in public policy analysis, as evidenced by its 2023 report on the review of public governance in Morocco, a broad international network, and maintaining high standards for public administration while adopting a holistic and integrated approach that takes into account the interrelations between various sectors and public policies.	Specific Objective 1 of the Financing Agreement: 1. Access to public services for citizens and businesses and trust between administration and users are strengthened by simplifying administrative procedures and increasing transparency in their application Specific objectives of the OECD project: 1. Strengthening the capacities of public administrations to improve the processes of simplifying administrative pathways and procedures according to a "user" approach. 2. Strengthening the capacities of public administrations to implement the provisions of the Public Services Charter. 3. Facilitating and strengthening access for citizens and businesses to public information, including information on the provision of public services.

461905	700002652 - Building Libya's national capacity to prevent and combat corruption and money laundering, (Phase II)	21-27 NDICI Neighbourhood	Libya	Contribution Agreement	UNITED NATIONS ORGANISATION	01.01.2025	31.12.2027	2 000 000,00	Pursuant to § 5.1.2.2 of the Companion: "When the Commission intends to work with a pillar-assessed organisation the management mode is indirect management." Moreover, the EUD in Libya does not have neither the resources in terms of staff, nor the expertise to manage a contract of this budget and nature in direct management.	(1) specific technical competence and specialisation in governance, (2) fully operational in Libya and able to provide a concrete added value (3) results achieved with previous cooperation in Libya and/or in the region.	Output 1.3. Technical support and advice is provided to draft measures to enhance the transparency and integrity of the national public administration; Output 1.4. Authorities' operational and legal capacity to combat and prevent corruption and money laundering is strengthened; Output 1.5. The capacity of national authorities combating international organised crimes to cooperate at local, regional and global level is strengthened. Output 1.6. The capacity of relevant Libyan institutions to resolve cases involving the recovery of assets linked to corruption, and transparent management of confiscated assets is strengthened.
408673	EU support to integrated border management and fight to transnational crime in Jordan.	14-20 ENI	Jordan	Contribution Agreement	UNITED NATIONS ORGANISATION	01.08.2019	31.03.2025	500 000,00	The Financing Agreement (FA) does not provide for a reason. However, it can be assumed that the EUD management proposed this implementation mechanism in 2018 because of the fact that it is frequently used in the security sector.	The FA states "because of UNODC specific experiences in Jordan as implementer of several projects in the same field, including the Container Control Programme (CCP) and the EU funded support to the Karameh/Trebil BCP."	The FA states: "capacity building and technical assistance on profiling and research of suspects for cargos and people on the move; award of contracts and payments for the supply of equipment; provide the technical resources for enhancing international cooperation."
438222	Administration Agreement - EU Support for the Palestinian Economy and Resilience II (ESPERE II)	21-27 NDICI Neighbourhood	Palestine*	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	25.07.2023	31.12.2028	2 200 000,00	Multi donor action with EU MS and non-EU donors. This is related to Amendment N.01 to the Administrative Agreement for additional EUR 2.2 million for supporting Macro-fiscal stability and public financial management reforms. The action requires access to and strong relationships with the PA at the technical, senior and political levels around PFM and fiscal issues, and in-depth sectoral expertise, alongside extensive knowledge of the development of these sectors in the Palestinian context	The World Bank has a strong sectoral expertise and is a leading institution in the Public Financial Management (PFM) sector. In Palestine it engaged in the PFM sector since 2013 and besides the specific knowledge acquired it has developed a trust relation with the Ministry of Finance. The EUREP and the World Bank have managed to build a long-term partnership through regular bilateral co-ordination and through the PFM/ fiscal issues sector work.	The Action will build on the achievements of the completed Public Financial Management Improvement Project (PFMIP) Multi-Donor Trust Fund, widening the areas of intervention to a number of selected PFM areas such as revenue mobilization and administration, debt management, fiscal statistics as well as gender budgeting, citizen engagement and health financing.

440161	Provision of social assistance to vulnerable Lebanese communities and Syrian refugees in Lebanon	21-27 NDICI Neighbourhood	Lebanon	Contribution Agreement	WORLD FOOD PROGRAMME	01.12.2022	30.11.2026	83 000 000,00	Foreseen as preferred implementation modality in the Action Document for this part of the action	Capacity to implement large-scale social assistance schemes for vulnerable groups in Lebanon. Capacity to implement large-scale cash assistance programmes with refugee populations, in particular in protracted crisis and emergency context; Track record of working with government institutions implementing social assistance programmes	Provision of social assistance to vulnerable Lebanese communities and Syrian refugees in Lebanon
442572	Rural Finance Inclusion Project in Palestine (RUFIPP)	21-27 NDICI Neighbourhood	Palestine*	Contribution Agreement	INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT	01.06.2024	31.03.2029	11 000 000,00	The action requires technical competence and specialisation in rural transformation generally and inclusive rural finance specifically as well as global experience in supporting and facilitating the growth of sustainable insurance markets in rural areas and in scheme delivery to smallholder farmers and rural entrepreneurs. This requires partnering with a pillar-assessed entity.	IFAD's comparative advantage is its experience working with rural financial institutions, particularly community based institutions, and a commitment to work through the Palestinian Authority and associated apex institutions. IFAD has considerable experience in rural finance and in particular, agriculture related, based on its focus on non-lending activities as a key part of its projects to promote policy reform, build partnerships and knowledge management. IFAD can use its well-tested strategies of bringing together stakeholders to build the evidence base to facilitate decision-making by policy makers.	IFAD will assist the Ministry of Finance (MoF) and the Ministry of Agriculture (MoA) in the implementation of the action through a specialized Project Management Unit (PMU). MoF will ensure the execution of the credit line through the Palestinian Employment Fund (PEF). PEF will be strengthened with additional staff to coordinate their activities associated with the wholesale lending facility. In addition to the credits, the action will deliver training and community sensitization activities based on effective coordination with NGOs, Farmers' Organizations, Agriculture Cooperatives, and rural community groups and credit and savings groups.
444342	Strengthening the Palestinian Health Financing System including the Medical Referrals towards a more efficient and equitable system	21-27 NDICI Neighbourhood	Palestine*	Contribution Agreement	WORLD HEALTH ORGANIZATION	16.07.2024	15.01.2027	2 800 000,00	The action requires technical competence and specialisation in the area of public health, health sector reform, policy dialogue and ability to coordinate among development partners, with a significant local presence. This requires partnering with a pillar-assessed entity.	WHO is the mandated UN agency in Public Health. WHO also plays a leading role in supporting the Palestinian Authority in achieving progress towards SDG 3.8 - Universal Health Coverage, while leading on health system strengthening and playing an important role in health policy reform. WHO is the technical advisor for the Health Sector Working Group, which is responsible for the sector and thematic policy dialogue, planning and coordination.	Provide technical support to Ministry of Health to implement reforms in the health financing system, support governance reform of the Medical Referral system, review and update the Essential Health Services Package including the essential medicine list, and strengthen capacities of health workforce in specific medical specializations at public hospitals.

445032	Promoting Market-oriented Investments and Innovations for Sustainable Agri-food System Development in Palestine	21-27 NDICI Neighbourhood	Palestine*	Contribution Agreement	THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS	01.03.2024	31.12.2026	8 000 000,00	The action requires technical competence and specialisation in the area of rural development and food security fields, ability to coordinate among development partners, with local presence. This requires partnering with a pillar-assessed entity.	FAO has the UN mandate to ensure functioning and sustainable agri-food systems, and offers a long-term technical support to the Ministry of Agriculture in Palestine. It has a unique expertise in rural development and food security fields.	The project will build on the rich knowledge, lessons and experience acquired through the implementation of Multi-donor Agribusiness Programme by enabling Palestinian agribusinesses to generate better income, trade and welfare through following and promoting innovative approaches toward more sustainable, market-oriented, competitive and profitable agribusiness.
445034	Best practices in the design and implementation Of Palestinian environment and climate priorities	21-27 NDICI Neighbourhood	Palestine*	Contribution Agreement	UNITED NATIONS ENVIRONMENT PROGRAMME	15.05.2024	14.05.2027	1 500 000,00	The action requires institutional engagement and specific mandate, including the capacity to manage effectively the regional and transboundary dimensions of environmental policies and action. This requires partnering with a pillar-assessed entity.	UNEP is the only entity, at this stage, and within the Palestinian context, with the UN mandate and expertise to coordinate environmental issues. UNEP's work is focused on helping countries transition to low-carbon and resource-efficient economies, strengthening environmental governance and law, safeguarding ecosystems, and providing evidence-based data to inform policy decisions. It is the global authority on Environment and has a unique expertise in climate change topics.	Support Palestinian entities and regional partners/neighbours adopt and implement best practice solutions to promote adaptation to climate change, including through nature-based solutions, and protect natural resources and the environment, including via coordinated transboundary actions, leading to enhanced human and ecosystem health, and greater resilience to the impacts of climate change.
445036	Development of a Resilient Sanitary and Phytosanitary System (SPS) in Palestine	21-27 NDICI Neighbourhood	Palestine*	Contribution Agreement	THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS	16.02.2024	15.02.2027	2 000 000,00	The action requires technical competence and specialisation in the area of rural development and food security fields, ability to coordinate among development partners, with local presence. This requires partnering with a pillar-assessed entity.	FAO has extensive technical expertise in terms of data analysis and reporting, serving as reference and support to other institutions, including the Palestinian government. FAO is the UN's specialized agency in food and agriculture, with a comprehensive mandate from its member countries to work globally on all aspects of food and agriculture (including fisheries, forestry and natural resources management), food security and nutrition across the humanitarian-development continuum.	a) Support to implement the National Phytosanitary Action Plan to increase the Plant Health legal and laboratory capacities, b) Strengthen capacity for developing and implementing a sustainable Strategic SPS-related Food Safety (FS) Plan (based on the National Strategy for Food Safety), c) Strengthen capacity for developing and implementing a sustainable Strategic SPS-related Animal Health Plan standards),

447079	Nexus Response Mechanism	21-27 NDICI Neighbourhood	Syria	Contribution Agreement	UNITED NATIONS ORGANISATION	01.01.2024	31.12.2028	5 500 000,00	SYRIA - Assessment form of UNOPS as entrusted entity - Special measure for Syria 2023 - Ares(2024)4606912	SYRIA - Assessment form of UNOPS as entrusted entity - Special measure for Syria 2023 - Ares(2024)4606912	SYRIA - Approval of UNOPS as entrusted entity - Special measure for Syria 2023 -NDICI-GEO-NEAR/ACT-61777 - Ares(2024)5571269
448199	Sustaining and enhancing the delivery of basic education and TVET training to Palestine refugee students in Syria – 2023/2027	21-27 NDICI Neighbourhood	Syria	Contribution Agreement	UNITED NATIONS RELIEF AND WORKS AGENCY FOR PALESTINE REFUGEES IN THE NEAR EAST	01.10.2023	30.09.2027	4 000 000,00	SYRIA - Assessment form of UNRWA as entrusted entity - Special measure for Syria 2023 - Ares(2023)6627655	SYRIA - Assessment form of UNRWA as entrusted entity - Special measure for Syria 2023 - Ares(2023)6627655	SYRIA - Approval of of UNRWA as entrusted entity - Special measure for Syria 2023 -NDICI-GEO-NEAR/ACT-61777 - Ares(2023)7294237
450112	Decent Work through Employment Services and Exports in Jordan	21-27 NDICI Neighbourhood	Jordan	Contribution Agreement	INTERNATIONAL LABOUR ORGANIZATION	19.04.2024	18.10.2026	3 000 000,00	Indirect management with a mandated international organisations was indicated in the CID, with a detailed assessment rationale attached to the programming document (AAP 2022) during quality review. The choice was justified, as no (I)NGO partner in Jordan possesses the capacity to implement the large scale operations required to monitor decenta labour standards compliance across the country and also do not possess the same level of expertise as the chosen partner.	The International Labour Organisation (ILO) has been selected as implementing partner for part of the action, in particular, because of its concrete expertise and international mandate in the field of decent labour standards	Monitoring of decent labour standards in the implementation of the Simplified Rules of Origin Agreement between EU and Jordan; Capacity building for Government stakeholders (Ministry of Labour, Ministry of Industry and Trade) as well as individual companies registered for export under RoO Agreement

453196	Catalysing a transformative model for circularity through 9R's in Aqaba	21-27 NDICI Neighbourhood	Jordan	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	25.06.2024	24.12.2026	2 500 000,00	FA design set a call for proposals for green innovation, with NGOs, International Organisations among others eligible to apply to reach out to target beneficiaries within different communities	the applicant fulfils the eligibility criteria, and has relevant experience within the call scope on Nexus modality as well as resources efficiency	The project seeks to contribute to the establishment of a Creative Circular Economy Centre (CCEC) in Aqaba city based on the 9Rs and according to the recommended actions of the green strategies at the national level targeting the creation of green jobs, reduction of carbon emissions and ensuring the identification of the most appropriate business model for public-private partnership, introducing this centre as a role model to be replicated in other cities in Jordan.
453440	Gaza Water Supply	14-20 ENI	Palestine*	Contribution Agreement	UNITED NATIONS CHILDREN'S FUND	21.02.2024	20.02.2027	25 600 000,00	Delegating budget implementation tasks to a pillar assessed entity is the natural implementation modality for this action which will be implemented in Gaza during the war. Partnership with an UN agency that is well established on the ground with own procurement and implementation capacities, as well as access to coordination mechanisms for the entry of materials to Gaza.	UNICEF has a positive record with the implementation of three phases of the largest seawater desalination plant in Gaza, funded by EU. The elements of the action are complementary to previous EU-funded interventions in the water sector. UNICEF's involvement in the construction of the plant provides a valuable business continuity with the planned activities for the Gaza water supply contract, by capitalising on the previous investment and enhancing further its resilience. Further elements in favour of the selection of UNICEF are their strong experience in Gaza in implementation of a large number of projects addressing the emergency and development needs of the water sector with funding from a diversity of donors.	Improve availability, quality and reliability of piped water supply services in Gaza; and Reduced pressure on the aquifer from reduced abstraction of water for domestic consumption.

453489	Technical Commitment - Late Payment Interest on Contract ENI/2021/ 418-311	14-20 ENI	Palestine*	Contribution Agreement	UNITED NATIONS CHILDREN'S FUND	01.07.2021	30.06.2024	541,89	The action requires technical competence and specialisation and a global mandate on the protection of children's rights. This requires partnering with a UN pillar-assessed entity.	UNICEF has a specific UN mandate to advocate for the protection of children's rights and is the only organisation that has established communications channels with all duty bearers in Palestine and Israel. The action builds on an earlier programme initiated in 2017.	Fields of activity: 1) Vulnerable children at-risk of conflict with Israeli Forces are protected through improved access to coordinated community level prevention programmes and protective services. 2) Evidence-based advocacy conducted to enhance the protection of children and generate information on the rights of children in East Jerusalem. 3) Directly affected children and families access rehabilitation and support services.
453538	Preserving endangered traditional crafts and enhancing employ-ability in the creative sector in Palestine	21-27 NDICI Neighbourhood	Palestine*	Contribution Agreement	UNITED NATIONS EDUCATIONAL SCIENTIFIC AND CULTURAL ORGANIZATION	01.08.2024	31.07.2026	700 000,00	The action requires partnering with a pillar-assessed entity with extensive experience is socio-cultural interventions in general and the role of creative industries in Palestine in specific, specialised thematic expertise and experience in implementing cultural interventions including creative industries and the preservation of cultural heritage and recognised role at international level in advocating for the protection and promotion of the diversity of cultural expressions among others.	UNESCO is the only international and EU pillar assessed organization with a global vision of the socio-cultural and economic role that cultural and creative industries (CCIs) play in society. In Palestine UNESCO assessed the contribution of CCIs to the local economy in Bethlehem, conducted specialized trainings on the creative economy, and provided capacity-building and networking opportunities for Palestinian artists and cultural professionals. It has been supporting the national authorities, particularly the Ministry of Culture.	UNESCO will enhance the employability of design graduates and artisans and students in cultural and creative industries, particularly in crafts. Capacity-building trainings, workshops, professional and student exchanges, competitions, and sub-grants will be offered to help preserve and advance traditional and contemporary local creative industries, focusing on the crafts domain, in particular the endangered crafts of olivewood, glassblowing, looming, pottery, mother of pearl and bamboo.
453562	EU support to Access to Justice in Jordan	21-27 NDICI Neighbourhood	Jordan	Contribution Agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	18.02.2024	17.08.2027	4 000 000,00	Indirect management with a mandated international organisations was indicated with a detailed assessment rationale attached to the programming document (AAP 2022). The choice was justified as IOM demonstrated convincingly that it is the most suitable Implementing Partner for this specific action fulfilling the criteria set in the AD.	IOM have excellent logistical and management capacities. IOM is having about 500 staff in Jordan and have established offices in the country since 1990. Annual budget in 022 was about 92 M EUR. IOM implement a number of donor-funded projects in Jordan and in the MENA region. Very strong and high quality backstopping support. IOM demonstrated the best combination of expertise, knowledge of the sector, experience, track record, management capacity and ability to cooperate with the key institutions. Proposed innovative and best practices.	The action is expected to improve access to affordable justice for refugees and host communities, including to effective and accessible complaint and redress mechanisms at national and local levels. Also improve transparency and accountability of the judicial system, especially for refugees and host communities

453616	European Union Contribution to the United Nations Relief and Works Agency for Palestine Refugees in the Near East 2024 Programme Budget	21-27 NDICI Neighbourhood	Palestine*	Contribution Agreement	UNITED NATIONS RELIEF AND WORKS AGENCY FOR PALESTINE REFUGEES IN THE NEAR EAST	01.01.2024	31.12.2026	92 000 000,00	The action requires a specific type of implementer with proven technical competence and specialisation. UNRWA, established by the UN General Assembly (UNGA), is the UN Agency, and the only one, mandated to provide services to Palestine refugees. In the absence of a solution to the Palestine refugee problem, the UN General Assembly has repeatedly renewed UNRWA's mandate.	Since 1971, the EU has been providing strong, reliable and predictable support annually to UNRWA's Programme Budget, complemented with support to special projects and emergency appeals. In November 2021, the EU and UNRWA signed the 2021-2024 Joint Declaration, strengthening the political partnership between the EU and the Agency, reaffirming the EU's commitment to promoting the rights of Palestine refugees as well as its commitment to multiannual funding, which is essential for greater predictability of UNRWA's financing model.	Delivering uninterrupted essential basic services to Palestine refugees (in the areas of education, health, protection, relief and social services, microfinance, camp improvement as well as executive direction and support services)
453645	AAP 2022 - UNHABITAT - NEAR/2024/453-645 // " Scaling Up Community-Driven Processes of Mapping of Land Rights and Land Use Planning in the West Bank, Including Area C"	21-27 NDICI Neighbourhood	Palestine*	Contribution Agreement	UNITED NATIONS ORGANISATION	13.12.2024	12.12.2028	4 000 000,00	The action requires technical expertise and experience, demonstrated operational capacity dealing with land tenure and planning processes in the West Bank. This requires partnering with a pillar-assessed entity.	UNHABITAT is the globally mandated and technically specialised UN agency dealing with land tenure and planning processes. The UNHABITAT team possesses very specific sector and thematic expertise globally, notably in conflict contexts, which applied to the oPt context. It is the in-country lead agency for the ONE-UN approach to planning in Area C and important partner to the EU in this effort.	The EU designed the action in partnership with UNHABITAT as a continuation of the important planning and land tenure work of the Ministry of Local Governance and the Palestinian Land Authority to enhanced capacity for performing land-based functions in Area C to build resilience through participation in land-based processes.
453824	IT (dummy) contract to pay late payment interests related to the first pre-financing of CA contract 449048	21-27 NDICI Neighbourhood	Jordan	Contribution Agreement	WORLD HEALTH ORGANIZATION	01.01.2024	31.12.2027	3 301,94	not applicable	ILO was the lead in implementing the phase I of this programme. ROM review was very positive about ILO managing and leading the One UN programme.	not applicable

453968	EU support to essential water and sanitation services	21-27 NDICI Neighbourhood	Lebanon	Contribution Agreement	UNITED NATIONS CHILDREN'S FUND	01.06.2024	31.05.2026	30 500 000,00	Foreseen as preferred implementation modality in the Action Document for this part of the action	Previous experience in managing operation and infrastructure contracts for the Water and Wastewater sector in Lebanon; Strong expertise on public procurement and contract monitoring for the provision of public services; Previous experience in managing national communication campaigns related to provision of public services in Lebanon	Provision of essential public water and wastewater services for Lebanese and Refugee Populations
456621	Contributing to building a rights-based social protection system in Lebanon and consolidating social assistance for the most vulnerable	21-27 NDICI Neighbourhood	Lebanon	Contribution Agreement	INTERNATIONAL LABOUR ORGANIZATION	01.10.2024	30.09.2027	17 000 000,00	Foreseen as preferred implementation modality in the Action Document for this part of the action	Capacity to lead complex policy agenda on social protection in difficult contexts; Capacity to promote advocacy and research related to social protection and forced displacement in the region; Track record of working with government institutions implementing social assistance programmes	Contributing to building a rights-based social protection system in Lebanon and consolidating social assistance for the most vulnerable
456979	Strengthening the capacity of East Jerusalem Hospitals to expand health care services and improve financial sustainability, with particular focus on Al Makassed Hospital and Augusta Victoria Hospital	21-27 NDICI Neighbourhood	Palestine*	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	09.07.2024	08.07.2026	5 000 000,00	The action requires technical competencies in civil work and engineering, and in-depth sectoral expertise, alongside extensive knowledge of the development of the sector and of the policy and regulatory framework in the Palestinian context, specifically in East Jerusalem. This requires partnering with pillar-assessed entity.	UNDP has a wealth of experience in infrastructure upgrading and deployment of innovative solutions. UNDP has been engaged in supporting rehabilitation, improvement, and expansion of essential infrastructure for basic and social services (schools, hospitals, public buildings, etc.) as part of strengthening the national systems and improving access to quality services in the occupied Palestinian territory. In addition, UNDP has an experienced team that designs and implements projects in East Jerusalem, with good understanding of the operational challenges in the city.	The action supports the renovation and upgrade of the general surgery department at Al-Makassed hospital for advanced surgical care services, the upgrade and expand the existing kidney care centre at Augusta Victoria Hospital (AVH) to better serve patients with kidney failure and the establishment of an Endoscopy Unit at Augusta Victoria Hospital.

458523	Ensuring learning continuity for vulnerable children aged 3-18 years in Lebanon' s crisis context	21-27 NDICI Neighbourhood	Lebanon	Contribution Agreement	UNITED NATIONS CHILDREN'S FUND	01.11.2024	31.12.2025	30 000 000,00	Foreseen as preferred implementation modality in the Action Document for this part of the action	Experience in the country: capacity to adapt to and address political, technical, logistical and institutional challenges of the education sector under a multiple crisis context; Specific expertise: capacity to engage with the Ministry for Education and Higher Education on a regular dialogue on strategies, policies and technical orientation and assistance; in complementarity with other agencies in support to the education sector; Logistical and management capacities: capacity to manage large-size education programmes at national and local level, with a presence at the level of regions or capacity to cover district and school levels; Continuation of an existing programme: knowledge and capacity to work with a network of international and local education organisations able to implement activities at community and school levels;	Lebanon's formal and non-formal education systems (public and private) provide continued inclusive learning opportunities to boys and girls aged 3-18 years of age, by operating under innovative and flexible implementation during crisis context
459921	Supporting the International, Impartial and Independent Mechanism to Assist in the Investigation and Prosecution of Persons Responsible for the Most Serious Crimes under International Law Committed in the Syrian Arab Republic	21-27 NDICI Neighbourhood	Syria	Contribution Agreement	UNITED NATIONS ORGANISATION	01.01.2025	31.12.2026	3 000 000,00	Assessment of entrusted entities (IIIM) - Special Measure in support of the Syrian people 2023 —NDICI-GEO-NEAR/2023 - OPSYS ACT-61777 and JAD.1230682 - Ares(2024)3528794	Assessment of entrusted entities (IIIM) - Special Measure in support of the Syrian people 2023 —NDICI-GEO-NEAR/2023 - OPSYS ACT-61777 and JAD.1230682 - Ares(2024)3528794	SYRIA - Approval of IIIM as entrusted entity - Special measure for Syria 2023 -NDICI-GEO-NEAR/ACT-61777 - Ares(2024)4229022

460078	Lebanese Elections Assistance and Support to the Parliament (LEAP III)	21-27 NDICI Neighbourhood	Lebanon	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01.01.2025	31.12.2027	4 500 000,00	Foreseen as preferred implementation modality in the Action Document for this part of the action	UNDP is assessed as best placed entity to implement this Action, building up from previous experiences and ongoing multiple activities on governance and democracy in Lebanon. It is well positioned to pursue realistic objectives in the path of reform, in the current context of the country's multiple crises	Electoral processes are more efficient, transparent and inclusive and Parliament performs effectively its legislative, oversight and representational roles
460153	Strengthening access to continued and quality care at primary health care centres and dispensaries for vulnerable populations	21-27 NDICI Neighbourhood	Lebanon	Contribution Agreement	WORLD HEALTH ORGANIZATION	01.01.2025	31.12.2026	10 000 000,00	Foreseen as preferred implementation modality in the Action Document for this part of the action	Entity able to undertake international and national procurement of medication in line with Essential Drugs List and in support of the MoPH national medication programmes; Entity able to manage multiple donor grants simultaneously in support of the national medication procurement programme in coordination with MoPH; Experience working towards public health policy and support health sector stakeholders and actors in Lebanon towards achieving best practices in health	To contribute to healthy lives and physical and mental wellbeing of extremely poor and socially vulnerable groups in Lebanon, towards Universal Health Coverage
456167	700002090 - Mainstreaming Employment into Trade and Investment, phase 2 (METI II)	21-27 NDICI Neighbourhood	Headquarters	Contribution Agreement	INTERNATIONAL LABOUR ORGANIZATION	01.01.2025	31.12.2028	6 000 000,00	To benefit from the management and technical capacity of a pillar assessed entity.	The entity has been selected based on the fact that It has highly specialised technical expertise, empirical and policy research in the field. In particular, ILO has developed global and country specific assessment tools, which have been applied to evaluate the labour market effects of trade and has carried out a number of assessments in beneficiary countries. It has also experience in cooperating with the EU in this area since 2009 as well as local presence in many of the Neighbourhood South countries.	Providing tools and allowing policy makers in the region to be able to incorporate employment when formulating trade, investment and industrial policies. This has been brought about by targeted analysis and capacity strengthening on the one hand, and social dialogue and collaboration on the national level on the other.

453199	Cyber South +	21-27 NDICI Neighbourhood	Headquarters	Contribution Agreement	CONSEIL DE L' EUROPE	01.01.2024	31.12.2026	3 500 000,00	The project is about accession and implementation of the Convention on Cybercrime (Budapest Convention) and its Protocols, which is a Convention of the Council of Europe	specific competence of the Council of Europe on the topic	specific competence of the Council of Europe on the topic
454067	SwitchMed II	14-20 ENI	Headquarters	Delegation agreement	UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION	20.12.2018	30.06.2024	896 675,74	UN agencies under FAFA agreement (Delegation agreements).	Implementing partners expertise in environmental and transport policy.	Coordinate and ensure the smooth exchange of information and implementation at the programme level.
451101	« La qualité et l' équité du système éducatif sont améliorées au profit des apprenants, des enseignants et du personnel d' appui »	21-27 NDICI Neighbourhood	Tunisia	Contribution Agreement	UNITED NATIONS CHILDREN'S FUND	01.01.2024	31.12.2029	26 600 000,00	Entity selected via an inter ministerial committee	Country and sector experience - mandate to lead this sector in country by the authorities	Appui a la gouvernance et la qualité de l'éducation (formation des enseignants, contenus, compétences de vie, évaluation des acquis), prévention et réponse a l'abandon scolaire
455691	Promotion des droits de l' enfant et protection des enfants en situation de vulnérabilité en Algérie	21-27 HR and Democracy	Algeria	Contribution Agreement	UNITED NATIONS CHILDREN'S FUND	01.02.2025	31.07.2026	450 000,00	The choice to proceed with the direct award came after the lot dedicated to the Human Rights and Democracy thematic line of the call for proposals EuropeAid/175470/DD/ACT/DZ was declared unsuccessful. Thus, the delegation decided to carry out an analysis in order to see which actors were able to work in Algeria, and in this process identified UNICEF.	UNICEF has been identified as the only entity capable, in the complex Algerian context of the year 2024, of working for the rights of children and in particular of supporting, through third-party funding, associations which work to strengthen the protection of children in vulnerable situations, while ensuring the good management of allocated funds and close monitoring of activities.	<ul style="list-style-type: none"> - Support for capacity building of CSOs working for children's rights, and their financing; - Design and printing of an activity guide for use by associations to promote life skills in child protection, positive parenting and the identification and early care of children with disabilities; - Development of a multi-sectoral application protocol for the child protection law; - Training of the judicial police.

455746	Projet pilote de développement local intégré	14-20 ENI	Tunisia	Delegation agreement	INTERNATIONAL LABOUR ORGANIZATION	01.12.2017	31.05.2025	1 675 864,66	Assistance needed for ministries	Country and sector experience	
456426	Appui à la Cour des comptes dans la mise en œuvre de son plan stratégique 2022-2026	14-20 ENI	Tunisia	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	02.09.2024	01.09.2027	2 000 000,00	UNDP has a solid knowledge of transparency and accountability in the implementation of public policies. Moreover, it is the only partner with a recent and stable collaboration with the Court in this field. Thanks to its support, UNDP was able to provide solutions in line with the needs of the Court, to build a strong working relationship and gain a good understanding of the challenges that the Court wishes to address, including digitalization. The choice of indirect management and UNDP as implementing partner will not only allow exploiting already on-the-ground expertise but also maximizing synergies and complementarities, by strengthening sustainability.	Specific sector/thematic expertise: This action requires large experience on: transparency and accountability in the implementation of public policies fight against corruption, financial justice, dialogue with civil society and with the institutions (government and parliament). While MS cooperation offices have programs in some of these issues, none has ongoing direct collaboration with the institutions in all this four fields.	Objectif général de l'action est de renforcer la redevabilité, la transparence et la confiance envers la Cour des comptes, en l'appuyant à mettre en œuvre son plan stratégique 2022-2026. Les objectifs spécifiques concernent principalement les aspects suivants : la planification stratégique et opérationnelle, la gouvernance interne, le management de qualité, les missions juridictionnelles et de contrôle, la communication interne et externe, la transition digitale.

461356	Strengthening Stabilisation and Recovery in Eastern Libya	21-27 NDICI Neighbourhood	Libya	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	10.12.2024	09.12.2027	2 500 000,00	Pursuant to § 5.1.2.2 of the Companion: "When the Commission intends to work with a pillar-assessed organisation the management mode is indirect management." Moreover, the EUD in Libya does not have neither the resources in terms of staff, nor the expertise to manage a contract of this budget and nature in direct management.	(1) specific technical competence and specialisation in governance, (2) fully operational in Libya and able to provide a concrete added value (3) results achieved with previous cooperation in Libya and/or in the region.	Output 3.1. Government technical capacities of the Construction Fund for Benghazi and Derna are strengthened through technical assistance provision; Output 3.2. Reconstruction of Benghazi and Derna are supported through the reinforcement of the national financial mechanisms and development of local economic activities.
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461929	Himaya wa Tamkin – Pour un système territorial et renforcé de protection judiciaire et sociale des enfants au Maroc	21-27 NDICI Neighbourhood	Morocco	Contribution Agreement	UNITED NATIONS CHILDREN'S FUND	01.01.2025	30.06.2027	2 500 000,00	<p>La formulation de la Phase II du programme d'appui au secteur de la justice vise une plus grande interaction entre les acteurs de la justice. La protection judiciaire de l'enfance confiée à l'UNICEF par le biais d'un contrat de gestion indirecte qui capitalisera sur les projets précédents. Il est attendu que l'UNICEF accélère et mette à l'échelle les résultats atteints en matière de justice pour enfants, grâce au soutien antérieur de l'UE, afin de mieux répondre aux défis relatifs au manque d'intégration entre le travail social et la justice pour les enfants, d'éviter le recours à la procédure judiciaire, et de promouvoir les alternatives au placement et institutionnalisation des enfants en conflit avec la loi, en alignement avec la convention internationale des droits de l'enfant et l'observation générale du Comité des droits de l'enfant.</p>	<p>Comme indiqué dans la décision. L'entité envisagée a été sélectionnée sur base des critères suivants:</p> <ul style="list-style-type: none"> - l'expertise thématique, la capacité de gestion - approche stratégique de l'engagement multilatéral de l'UE (interlocuteurs politiques et stratégiques importants) - titulaires de mandats en matière collecte et analyse des données sur l'enfance. 	<p>le projet vise à renforcer la composante prévention du DTIPE (Dispositif territorial Intégré de Protection de l'Enfance) , à optimiser son circuit et ses services pour améliorer l'accès et l'efficacité des interventions judiciaires, et à intégrer la politique de protection sociale dans cette opérationnalisation. En outre, il renforcera la composante sociale des services du DTIPE, en définissant les responsabilités, en coordonnant l'accès des enfants à ces services, et en assurant l'harmonie avec les services de protection judiciaire. Concrètement, la logique d'intervention s'articule autour des objectifs spécifiques (effets) suivants :</p> <ol style="list-style-type: none"> 1. Les enfants en conflit avec la loi, ont accès à une justice spécialisée en étroite collaboration avec l'ensemble des acteurs sociaux 2. Les enfants victimes de violence ou à risque de l'être, y compris les enfants en situation de migration, bénéficient d'une prise en charge coordonnée dans le cadre des dispositifs territoriaux de protection de l'enfance 3. Les enfants en situation de migration au Maroc jouissent de leurs droits et ont un meilleur accès aux services essentiels et inclusifs conformément aux conventions et normes internationale <p>Cette proposition est alignée sur les priorités nationales en matière d'appui à la mise en œuvre des politiques publiques et de leur déclinaison au niveau territorial</p>
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433881	Improving the Control Capacity of DG Customs Enforcement	14-20 IPA II	Türkiye	Contribution Agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	01.05.2024	30.04.2026	1 000 000,00	The entity is pillar assessed and has the required organisational, financial and technical capacity to continue implementation of the project.	technical expertise	Standardisation of customs procedures at 3 pilot airports in terms of checking persons, their personal luggage and cargo. Atatürk Airport (Istanbul), Antalya Airport and Esenboğa Airport (Ankara) have been identified as beneficiary airports for this activity. Components: Red/Green channel system, usage of API and PNR for pre-screening, etc.
455555	Technical commitment for payment of interests to contract IPA/2020/417-740	14-20 IPA II	Türkiye	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	29.09.2020	30.12.2025	22 011,29	In accordance with Commission Implementing Decision C(2019) 5454 of 18/07/2019, regarding the adoption of a special measure for health, protection, socio-economic support, and municipal infrastructure under the Facility for Refugees in Turkey.	The World Bank was selected through a call for expressions of interest launched in 2019 as part of the second tranche of the Facility for Refugees in Turkey.	Overall objective of the Project is to support refugees and Turkish citizens to access sustainable livelihoods and employment opportunities in Türkiye. The Specific objective is to improve the conditions for formal agricultural employment opportunities in selected host communities

458585	Strengthening the National Capacities Against COVID-19 and other Public Health Emergencies	14-20 IPA II	Türkiye	Contribution Agreement	WORLD HEALTH ORGANIZATION	13.01.2021	12.04.2027	12 444 110,09	<p>The initial operation was considered as a direct grant to a competent body under the flexibility of the Covid-19 pandemic crisis declaration. The competent entity was selected by using the following criteria:</p> <p>(i) technical knowledge and experience at central level and local authorities with proven project management capacity,</p> <p>(ii) operational capacity with successful track record on managing and delivering EU funded projects, accessing and directing know-how to national and local level, presence in Europe with a global, regional and national office in Türkiye, (iii) experience in providing and disseminating information on the threats to human health and opportunities to promote health, (iv) experience in strengthening national capacities and improving the resilience and adaptive capacity of health systems to deal with any threats to public health.</p> <p>Following the February 2023 earthquake, the scope of the current EU action has been expanded to support the Government of Türkiye in meeting the urgent recovery needs of the region towards mitigating the impact of the earthquakes.</p>	<p>The receiver of the direct grant is a competent body. WHO has a recognised mandate for improving public health and is perceived as a reliable partner on the global, regional and Turkish public health arena. On the international level, WHO's International Health Regulation sets an obligation to each states parties to strengthen and develop their capacities to respond promptly and effectively to public health risks and public health emergencies of international concern. Also reflects that WHO should support the states parties' efforts on that issues. Link with the own responsibility, WHO launched an initiative to speed up and end to the pandemic by supporting the development and equitable distribution of the tests, treatments and vaccines needed globally to reduce mortality and severe disease to facilitate high level control of Covid -19 disease in the medium term. WHO has provided technical assistance in previous 3 communicable disease and a mental health projects funded by the EU and to the ongoing Health Security II and Mental Health II projects. The know how that has been built by the WHO technical team, the pool of national and international expertise as well as the logistic support mechanism, put WHO in a unique position to support the implementation of this project.</p>	<p>The general objective of the action is to increase the resilience of health system in Türkiye in combating Covid-19 and similar cross-border health threats. The specific objective is to strengthen laboratory based emergency preparedness and response capacities of the MoH, by putting in place sufficient sequencing capacity for monitoring the strains of the virus circulating on its territories, so that trends and areas of concern can be identified and responded to rapidly.</p> <p>The scope of the Action has been amended following the February 2023 earthquake, to support the Government of Türkiye in meeting the urgent recovery needs of the region towards mitigating the impact of the earthquakes.</p> <p>WHO is responsible for leading the implementation of the Action in cooperation with the MoH. WHO is responsible for initiating the project and carrying out all project activities, monitoring the proper implementation and reporting to the Steering Committee, mobilizing and coordinating with relevant national and international insitituons.</p>
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460059	Women Friendly Cities	21-27 IPA III	Türkiye	Contribution Agreement	UNITED NATIONS POPULATION FUND	01.12.2024	30.11.2027	5 000 000,00	The award of this direct grant complies with the provisions of the Commission Implementing Decision on the financing of the annual action plan in favour of Türkiye for 2021 adopting an Action Document for Civil Society, amended on 31 May 2024.	UNFPA has been pillar assessed and was selected as: • UNFPA is the most experienced international organisation in Turkey that is working on mainstreaming of gender equality. • Besides its immense experience on the subject matter, UNFPA has been involved in the implementation of the past two phases of the Programme, which will contribute to building on lessons learnt as well as sustainability of achievements. • UNFPA has unique technical capacity and 50 years of experience in Türkiye on development and humanitarian programmes on gender, health and population dynamics. • UNFPA has long-standing partnerships across Türkiye, not only at the national but also local level, which allows coordinated and integrated programme implementation.	CSOs' technical capacity is strengthened for the effective establishment and operationalisation of LEMs; CSOs in WFC groups contribute to achievement of LEAPs via in-kind institutional support; LEMs are established and sustained in municipalities from various political, demographic and geographical background; Technical capacity of municipalities is enhanced for gender responsive and inclusive service delivery as well as participatory governance; Key manuals and guidelines on LEMs are developed for the municipalities and CSOs; Selected municipalities establish/reinstate/ and strengthen the LEMs via in-kind institutional support;
461551	Addendum 2 to IPA/2020/420-822 - Strengthening Health Care Infrastructure for All (SHIFA)	21-27 IPA III	Türkiye	Contribution Agreement	BANQUE DE DEVELOPPEMENT DU CONSEIL DE L'EUROPE	01.03.2021	31.12.2029	50 000 000,00	The entity is pillar assessed and has the required organisational, financial and technical capacity to continue implementation of the project.	Additional amount of EUR 50 Mln has been entrusted to the current Implementing Partner CEB to continue implementation of original project - IPA/2020/420-822. CEB has a significant experience with similar infrastructure projects, has established direct relations with beneficiaries and project stakeholders. Alternative Implementing partners would be unreasonable because it would increase costs, would significantly delay decision making processes, launching of new works tenders, etc.	The global objective of this action is to improve the health status of the refugees, persons eligible for subsidiary protection and host communities in Türkiye by an increased physical infrastructure and service capacity.

455603	700002004 - Armenia: Capital Market Support Programme	21-27 NDICI Neighbourhood	Armenia	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	18.06.2024	17.06.2026	526 500,00	The action requires specialised knowledge on capital markets in particular the issuance of debt instruments, as well as the required knowledge of the context of market in Armenia	EBRD has already conducted a similar, very successful, programme in Georgia. They bring international experience, a diverse team as well as the knowledge of international players which is crucial for proper development of Capital Markets.	The entity will analyse the Capital Market in Armenia and build capacity of (large) private entities to issue debt securities in the market. The project will also bear the cost of issuance (fees, costs, etc.)
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453975	700001849 - Building a more resilient health system (through Primary Health Care Revitalization) in Azerbaijan	21-27 NDICI Neighbourhood	Azerbaijan	Contribution Agreement	WORLD HEALTH ORGANIZATION	01.01.2025	15.12.2028	8 300 000,00	Indirect management with pillar assessed organization was chosen due to specific expertise in the sector.	Being a specialised UN Agency dedicated to advancing health for all, WHO leads global efforts to expand universal health coverage, and directs and coordinates the world's response to health emergencies. HO's global mandate is to provide leadership on health matters, shape the health research agenda, set norms and standards, articulating evidence-based policy options, provide technical support to countries, and monitor and assess health trends. This mandate can be particularly valuable when working on health-related projects or initiatives in a country context. The role of a WHO Country Office is to respond to requests from the host country to support policymaking for sustainable health development, taking a holistic health-system approach. This includes providing guidance, building up local relationships to implement technical cooperation, making standards and agreements, and ensuring that public health measures are coordinated and in place during crises. The priorities for the Country Office are set out in the biennial collaborative agreement between WHO/Europe and the host country. The office implements the agreement in close collaboration with national institutions and international partner agencies.	The Specific objectives of the Action are: to strengthen the health system policy and governance by establishing a framework for a resilient primary healthcare (PHC) system; to enhance maternal, child and adolescent health services; to improve skills and competencies of the PHC health workforce; to strengthen PHC capacities to address basic mental health problems of and provide psychosocial support to adolescent boys and girls.
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455837	700002044 - Enguri HPP Phase V - Georgia: Enguri HPP	21-27 NDICI Neighbourhood	Georgia	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	16.10.2024	15.10.2029	7 450 000,00	Project financed through the Neighbourhood Investment Platform (NIP).NIP projects are always implemented in indirect management for the nature of the instrument. IFIs implement the project and they disburse additional funding to complement the EU contribution.	EBRD and EU have co-financed the first four phases of the rehabilitation of Enguri HPP: around EUR 166mio (loans+grants). Enguri HPP Phase V - Georgia: Enguri HPP is a continuation of an existing programme.	This financing package will fund long-term structural stability works of the Enguri dam, repairs to the underground tunnel and penstock to ensure a more reliable power generation and grid system. In addition, the investment will reduce water leakages in the headrace tunnel and enable additional renewable energy production. These funds will also be used to construct vital infrastructure, including roads to monitor the dam, to improve the safety and reliability of the electrical grid and energy generation, as well as to create a fish passage downstream of the Enguri dam to protect biodiversity.
458770	700002355 - Support for the review of Moldova's school curriculum	21-27 NDICI Neighbourhood	Moldova	Contribution Agreement	ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT	09.09.2024	08.12.2025	300 000,00	Indirect Management with a pillar assessed organisation was identified as implementation modality to timely respond to the request of support from the Ministry of Education in the process of reviewing the national school curriculum. The nature of this support matches the scope of this implementation modality, as it entails education comparative policy studies, advisory services/technical assistance and capacity building activities by a specialised organisation with adequate expertise and capacities.	The OECD has been identified as implementer based on the specific international expertise of this organisation as worldwide leading organisation in education policy development and sector performances assessment. Additionally, a preference to work with the OECD was expressed by the sector national authorities for reasons of continuity with a previous action (a diagnostic study with actionable recommendations) by the same organisation in previous years.	Technical support for the establishment of a curriculum review cycle that fits the Moldovan context, including a proposed timeframe and the stages of the curriculum review cycle; methods and approaches at different stages of the curriculum review cycle; curriculum emphasis; and the intended curriculum review outputs. Institutional capacity building and exchange with best international practices for the development of a curriculum framework for primary, lower secondary and upper secondary education.

459215	700002398 - Expanding Opportunities for Women's Engagement in the Private Sector	21-27 NDICI Neighbourhood	Azerbaijan	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	06.01.2025	05.01.2027	1 000 000,00	Indirect management with pillar assessed organization was chosen due to specific expertise in the sector and specific mandate for the local context in question.	UNDP is one of the UN lead agencies working in the field of women's economic empowerment. UNDP has demonstrated thought leadership on gender equality in a number of development interventions, such as governance, resilience and environment. UNDP's flagship Women Resource Centres (WRC) operate in fifteen regions of Azerbaijan, where hundreds of women benefit from business development trainings, vocational education, and new employment and income- generation opportunities. The EUD supported establishment of one of such centres in Bilasuvar and the results of the work of the centre allows to conclude that the WRC model has proven to be a sustainable and effective mechanism in UNDP's work at the grass- roots level for women's economic and social empowerment in rural areas through various capacity building programmes, facilitation of access to resources and markets via digital technologies. All indicatively selected regions in the proposed action has operational WRCs.	The project aims to contribute to a greater gender inclusiveness and equitability in economic growth. Specific objectives/Outcomes: - Women are empowered to engage in the private sector activities as entrepreneurs and business owners. - Public-private partnerships are forged to counter gender-specific barriers in accessing jobs and developing careers in business sector.
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459683	700002459 - Ganja Water and Wastewater Phase 1	21-27 NDICI Neighbourhood	Azerbaijan	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	09.12.2024	08.12.2031	5 350 000,00	Indirect management with pillar assessed organization was chosen due to specific expertise in the sector.	The EBRD has specific and thematic expertise in the sector to be covered by the Action and it has been an effective and important partner of the EU. The bank is also engaged in broader policy advice in national and sectoral contexts and therefore is well placed to contribute to the implementation of Action's objectives. The EBRD has been supporting Azerbaijan's green agenda under its flagship Green Cities programme which aims to facilitate and stimulate investment in the municipal sector by supporting cities in prioritising climate related actions.	The primary goal of the Project is to enhance environmental standards and adapt to climate change. The Project aims to rehabilitate or develop facilities in an environmentally and socially sustainable and responsible manner. Objectives include ensuring access to clean and affordable services, improving public health, reducing water-borne diseases, supporting sustainable resource use, and generally promoting high environmental standards within affordability constraints.
459138	700002387 - Developing Social Entrepreneurship Ecosystem in Azerbaijan	21-27 NDICI Neighbourhood	Azerbaijan	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01.01.2025	30.06.2027	1 500 000,00	Indirect management with pillar assessed organisations was chosen due to the civil society environment in Azerbaijan which doesn't allow to launch a call for proposals.	The reasons for choosing UNDP are the following: - Specific sector / thematic expertise. At the global level, UNDP has accumulated a wealth of experience on social entrepreneurship. UNDP's largest and most ambitious programme on social entrepreneurship is Youth Co:Lab that was co-created by UNDP and Citi Foundation in 2017. Since then the programme expanded to 29 countries and territories, engaged 280,000 young people, and supported over 2,600 social innovation and entrepreneurship teams in Asia and Pacific. In addition to directly supporting youth entrepreneurship, Youth Co:Lab works closely with multiple stakeholders across the region, including governments, civil society and the private sector, to strengthen the entrepreneurship ecosystem and policy environment to better enable young people to take the lead on new solutions that will help meet the SDGs. In Azerbaijan, UNDP has been working on promoting social entrepreneurship as part of the EU-funded "Developing innovation-driven and sustainable civil society" Project	Impact/Overall Objective: • Disadvantaged populations, particularly, low-income families, women, youth, people with disabilities, benefit from improved access to jobs, social services and greater inclusivity. Specific objectives/Outcomes: • SO. 1 More civil society actors are able to design and implement sustainable, innovative and scalable business solutions to social and environmental challenges benefiting vulnerable populations. • SO. 2 Key elements of the Social Entrepreneurship ecosystem are strengthened to ensure a more conducive environment for social entrepreneurs to develop and grow.

										since 2021. Over 3 years, UNDP built strong connections with the key ecosystem players, created a pool of local expertise, organized incubation programme for over 40 social entrepreneurs, supported start-up or acceleration of 25 social businesses, and was at the forefront of the advocacy for legal changes to incentivize social entrepreneurship. UNDP is the only UN agency in Azerbaijan active in the sector. - Logistical and/or management capacities UNDP has a permanent Country Office in Azerbaijan, as well as adequate administrative and logistical capacity to carry out the Action. UNDP actively communicates with the Ministry of Economy of Azerbaijan, its main counterpart in the Country. Moreover, UNDP has also established relations with the main partner institutions for the Action, as described below.	
460813	700002556 - Yerevan Customs and Logistics Centre	21-27 NDICI Neighbourhood	Armenia	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	09.12.2024	08.12.2029	6 400 000,00	The action is blending, i.e. required larger financing for an IFI (in this case 30 million EUR) for infrastructure building. EU 6 million contribution contributes to training, education, etc.	EBRD is an well-known IFI partner in Blending infrastructure contracts	The action is blanding loan funds for constructing a new Customs terminal outside of Yerevan. The action will contrinute to trade diversification and to reduction of the pollution in the city.

461499	700002613 - Residential Green Economy Financing Facility (GEFF) in Moldova	21-27 NDICI Neighbourhood	Moldova	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	11.12.2024	10.12.2032	9 932 000,00	This is a Contribution Agreement justified on the experience already held by EBRD in credit lines to SMEs on Energy Efficient Investments	Already experience in credit lines to SMEs on Energy Efficient Investments.	The proposed Programme will broaden access to credit and technical assistance for a wider range of beneficiaries within the residential sector value chains, including: <ul style="list-style-type: none"> • Individual households (including women-led and women-only households) • Housing Associations (multi-storey apartment buildings) • Service providers in the residential sector • Vendors and producers of eligible technologies and measures • Construction companies for the construction of high-performance residential buildings
454422	700001887 - Economic and Investment Plan Facility	21-27 NDICI Neighbourhood	Azerbaijan	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	01.01.2025	31.12.2029	5 265 000,00	Indirect management with pillar assessed organization was chosen due to specific expertise in the sector.	The EBRD has global expertise and experience of implementing investment projects. Acting as a neutral, international organization, the EBRD has maintained its impartial partner position with a consolidated reputation with both the Government of Azerbaijan, national and local stakeholders in the regions. Through its actions in the country the EBRD supports the Government of Azerbaijan in fulfilling its development agenda aiming to build an inclusive, sustainable, green and digital economy. To achieve these goals, the country needs sizable investments and technical assistance both in the public and private sectors and the EBRD is a committed partner for this actions.	The overall objective of this Action is to support the implementation of the Economic and Investment Plan for Azerbaijan, by promoting a more sustainable, inclusive, and digitally driven economy, while enhancing investment conditions for businesses. The Action aims to achieve its intermediate to long-term goals by supporting Azerbaijan in its efforts to strengthen its institutional, economic and administrative capacity. The Action will support initiatives in the local market to achieve two Specific Objectives: <ul style="list-style-type: none"> - Improved capacities of relevant government institutions and mechanisms for coordination and the overall implementation of the EIP at national level. - Enhanced capacity of public and private sector actors to design and implement investment projects aligned with the EIP, in line with international best practices and the EU requirements.

459322	700002417 - Community-based Climate Change Resilience and Green Transition	21-27 NDICI Neighbourhood	Azerbaijan	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01.01.2025	31.12.2028	3 500 000,00	Indirect management with pillar assessed organisations was chosen due to the complexity of the action which entails a combination of approaches ranging from technical assistance/policy advisory services, to studies and implementation of pilot actions of various type.	UNDP possesses extensive expertise in the environmental sector, including climate change adaptation and mitigation both at national and local levels that serves as strong basis for selection of the entity to implement the Action. It has a long-standing history of working on sustainable development and has developed specialized knowledge in various aspects of environmental management. As the implementing partner of the EU4Climate program in Azerbaijan, UNDP assisted the Government of Azerbaijan (GoA) in integrating climate change into energy and agriculture policies, with capacity development and guidelines and helped the GoA to update and submit the Nationally Determined Contributions (NDC) document, the international commitment under the Paris Agreement of the Conference of the Parties in Paris to the United Nations Framework Convention on Climate Change. UNDP supported the Government of Azerbaijan (GoA) with the legal alignment updates for the MRV system to enhance the Greenhouse Gas (GHG) inventory. UNDP through the "National Adaptation Plan" (NAP) Project has undertaken comprehensive assessments across Azerbaijan's economic regions and developed a Vulnerability Index Report covering indicators like exposure, sensitivity, adaptation capacity, and vulnerability index to identify the most 20 vulnerable regions to climate change.	The project's overall long-term objective is to: Ø Contribute to a green, sustainable and inclusive economy and to a resilient, gender-equal and community-driven society in Azerbaijan. The intervention's logic is structured around the following Outcome/Specific Objective and Outputs: • Outcome: Local communities and MSMEs adapt and respond to climate change challenges in selected area. o Output 1: Capacity of local communities and MSMEs to develop, coordinate, implement and monitor climate change adaptation and green transition plans is increased; o Output 2: MSMEs' and community capacities to adapt to climate change and disaster resilience challenges and to promote resource efficiency solutions and adopt climate-resilient practices are strengthened; o Output 3: Innovative climate adaptation and disaster-resilient solutions in targeted communities and MSMEs are piloted.
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460663	700002544 - Support for Technical Assistance for Bălți Regional Hospital Project Preparation	21-27 NDICI Neighbourhood	Moldova	Contribution Agreement	BANQUE DE DEVELOPPEMENT DU CONSEIL DE L'EUROPE	13.12.2024	12.01.2028	3 210 000,00	Indirect management was selected because of CEB's specific expertise in health development and effective methodologies of hospital design.	The CEB fully comply with the selection criteria as set out in the "Action Document for the Neighbourhood Investment Platform (NIP) - 2023 East, under its Outcome 3 "Promote smart, sustainable and inclusive growth through support to small and medium sized enterprises, to the social sector, including human capital development and gender equality, and to municipal infrastructure development": the CEB has a positive pillar assessment; the proposed project is relevant and contributes to the objectives of the EU's Neighbourhood Policy, to the Action Plans agreed between the EU and the Republic of Moldova and to the strategic priorities of the NIP. In addition, the CEB brings added value to the project through its specialized expertise in health development, ensuring the best practices in design, sustainability and energy efficiency. This investment aligns with Moldova's long-term health reform strategy and addresses the current investment gap in health infrastructure due to geopolitical shifts. Additionally, the CEB's sound logistical and management capacities, fully assessed by the EU, coupled with the concessional loan terms, provide the necessary financial support to expand access to modern health services in underserved regions, thereby advancing equitable universal health coverage in Moldova.	The Action aims to provide the Ministry of Health with financial and technical assistance for procuring services and developing both the preliminary/conceptual and technical/detailed designs for the construction and equipping of Bălți Regional Hospital. This initiative will help transition the project from the preparation to construction phase. Key activities include 1) elaboration of Conceptual/Preliminary Design and Technical Specifications for Design and Build and 2) elaboration of Technical/Detailed Design.
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461991	700002653 - Support for the Development of the National Strategy for Culture 2030 in Moldova and its Implementation Programme	21-27 NDICI Neighbourhood	Moldova	Contribution Agreement	UNITED NATIONS EDUCATIONAL SCIENTIFIC AND CULTURAL ORGANIZATION	01.02.2025	31.01.2026	200 000,00	Indirect Management with a pillar assessed organisation was identified to timely respond to the need of the Ministry of Education to advance the formulation of the National Strategy for Culture and Cultural Heritage, building on advisory services and capacity development from an entity with adequate capacities and specialised expertise international organisation with adequate.	UNESCO was selected based on an informal call for expression of interest launched by the EU Delegation for any pillar assed organisation with adequate capacities and specific sectoral expertise. UNESCO was the only organisation to express interest and was awarded after proper assessment taking also into account the positive opinion of the Ministry of Culture	Technical support to the Country Authorities in the development of a comprehensive National Strategy for Culture and Cultural Heritage until 2030 and its implementation programme, based on international best policies and practices, and capacity building programmes to strengthen the culture sector, specially focused on cultural heritage protection.
442003	Improving the standards compliance through increased national capacities for residue monitoring	21-27 NDICI Neighbourhood	Moldova	Contribution Agreement	UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION	01.02.2023	31.01.2027	2 500 000,00	alignment and possibility to create synergies with existing external funded interventions by international organisations with beneficiary institution (Natioanl Food Safety Agency)	3 organizations were invited for expression of interest via concept note. UNIDO was selected to best meet the selection criteria established in the Action document: - proven knowledge and expertise in the agricultural area, - operational and technical capacities required to efficiently deliver trainings and supplies, - value added, - transparency, - absence of conflict of interest. The contract was allocated additional budget in 2024 with the objective to extend the scope of the existing project to allow for additional support, especially for capacity building of Food business operators.	Capacity development: advisory and technical assistance services; procurements (laboratory equipment)
456662	Support provision of basic health services for conflict-affected people living in Abkhazia, Georgia	21-27 NDICI Neighbourhood	Georgia	Contribution Agreement	WHO REGIONAL OFFICE FOR EUROPE	01.09.2024	28.02.2027	2 000 000,00	This project is implemented in the breakaway region of Abkhazia where there are limited options in what type of interventions and partners we can use. There is no possibility to work with the df authorities. The only option is indirect management or grants to only 3 international NGOs present in the region.For the purpose of supporting basic health services, best approach is to use UN agencies.	WHO and UNICEF are best placed to support primary healthcare in Abkhazia where presence of international partners is limited. The choice of these two UN agencies is also based on previous interventions with UNICEF/WHO and in particular their work on immunisation and training for healthcare professionals.	The intervention aims at supporting improved access to essential health services in Abkhazia at Primary health care centers/community level through specific interventions in the areas of immunization, mother and child healthcare, tuberculosis control and through addressing major chronic disease and their risk factors, as well as, strengthening the capacities of the health workers and improving the IPC practices and conditions.

457950	Human Rights for All – Realization of Child Rights to Family, Justice, and Adequate Standard of Living	21-27 NDICI Neighbourhood	Georgia	Contribution Agreement	UNITED NATIONS CHILDREN'S FUND	30.10.2024	29.10.2027	2 500 000,00	Some activities of the project are implemented in the breakaway region of Abkhazia where the only option is indirect management with pillar assessed entities or grants to only 3 international NGOs present in the region. Moreover, UNICEF has specific and thematic expertise (child protection) relevant for this intervention.	The contract is a follow up to the contract that ended in May 2024 (ENI/2020/418-090 Joint EU-UNICEF project on strengthening systems and services for child protection in Georgia). DG NEAR C Director approved the entity on 16 September 2024 (Ref. Ares (2024)6541720)	The project aims to further advance child rights implementation in Georgia. Central to this endeavor is the Code on the Rights of the Child (Code) ¹ , which serves as a comprehensive legal framework for safeguarding children's rights across the country. The project will strengthen the capacity of professionals involved in prevention of family separation and reintegration; multidisciplinary support for child victims of sexual abuse; enhance child-friendly legal aid for children in contact with the law
458826	Human Rights for All - Phase 3	21-27 NDICI Neighbourhood	Georgia	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	09.12.2024	08.04.2028	2 800 000,00	The year 2024 has proven to be a dark chapter for the protection of human rights, fundamental freedoms, and the upholding of rule of law in Georgia. UNDP and OHCHR have a specific and thematic expertise relevant for the intervention. DG NEAR C Director approved the entity on 16 September 2024 (Ref. Ares(2024)6544128)	The contract is a follow up to the contract that ended in April 2024 (ENI/2020/418-101 Human Rights for All II). Based on the programming discussions for AAP 2023 within the EUD, HQ and following exchanges with the authorities and partners it was agreed that it is important to continue the key work undertaken by UNDP and OHCHR with financial support of the EU, in particular when it comes to promotion and protection of human rights, social protection and civil society.	The project is structured around two Specific Objectives: SO1. Enhanced policy dialogue on the alignment of Georgian legislation, policies, institutional practices and the functioning of the criminal justice system with international standards on the protection of human rights (civil, political, economic, and social). SO2. Increased involvement of rights holders and other key institutional and relevant stakeholders in monitoring, advocacy, and protection of human rights, including the most vulnerable and minority groups. It will attach significant importance to addressing the needs of the most disadvantaged communities in Georgia. As a result, the project's target population besides population-at-large include persons with disabilities, LGBTQI+, those living in rural and remote regions, ethnic and religious minorities, women, youth, older persons, victims of torture and other forms of ill-treatment

460013	DUMMY Technical contract for payment of interest on contract 416-147 (SV-Grant)	21-27 NDICI Neighbourhood	Headquarters	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	20.12.2024	19.03.2025	247,89	non applicable	non applicable	non applicable
461888	Mayors for Economic Growth - Phase III	21-27 NDICI Neighbourhood	Headquarters	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01.01.2025	31.12.2028	8 000 000,00	Indirect management through UNDP proved a successful implementation modality in the previous phase. UNDP aptly implemented the previous phase of the programme, delivering good results.	UNDP has implemented phase II of M4EG. A final evaluation done by an independent consultant showed UNDP successfully implemented M4EG as a relevant, coherent and effective project. The evaluation found the project was aligned with municipalities' needs by offering systemic solutions in a cost- effective and impactful manner while fully aligning with EU visibility requirements. Most indicators in the logical framework were achieved or exceeded before the end date of implementation of the second phase. UNDP has demonstrated flexibility and conflict sensitivity when quickly reacting to the war in Ukraine.	Over the course of phase III, UNDP within M4EG will: - conduct active outreach to municipalities within the network and national stakeholders, organise events and communication; - offer TA and capacity building through the Urban Learning Centre; trainings, workshops and courses for local authorities - conduct multiple grant schemes at different scales to help finance municipalities' projects in many areas (climate, private sector, urban development, blue economy...) - engage with national stakeholders, private sector and IFIs to support collaboration and better access to finance for municipalities
455354	700001979 - Strengthening the Fight Against Corruption in EU Eastern Partnership Countries	21-27 NDICI Neighbourhood	Headquarters	Contribution Agreement	ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT	01.02.2024	31.12.2026	3 500 000,00	Regional Action Programme 2023 - Action Document (AD8) for Strengthening the fight against corruption and organised crime in the Eastern Partnership allows for Indirect management with pillar assessed entity(ies) to be selected in accordance with the criteria set out in section 4.4.4	The OECD was selected on account of its technical degree of specialisation in the field of the rule of law, fight against corruption and evidence-based policy advice. The OECD possess cutting-edge experience, knowledge of specific needs of project stakeholders, and well-established networks engaging the stakeholders from the region.	The tasks assigned to OECD under the action are -: to stimulate implementation of evidence-based anti-corruption policies, strengthening institutions, and stepping up enforcement with a focus on high-level and complex corruption through regional dialogue, enhanced monitoring with the engagement of civil society, and in-depth analysis and experience-sharing on law enforcement and business integrity issues.

457711	700002272 - Support for health resilience in the Eastern Partnership - Component 2 & 3	21-27 NDICI Neighbourhood	Headquarters	Contribution Agreement	WORLD HEALTH ORGANIZATION	01.10.2024	31.03.2027	4 900 000,00	Foreseen as preferred implementation modality in the Action Document / Assessment/rationale for implementing partners: Ares(2024)4934699	Specific sector/thematic expertise	The overall objective of this Action is to contribute to resilient and interconnected health systems in Eastern Partnership countries to strengthen their capacities to handle health emergencies and core health challenges. It will be pursued along two specific objectives (SOs), namely (1) health workforce capacities and resilience strengthened to ensure quality health services' provision, and (2) mental health systems strengthened, including governance, capacities and skills in prevention and management of mental ill health.
458097	700002306 - Support to Eastern Partnership Countries to Enhance Asset Recovery II	21-27 NDICI Neighbourhood	Headquarters	Contribution Agreement	UNITED NATIONS INTERREGIONAL CRIMEAND JUSTICE RESEARCH INSTITUTE	01.11.2024	31.10.2027	1 000 000,00	Regional Action Programme 2023 - Action Document (AD8) for Strengthening the fight against corruption and organised crime in the Eastern Partnership allows for Indirect management with pillar assessed entity(ies) to be selected in accordance with the criteria set out in section 4.4.4	UNICRI was selected on account of its technical degree of specialisation in asset recovery. UNICRI has experience, knowledge of specific needs of project stakeholders and well established network engaging the stakeholders in the region.	This tasks assigned to UNICRI are: (1) to support learning about evolving and modern policy-related practices that improve outcomes with respect to addressing organised crime and improving the capture (and effective custody / management) of illicitly-acquired assets; and (2) to provide highly specialised advice and related support on how to address actual pending cases (including cross-border cases) to trace and recover assets linked to organised criminal activity; this will be accompanied by technical advice on how to effectively manage seized and confiscated assets – e.g., distributing such assets to high-priority development needs.

453249	EU4Education Reforms in Armenia	21-27 NDICI Neighbourhood	Armenia	Contribution Agreement	UNITED NATIONS CHILDREN'S FUND	01.03.2024	28.02.2027	2 000 000,00	<p>The criteria applied for selection of the implementing partner in line with Financing Agreement are the following:</p> <ol style="list-style-type: none"> 1. Specific experience and expertise at country, regional and global level on improving the access to quality education for all children and youth. 2. Operational capacity of the organisation (organisational, human and management) 3. A proven track record to work in conflict affected areas, especially given that the majority of the activities will be implemented in bordering regions (Syunik, Ararat and Gegharkunik) 	<p>Since 2020 UNICEF Armenia is leading the Education Working Group in collaboration with the MoESCS to ensure an effective, timely and well-coordinated delivery of the education emergency response actions. Currently UNICEF in Armenia is leading the Education Working Group of the Humanitarian Response for Refugee Situation. Although UNICEF works in all regions of Armenia, due to the current humanitarian situation they concentrate their activities in bordering regions, particularly Syunik, Ararat and Gegharkunik. Furthermore, UNICEF is establishing a sub-office in Syunik marz bordering with Iran and Azerbaijan.</p> <p>UNICEF as a UN neutral entity is well respected among the education sector stakeholders, particularly in the bordering regions. UNICEF values continuous dialogue and exchange with partners encouraging information sharing and coordinated interventions leading the work of the Local Education Group (LEG) with 40+ members in collaboration with the Asian Development Bank.</p>	<p>Preparation of six-monthly reports on monitoring of general and specific conditions.</p> <ul style="list-style-type: none"> - Monitoring and proposing recommendations to the Government for the preparation of the annual self-assessment report, reinforcement of EMIS to strengthen the digital school governance mechanisms. - Provision of relevant ad-hoc technical support to the Government and EU on implementation of budget support project. - Establishment of Steering committee for EU budget support project implementation. - Organization and facilitation of Round-table discussions between key national stakeholders and development partners. - Public communication and advocacy activities.
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455802	ATHENA: Advancing the Human Rights Agenda and Enhancing National Authorities	21-27 NDICI Neighbourhood	Armenia	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01.06.2024	31.05.2027	2 300 000,00	<p>The criteria applied for selection of the implementing partners for the CEPA Reform Facility as indicated under section 3.1.1 of Annex 1 to the Financing Agreement NDICI-GEO-NEAR/2021/043-003 are the following:</p> <ul style="list-style-type: none"> • extensive experience in providing technical assistance and advice on legal and policy matters relevant to the human rights promotion and protection in Armenia • strong track record in providing support to human rights institutions development, necessary operational capacity and transparency as well as provision of technical equipment. 	<p>The implementing partner UNDP is a pillar-assessed organisation, with a proven capacity (including human resources and organisational set-up) to collect data, analyse and it and report on results. UNDP/UNICEF/UNFPA were selected for their: a) specific sector/thematic expertise; and b) logistical and/or management capacities and history of implementing human rights protection and promotion projects in Armenia for over two decades, applying rights-based approaches for democratic development and citizen empowerment.</p>	<p>The tasks aim to support more efficient coordination, monitoring and evaluation, and to strengthen the capacity of the Secretariat of the Coordination Council under the HRAP with the stronger participation of the HRDO, CSOs and the Parliament in the processes.</p>
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458407	Empowering civil society and protecting vulnerable groups in Azerbaijan.	21-27 CSO	Azerbaijan	Contribution Agreement	UNITED NATIONS ORGANISATION	01.11.2024	31.10.2027	1 500 000,00	Indirect management with pillar assessed organisations was chosen due to the civil society environment in Azerbaijan which doesn't allow to launch a call for proposals.	<p>The main reason for selecting OHCHR is (a) its specific sector/thematic expertise on Human Rights. OHCHR is the UN body in charge of promoting universal enjoyment of all human rights by giving practical effect to the will and resolve of the world community. The organization also plays a leading role on human rights issues and emphasize the importance of human rights at the international and national levels and promotes international cooperation for human rights.</p> <p>Another reason to choose OHCHR is (e) the Strategic relevance for EU multilateral engagement. This is in line with the communication (Ares 2022/2987282) sent to EU Delegations and OHCHR offices by HRVP Borrell and UN HR High Commissioner Bachelet in which they encourage "EU Delegations and OHCHR Field Presences to engage in regular dialogue and to seek opportunities for effective joint action at country and regional level, with the goal of advancing human rights around the world".</p>	<p>Impact of the proposed project (the "Action"): Human rights are promoted and protected in Azerbaijan, especially those of persons in situation of vulnerability and affected by the conflict.</p> <p>The Outcomes of this Action are:</p> <p>1) CSOs are empowered to address critical human rights issues in the country and their engagement in international human rights advocacy is strengthened.</p> <p>2) Access to justice for individuals in vulnerable situations, including IDPs and those impacted by the conflict is improved.</p>
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458407	Empowering civil society and protecting vulnerable groups in Azerbaijan.	21-27 HR and Democracy	Azerbaijan	Contribution Agreement	UNITED NATIONS ORGANISATION	01.11.2024	31.10.2027	1 530 000,00	Indirect management with pillar assessed organisations was chosen due to the civil society environment in Azerbaijan which doesn't allow to launch a call for proposals.	<p>The main reason for selecting OHCHR is (a) its specific sector/thematic expertise on Human Rights. OHCHR is the UN body in charge of promoting universal enjoyment of all human rights by giving practical effect to the will and resolve of the world community. The organization also plays a leading role on human rights issues and emphasize the importance of human rights at the international and national levels and promotes international cooperation for human rights.</p> <p>Another reason to choose OHCHR is (e) the Strategic relevance for EU multilateral engagement. This is in line with the communication (Ares 2022/2987282) sent to EU Delegations and OHCHR offices by HRVP Borrell and UN HR High Commissioner Bachelet in which they encourage "EU Delegations and OHCHR Field Presences to engage in regular dialogue and to seek opportunities for effective joint action at country and regional level, with the goal of advancing human rights around the world".</p>	<p>Impact of the proposed project (the "Action"): Human rights are promoted and protected in Azerbaijan, especially those of persons in situation of vulnerability and affected by the conflict.</p> <p>The Outcomes of this Action are:</p> <ol style="list-style-type: none"> 1) CSOs are empowered to address critical human rights issues in the country and their engagement in international human rights advocacy is strengthened. 2) Access to justice for individuals in vulnerable situations, including IDPs and those impacted by the conflict is improved.
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458488	Enhancing resilience of women and girls affected by gender-based violence through improved social infrastructure and sustainable gender transformative financing frameworks	21-27 NDICI Neighbourhood	Azerbaijan	Contribution Agreement	UNITED NATIONS POPULATION FUND	30.10.2024	29.10.2027	1 500 000,00	Indirect management with pillar assessed organization was chosen due to specific expertise in the sector.	UNFPA is one of the UN lead agencies working to further gender equality and women's empowerment, and to address physical and emotional consequences of gender-based violence (GBV). UNFPA co-chairs the UN Inter-Agency Violence Against Women Task Force together with UN Women, and is a key partner in the UNiTE to End Violence against Women campaign, a worldwide effort led by the UN Secretary-General. UNFPA often co-leads in the coordination of responses to gender-based violence, including in humanitarian contexts. In Azerbaijan, UNFPA currently co-chairs the United Nations Sustainable Development Cooperation Framework's Result Group on Gender together with the State Committee for Family, Women and Children's Affairs. UNFPA has a track record of programs and projects aimed at establishment of safe spaces for women and girls affected by GBV. Additionally, through its long-term strategic partnerships with sister UN agencies UNFPA has successfully led a range of initiatives on gender budgeting to integrate gender-responsive approaches into reproductive health programmes and national policy frameworks, with a major focus on violence against women.	The project aims to contribute to a more inclusive and equitable society where women and girls can live free from violence and discrimination through improved availability of social infrastructure and quality services for GBV response and enhanced national capacities for gender responsive budgeting for effective realization of legal and policy frameworks on gender equality in Azerbaijan.
456848	700002156 - Support to Energy Security, Investment Climate and Governance for Montenegro	21-27 IPA III	Montenegro	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	26.06.2024	25.06.2028	2 500 000,00	Pillar assessed organisation with adequate technical capacities to deliver on the action	EBRD owns technical capacities in the fields of action and the Bank has strong in-country presence, including dedicated project management team at their HQ and in Podgorica. Further, the Bank stakeholders relations were assessed as positive to enable an effective action	The action is divided in 3 components: support to key reforms in the area of 1) Energy security and decarbonisation; 2) corporate and climate governance, operational and financial improvements of key State-Owned Enterprises and 3) Targeted policy reforms to drive economic growth and productivity in the country

455274	700001971 - Strengthening Freedom of Expression and Freedom of Media in Serbia	21-27 IPA III	Serbia	Contribution Agreement	ORGANIZATION FOR SECURITY AND COOPERATION IN EUROPE	25.07.2024	24.09.2027	1 500 000,00	The requirements are very specific and need high expertise and experience in the country	The OSCE has been selected in view of its institutional mandate and relevant experience in the subject matter, which allows it to provide optimal support to Serbian institutions based on lessons learned accumulated through years of implementation of similar policies in both Serbia and the region	Support to the implementation of the Republic of Serbia's 'Strategy for the Development of Public Information System in the Republic of Serbia for the period 2020-2025 (Media Strategy)' and Action Plan, resulting in amendments to the media laws and their implementation, more transparent and independent media regulation, more robust legal protection for journalists facing intimidation and violent attacks, and access to the media space for under-represented groups in this diverse country.
458995	700002370 - Support to the Rule of Law through digital transformation: Advancing Case Management and Business Intelligence capabilities in Albania	21-27 IPA III	Albania	Contribution Agreement	UNITED NATIONS OFFICE FOR PROJECT SERVICES	01.11.2024	31.10.2028	7 500 000,00	In order to ensure an efficient and effective implementation of the decision under reference, and considering the volatile context in which the EU has to operate, the EU Delegation has decided to implement the action in support of the establishment of the "Integrated Case Management System" (ICMS) for judicial institutions in Albania (Outcome 1) in indirect management with a pillar assessed entity (UNOPS) that has been selected in accordance with the criteria set out in the implementing Decision and in accordance with its article 4.3.8.	The following factors were considered for selecting UNOPS: (i) Expertise in conducting large scale procurement of IT equipment, software, hardware and TA expertise procurement with special attention on accountability and transparency standards; (ii) Solid track-record in implementing digitalisation projects, in diverse settings and contexts. Under IPA funding, UNOPS is currently implementing the project "Support to the Rule of Law and Fundamental Rights Sector - Application of Unique Information System of Judiciary" in Montenegro; (iii) UNOPS is well established in Albania, with highly skilled and professional personnel in procurement, HR, project management, infrastructure, communications and finance. They are recognised as a reliable partners of choice by Governmental institutions as showcased with the EU4Culture and EU4Health Project in Albania (Ministry of Culture, Ministry of Health, Ministry of Finance).	The implementing tasks involve to procure and manage different service and supply contracts where a specific IT expertise is required in order to draft Terms of Reference and evaluate offers. It also include provide horizontal technical assistance to relevant judicial institutions in the implementation of their case management systems, ensuring interoperability and functionality.

457805	700002281 - EU4Employment in Bosnia and Herzegovina - IPA 2021	21-27 IPA III	Bosnia and Herzegovina	Contribution Agreement	INTERNATIONAL LABOUR ORGANIZATION	01.11.2024	31.10.2028	5 000 000,00	<p>Pillar assessed organisation with adequate technical capacities to deliver the action</p> <p>The financial rules applicable to the Union budget, specifically Articles 62 (1) (c) and 154 of Financial Regulation (EU Euratom) No 2018/1046 from 18 July 2018, Regulation (EU) No 2021/1529 of the European Parliament and of the Council of 15/09/2021, establishing the Instrument for Pre-Accession assistance (IPA III), Commission Delegated Regulation (EU) 2021/2128 of 1/10/2021 supplementing Regulation (EU) 2021/1529 of the European Parliament and of the Council, Commission Implementing Regulation (EU) 2021/2236 of 15/12/2021 on the specific rules for implementing Regulation (EU) 2021/1529, allow for a possibility for the Union's financial assistance to be implemented indirectly by entrusting budget implementing tasks to among others, international organisations as well as their agencies and Member States agencies.</p> <p>The Action subject to this Contribution Agreement, is part of the IPA 2021 Annual Action Programme for Bosnia and Herzegovina "EU4 Mitigating Socio-Economic Consequences of COVID-19 pandemic in Bosnia and Herzegovina: Employment, Social Protection and Inclusion Policies", related to employment sector, under implementation arrangements, envisages the activities of this Action to</p>	<p>Impact: To contribute to the mitigation of negative social consequences of the COVID-19 pandemic in BiH and support a green and digital socio-economic recovery.</p> <p>Outcome: To facilitate post-pandemic employment and access to labour market fostered in support of an increasingly 'resilient', 'regenerative', 'circular' economy in BiH.</p> <p>Impact: To contribute to the mitigation of negative social consequences of the COVID-19 pandemic in BiH and support a green and digital socio-economic recovery.</p> <p>Outcome: To facilitate post-pandemic employment and access to labour market fostered in support of an increasingly 'resilient', 'regenerative', 'circular' economy in BiH.</p>
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										be implemented in indirect management with entrusted entities which was selected through a Call for Expression of Interest, submitted either by an international organisation or a Member State organisation individually, or, by the partnership, in which an international organisation or a Member State organisation is a lead partner. The referenced Invitation to Expression of Interest was aimed at identifying entities which could be, later on, invited to negotiations on a potential subsequent entrustment of the Union's budget implementation tasks in respect to specific action of the IPA 2021 Annual Action Programme for Bosnia and Herzegovina "EU4 Mitigating Socio-Economic Consequences of COVID-19 pandemic in Bosnia and Herzegovina: Employment, Social Protection and Inclusion Policies" (IPA 2021/043-667).	
458740	700002350 - Promotion of occupational safety and health and labour inspection in Serbia	21-27 IPA III	Serbia	Contribution Agreement	INTERNATIONAL LABOUR ORGANIZATION	15.01.2025	15.01.2027	1 500 000,00	International organisation better placed to deliver training on international standards	Specific expertise in the field of the contract	Management of technical assistance and related expenditures

460430	700002528 - EU Support for Migration and Border Management in Montenegro - Individual Measure to Strengthen Integrated Border Management Capacities in Montenegro II	21-27 IPA III	Montenegro	Contribution Agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	01.01.2025	31.12.2027	10 000 000,00	<p>Pillar assessed organisation with adequate technical capacities to deliver on the action</p>	<p>IOM was chosen due to its extensive experience and well-established expertise in the field of migration management and border governance. The Organization has a proven track record of successfully implementing similar initiatives in various contexts, making it particularly well-suited to support the implementation of the identified activities.</p> <p>IOM possesses a pool of experts who are highly knowledgeable and skilled in various relevant fields, including border management, migration policy, capacity building, and security. Their extensive experience in these areas ensures the effective and efficient execution of the project.</p> <p>IOM has successfully carried out numerous integrated border management initiatives in different regions. These projects have included enhancing border security, facilitating cross-border cooperation, improving infrastructure, and training border personnel, all of which demonstrate IOM's capability and effectiveness in this domain. (Attached the assessment /Rationale)</p>	<p>Specific Objective 1 (SO1): Enhanced capacities for surveillance and identification and registration of mixed migration flows in Montenegro to ensure effective border management in line with EU standards</p> <p>Specific Objective 2 (SO2): Improved MFA VIS system compliant to EU-VIS and MFA capacities enhanced</p>
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461107	700002577 - Establishment and upgrade of the identification and registration process of mixed migration in North Macedonia in view of a connection to EU information systems	21-27 IPA III	North Macedonia	Contribution Agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	25.11.2024	24.11.2028	10 000 000,00	<p>The Action document IPA III/2022/044-747 ACT-60917, EU for Improved Border and Migration Management for North Macedonia aims to upgrade the technological and institutional capacities to identify, register, screen and treat the information on migrants and refugees in line with EU and international standards. The Action builds upon previous actions implemented by IOM in North Macedonia supporting the country to cope with the migrant flows in the form of EU funded Special Measures (SM) that strengthened the border and migration management capacities of the country, will support the implementation of the new Integrated Border Management Strategy and will contribute to the development of biometric and EURODAC-compliant migrant registration system. Following the Acceptance to use the fall-back option envisaged in ACT-60917-EU for improved Border and Migration Management under the AAP 2022 for North Macedonia (Ares (2024) 1816778 of 08.03.2024) and due to the very limited expertise in area of border management on the market, the EUD has identified IOM as pillar assessed international organisation for the implementation of this action</p>	<p>EU Delegation is considered the selection of a pillar-assessed entity with unique expertise in the field of biometrics for identity management. IOM has implemented more than 150 projects with significant biometric components. The Organization's specific work with biometrics covers a broad array of migration activities, ranging from the development of biometric applications made available to States for enhanced border management, development of assessments and procurement of biometric registration systems, capacity building trainings on registration of migrants, to the use of biometrics in crisis situations to support humanitarian work</p>	<p>Project Outline The "Establishment and upgrade of the identification and registration process of mixed migration in North Macedonia in view of a connection to EU information systems" is a project funded by the European Union and implemented by the International Organization for Migration - IOM. The overall objective of the project is to improve security in North Macedonia and at its borders while supporting the free movement of people and compliance with human rights. Specific Objective Strengthened border and migration management capabilities of North Macedonia. To contribute to enhancing the capacities of the border management authorities in North Macedonia, the project will focus on equipping and building the capacities of border management officials in the area of migrant registration. The expected outputs of the project are: 1) Strengthened technology capacities of North Macedonia to identify, screen and properly treat information on migrants and refugees, in line with EU standards. IOM will support the processes of procurement and operationalization of the adequate IT solution mechanisms for the identification and registration of migrants in line with EU standards, particularly the Eurodac standards. Once fully operational, this system will allow for systematic gathering, storing, and processing of data on entries into North Macedonia in line with the EU standards. The system will also be in line with protection-oriented standards of the EU, and both the system itself</p>
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460662	700002549 - Special Measure on Migration in Montenegro - Automatic Data Exchange System	21-27 IPA III	Montenegro	Contribution Agreement	UNITED NATIONS OFFICE FOR PROJECT SERVICES	13.01.2025	12.09.2026	2 000 000,00	Pillar assessed organisation with adequate technical capacities to deliver on the action	UNOPS Montenegro, as a part of the UNOPS Serbia Multi-Country Office (RSMCO), is well placed in its organisational structure that includes a centralised Support Services Department with pivotal role in the delivery of professional integrated services in Procurement, Financial Management, Human Resources Management, Information Technology, Administrative and Logistical Support UNOPS RSMCO has a vast experience in procurement in the areas of the Rule of Law and Security, amounting to more than 40 million euros, comprising hardware and software solutions for Serbia's Ministry of Interior and Ministry of Justice, equipment and vehicles for Ukraine's Ministry of Interior, hardware and software for North Macedonia's Ministry of Foreign Affairs, ongoing processes benefitting Montenegro's Ministry of Justice, and more	Specific Objective 1: Output 1.1: Automatic data exchange system upgraded The Project will contribute to upgrading the underlying communication network, the procurement of the necessary IT infrastructure, developing software solution and supporting the certification body in Montenegro in establishing a Public Key Infrastructure (PKI) that will enable secure authentication through digital signatures as one of the key requirements for the secure and protected automatic data exchange. In addition to this, procurement of user equipment for beneficiaries will be conducted to enhance the ADE capacities of all relevant institutions
458703	700002346 - Strengthening Law Enforcement Capacities in Bosnia and Herzegovina to Fight Organised Crime	21-27 IPA III	Bosnia and Herzegovina	Contribution Agreement	THE INTERNATIONAL CENTRE FOR MIGRATION POLICY DEVELOPMENT	16.01.2025	15.07.2027	10 500 000,00	Pillar assessed organisation with adequate technical capacities to deliver the action	ICMPD has a strong track record in implementing similar actions in the field of border management on national, bilateral and EU level for almost 30 years. The strong track record of delivering across this wide portfolio, including projects under IPA funds, is an assurance for the Contracting Authority of the organisation's ability to deliver. Furthermore, BiH has been an ICMPD Member State for a number of years.	ICMPD as PA entity will be in charge of the procurement of the specific equipment for 1) Automated Fingerprint Identification System and 2) Anti-Money Laundering System. This includes activities before and after the procurement, e.g. preparing the technical specifications, tendering, and ensuring the systems are put to use, all of the above being done closely with the beneficiary institutio

461911	700002647 - HRM in LSG phase 3	21-27 IPA III	Serbia	Contribution Agreement	CONSEIL DE L' EUROPE	03.02.2025	02.11.2027	1 170 000,00	Centre of Expertise for Multilevel Governance (CEMG) of the Council of Europe is a hub for co-operation projects that address PA and multilevel governance reforms; develop capacities of staff and elected officials of local and regional authorities; and deliver advice to promote good democratic governance based on CoE standards and tools. The HRM in LSG, phase 3, builds on its previous phases and the CoE will principally support central government in preparing the legislative and policy framework for sustainable HRM practice at local level of governance in the Republic of Serbia	Council of Europe provides a distinctive and unique platform that includes its: European Charter of Local Self-Government, Congress of Local and Regional Authorities, European Committee on Democracy and Governance, Centre of Expertise for Good Governance.	Improving HRM strategic and legal framework for building capacities of local government for HRM and competences of employees to perform main local government functions
461910	700002648 - Further developed and enforced models for ITD	21-27 IPA III	Serbia	Contribution Agreement	UNITED NATIONS OFFICE FOR PROJECT SERVICES	06.12.2024	05.06.2028	3 000 000,00	This intervention will be implemented through the Contribution Agreement with UNOPS. UNOPS is the operational arm of the United Nations, supporting partners in over 80 countries to provide sustainable development solutions and build better lives for people through almost 1,000 projects implemented annually.	UNOPS knowledge of Serbia's context and successful experience is also complemented by organisational capacity. UNOPS has a positive pillar assessment as of 2015 in the internal control system (1), the accounting system (2), an independent external audit (3), rules and procedures for providing financing from the EU funds through grants (4), and procurement (5). The UNOPS Office in Serbia has 82 full-time employees and 108 consultants, including 17 international and national experts for integrated territorial development. The above note confirms that UNOPS, in addition to its pilot work on integrated territorial development and partnerships, has the strong organisational capacity, highly relevant experience, and specific expertise needed for this assignment, which puts this organisation in a unique position to implement this Project.	provision of Technical support to the National institutions for effective implementation of the Integrated Territorial Investment mechanism.

461576	700002625 - EU4Migration in Albania	21-27 IPA III	Albania	Contribution Agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	16.12.2024	15.12.2028	10 000 000,00	In accordance with Article 3 (Methods of implementation and entrusted entities or persons) of the European Commission Implementing Decision on the financing of the individual measure to strengthen migration capacities in the Western Balkans (WB) for 2023, the implementation of the action selected is indirect management.	IOM and UNHCR have a solid track-record in implementing projects in the migration and asylum sector, in diverse settings and contexts. Under IPA funding, both organizations are currently implementing phase III of the project "Regional Support to Protection-Sensitive Migration Management Systems in the Western Balkans". Both IOM and UNHCR are well established in Albania, with highly skilled and professional personnel in procurement, HR, project management, infrastructure, communications and finance. They are recognised as a reliable partners of choice by Governmental institutions as showcased in the assistance to the Ministry of Interior to the formulation of the Migration National Strategy 2024-2030.	The implementing tasks are of the selected bodies fall within the scope of the following 3 Outcomes and will include procurement of equipment, capacity building and awareness activities: Outcome 1: The governance of migration and asylum in Albania is strengthened, in support of the EU accession process. Outcome 2: Authorities in Albania have strengthened technical and operational capacities to manage migration and asylum in accordance with international and EU standards. Outcome 3: Migrants, asylum seekers and refugees are included in local social and economic services.
461585	700002622 - PROMOTING FREEDOM OF EXPRESSION IN ALBANIA THROUGH OPEN DIALOGUE	21-27 HR and Democracy	Albania	Contribution Agreement	CONSEIL DE L' EUROPE	01.01.2025	31.12.2026	150 000,00	Under the framework of the Commission Implementing Decision on the financing of the multiannual action plan for the thematic programme on human rights and democracy for 2022-2024 adopted in 2022, the use of indirect management is foreseen when it is necessary for the outcome to be achieved. The Council of Europe has been chosen as the best implementing partner to develop effective instruments, structured processes, and a formal dialogue framework between media stakeholders and relevant state institutions, in reference to strategic documents related to the EU integration in Albania.	The Council of Europe (CoE) has been chosen as the organisation best positioned to meet the following criteria/rationale: a) Specific sector/thematic expertise; b) Logistical and/or management capacities; c) Neutrality/security reasons in conflict/crisis situations; d) Specific mandate for the local context in question; e) Strategic relevance for EU multilateral engagement. Moreover, the CoE has been implementing EU-funded programmes since 2011, in Albania and in the Western Balkans, implementing the 3rd phases of the "Horizontal Facility for Western Balkans and Türkiye". For this reason, the organisation has a solid track record of promoting EU visibility, including through a dedicated communication officer and a team in HQ backstopping communication items.	The implementing tasks focus on the development of effective instruments, structured processes, and a formal dialogue framework between media stakeholders and relevant state institutions, in reference to strategic documents related to the EU integration, including the Government of Albania commitments. Through a customised methodology specific to the context of Albania, the implementing partner will contribute to improve the media community's ability to raise and address sector-specific concerns, ultimately producing actionable recommendations and concrete measures, in cooperation with the Albanian government that will promote media independence and alignment with European standards.

454137	700001867 - CyberSEE ı Co-operation on Cybercrime: Enhanced action on cybercrime and electronic evidence in South-East Europe and Türkiye	21-27 IPA III	Headquarters	Contribution Agreement	CONSEIL DE L' EUROPE	01.01.2024	30.06.2027	4 950 000,00	Pillar assessed IO - continuation of an existing programme/technical expertise	The entrusted entity, Council of Europe, has been selected using the following criteria: unique mandate, operational and financial capacity, and experience and presence in the region	The implementation by the entity entails undertaking all necessary actions, including through direct implementation of activities and conducting budget implementation tasks (procurement and grants award procedures as relevant), to contribute to an improved capacity of law enforcement authorities to investigate, prosecute and adjudicate cybercrime. Tasks may include inter alia: technical assistance, capacity building, carrying out analyses and assessments, workshops/training/events and development of tools.
454280	700001878 - EU4Reconciliation: Further increasing war crimes accountability and supporting reconciliation in the Western Balkans	21-27 IPA III	Headquarters	Contribution Agreement	UNITED NATIONS ORGANISATION	01.01.2024	31.12.2026	3 000 000,00	Pillar assessed IO - experience/mandate, expertise and experience	The envisaged entity, IRMCT, has been selected using the following criteria: unique core mandate, and sound expertise and strong practical experience from the region in the prosecution of international crimes and outreach through fact-based narratives of past crimes.	This implementation entails the full implementation including direct implementation of activities and conducting implementation tasks (procurement and grants award procedures as relevant) for contributing to achieve that the Western Balkans stakeholders are better equipped to handle war crimes cases and raise awareness about facts related to the 1990s conflicts in the region in a conflict-sensitive manner.
454113	700001864 - EU and UNODC Joint Action Promoting Rule of Law and Good Governance through targeted Border Control Measures at Ports and Airports in South-Eastern Europe (Phase II)	21-27 IPA III	Headquarters	Contribution Agreement	UNITED NATIONS ORGANISATION	01.04.2024	31.12.2027	4 500 000,00	Pillar assessed IO - technical expertise/mandate, expertise, experience and presence	The entrusted entity, UNODC, has been selected using the following criteria: core mandate, operational and financial experience, and presence and experience in the region.	This implementation by this entity entails undertaking all necessary actions, including through direct implementation of activities and conducting budget implementation tasks (procurement and grants award procedures as relevant), to contribute to achieving an improved capacity of border law enforcement forces to implement container and passenger controls in the Western Balkans.

461230	700002590 - Holocaust Remembrance in the Western Balkans	21-27 IPA III	Headquarters	Contribution Agreement	UNITED NATIONS EDUCATIONAL SCIENTIFIC AND CULTURAL ORGANIZATION	29.11.2024	28.11.2027	1 500 000,00	Pillar assessed IO - technical expertise/mandate, expertise, experience and presence	The entrusted entity has been selected using the following criteria: UNESCO has relevant extensive technical experience in working with beneficiaries and CSOs, and on the proposed topics (promotion of cultural heritage). It has demonstrated operational capacity to manage a project of this size, and to ensure a proper implementation of the foreseen financial support to third parties.	The implementation of this activity by UNESCO entails management and implementation of all aspects in relation to the implementation of the support to CSO activities in fostering Jewish Life and Jewish cultural heritage, including budget implementation tasks (procurement and grant award procedures as relevant).
462310	700002681 - EU support to strengthen return management systems in the Western Balkans	21-27 IPA III	Headquarters	Contribution Agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	26.12.2024	25.12.2028	8 000 000,00	Pillar assessed IO - specific expertise	The entrusted entity, IOM, has been selected using the following criteria: adequate operational and administrative capacity to implement the action, proven migration and border management expertise, presence in the region as well as significant previous experience in the implementation of similar assistance, in particular returns related assistance.	The implementation by this entity entails undertaking all necessary actions, including through direct implementation of activities, and conducting implementation tasks (procurement and grants award procedures as relevant), to contribute to achieving the operationalisation of effective return management systems in the Western Balkans in line with EU standards.
417065	Supporting a More Effective Administration of Justice in Corruption and Organised Crime Cases in the Western Balkans through Trial Monitoring	21-27 IPA III	Headquarters	Contribution Agreement	ORGANIZATION FOR SECURITY AND COOPERATION IN EUROPE	01.01.2021	31.12.2026	6 515 000,00	Pillar assessed IO - continuation of an existing programme/technical expertise	The envisaged entity, OSCE, has been selected using the following criteria: core mandate, operational and financial capacity, field presence in the region, long-standing experience and sound methodology in performing trial monitoring activities, including in complex areas such as war crimes, hate crimes, trafficking, and corruption.	This implementation entails undertaking all necessary actions, including through direct implementation of activities and conducting budget implementation tasks (procurement and grants award procedures as relevant), to achieve that the Western Balkans stakeholders have better knowledge on systemic issues related to prosecution and adjudication of cases of organised crime and highlevel corruption and on ways to effectively address them.
451418	Enhancing capacities and preparedness of Montenegro's judiciary for EU Integration	21-27 IPA III	Montenegro	Contribution Agreement	UNITED NATIONS OFFICE FOR PROJECT SERVICES	01.03.2024	28.02.2026	2 000 000,00	Pillar assessed organisation with adequate technical capacities to deliver on the action . Like the previous ICT support project with UNOPS and being a technical sector	UNOPS has overall experience in the ICT and infrastructure sector.	Support MOJ for the new Judiciary Complex and development of Judiciary ICT

456758	Strengthening capacities for increasing energy efficiency in residential sector in Montenegro	21-27 IPA III	Montenegro	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	10.07.2024	09.07.2026	500 000,00	operational capacity in terms of access to innovative solutions and vast resources to deliver tailored interventions; added value in terms of thematic expertise on capacity development for the EU accession and public administration	specific sector/thematic expertise; logistical and management capacities; specific mandate for the local context - Ares(202	The project should support implementation of Energy Support Package received from EU in 2023. Specific objective of the action are : • Improved capacities of the Eco-Fund for the implementation of energy efficiency and decarbonisation programs; • Enhanced accessibility, efficiency, and convenience for all beneficiaries of the programme through the digitalization of the work processes of the Eco-Fund. A system of online applications for the subsidies will enable remote access to their products and services, promote transparency and accountability, facilitate data-driven decision-making, and empower applicants with real-time information and personalized experiences; • Increased awareness and knowledge of all citizens on the importance of decarbonisation, and benefits of improving energy efficiency and use of renewable energy sources; - Strengthened awareness of the Eco-Fund's personnel to integrate gender equality principles into climate-neutral initiatives, using sex disaggregated data, gender analyses for planning and implementation energy efficiency measures and environmental protection.
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429879	Contribution Agreement between the EC and UNOPS for Construction of the Faculty of Mathematics and Natural Sciences (FMNS) of the University of Pristina (UP)	14-20 IPA II	Kosovo (under UNSCR 1244/99)	Contribution Agreement	UNITED NATIONS OFFICE FOR PROJECT SERVICES	14.12.2021	31.12.2026	3 000 000,00	This is addendum to existing(ongoing) contract.	Continuation of ongoing agreement and good track of records.	Addendum to ongoing contract for construction of Faculty of Mathematics and Natural Sciences. The additional funds will provide the necessary equipment in order to functionalise the newly built faculty.
453620	EU4Youth "Supporting the Employability of Young Boys and Girls not in Employment, Education or Training"	21-27 IPA III	Albania	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01.02.2024	31.01.2027	2 000 000,00	Based on COMMISSION IMPLEMENTING DECISION of 5.12.2022 on the financing of the annual action plan in favour of the Republic of Albania for 2022, Action "EU for Youth", as set out in Annex VI describes that AREA OF SUPPORT #2: Vulnerable Youth Education and Employment , particularly outputs 2.1, 2.2, 2.3 be implemented in indirect management with an entity - which is pillar assessed. The entrusted entity to be selected may be a Member State organisation, third donor country agency, EU specialised agency, or international organisation (following a set of criteria - with the main one being 'Demonstrated experience in the field of design and implementation of qualitative and labour market relevant education and training particularly addressing the NEET youth'	Based on 'ASSESSMENT/RATIONALE FOR THE PROPOSED ENTRUSTED ENTITY FOR INDIRECT MANAGEMENT', (Ares(2023)8267122 - Assessment approved by Ms Michela Matuella, Acting Director DG NEAR D): Both UNDP (15 years of experience) and UNICEF (multi-year experience) have demonstrated experience both at policy and provision level in the field of design and implementation of qualitative and labor market education and training, including work related to employment promotion of people in NEET (with focus youth in NEET) as well as design and delivery of integrated social protection services.	UNDP/UNICEF will a) provide technical assistance and capacity-building initiatives targeting national institutions to facilitate the effective implementation of the Youth Guarantee Implementation Plan 2023-2024 across its four key phases: mapping, outreach, preparation, and offer' b) deliver an enhanced YG pilot, activating the Local Partnerships Networks and building collaboration with all social partners; c) Support enhancing capacity and effectiveness of VET systems in producing a skilled workforce prepared to contribute to the green economy, with reduced student drop-out rates and increased engagement with the private sector.

453681	EU for Prespa - EU for Infrastructure Improvements in the Prespa area	21-27 IPA III	North Macedonia	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	09.04.2024	08.10.2027	10 602 500,00	<p>According to the ' IPA III Guidance Note: IPA III Co-financing Approach ' from the letter from HQ 'As regards works contracts, implementation by the EUD should be limited to only exceptional circumstances⁴ to be assessed at an early stage of the programming process, subject to a derogation by the Geographical Director and they should be entirely financed by the EU contribution. ' . In addition, the volume of the construction works was extensive in order to be managed by EUD in terms of its available technical and administrative capacity (many small scale infrastructure investments).</p>	<p>UNDP was selected as implementing partner after a selection process with a call for proposals.</p> <p>There is a REPORT ON SELECTION OF ENTITY TO BE ENTRUSTED WITH IMPLEMENTATION OF INFRASTRUCTURE DEVELOPMENT ACTIVITIES UNDER IPA 2021 "EU FOR PRESPA" , Ref. Ares(2021)3933602 - 16/06/2021</p> <p>The envisaged entity has been selected on the grounds of professional and financial criteria. UNDP has been supporting the country in its efforts to ensure better management of its valuable natural resources, combating climate change and investing in disaster risk reduction. For more than seventeen years, UNDP has been dedicated to improving the Prespa Lakes Basin and supporting sustainable human communities and economies, while also protecting the unique biodiversity of this globally significant ecosystem. Additionally, in the period 2013 – 2016, the UNDP carried out the Lake Prespa Water Quality Monitoring Report that addresses exactly the main activities that are going to be implemented under this direct grant. The activities included in the grant are the continuation of activities that so far have been implemented by UNDP in the Prespa Lake also funded by the EU (direct grant of EUR 4 million under the multi annual programme for Environment of IPA II).</p>	<p>1) Improvement of wastewater management in the Municipality of Resen</p> <p>The Project will support the construction of wastewater collection networks and corresponding wastewater treatment facilities for the following rural communities Pretor, Stenje, Krani, Dolno Dupeni, Brajcino and Slivnica. The infrastructure development efforts will be supplemented by a series of accompanying activities targeting primarily the public utility "Proleter as a key prerequisite for the future operation and maintenance of the newly introduced systems.</p> <p>2) Improvement of the Solid Waste Management system in Resen:</p> <ul style="list-style-type: none"> o Y110Extending solid waste collection coverage to additional 11 communities and improving the waste collection service across the entire municipality through delivery of standardized equipment - 120-liter plastic bins for nearly 350 target households, 2,000 additional bins for households in Resen, 2 waste collection vehicles (with a capacity of 13-15 m3). o Cleaning up 6 illegal dumpsites. o Improving the operation of the existing landfill. <p>3) Construction of the administrative facility of the Customs Administration and the accompanying facilities</p> <p>4) Communication and visibility activities</p>
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457779	EU for Gender Equality II - Gender Equality Facility in Albania	21-27 IPA III	Albania	Contribution Agreement	UNITED NATIONS ENTITY FOR GENDER EQUALITY AND THE EMPOWERMENT OF WOMEN	01.11.2024	31.10.2027	2 000 000,00	<p>Ref. "European Union Integration Facility" as set out in Annex IV of Commission Implementation Decision of 5.12.2022, in the framework of Instrument for Pre-Accession (IPA) III, the European Commission Annual Action Programme for Albania 2022, Window 2: Good Governance, EU Acquis alignment, good neighbourly relations and strategic communication; Thematic Priority 2: Administrative capacity and EU acquis alignment,</p>	<p>Methods of Implementation (with subheading 1.3.2 Indirect Management with a pillar assessed entity) states that:</p> <p>A part of this action may be implemented in indirect management with UN Women. The envisaged entity has been selected using the following criteria: UN Women has a comparative advantage in expertise in the area of gender equality, gender mainstreaming and responsive budgeting, both in the Western Balkans and specifically in Albania and has a longstanding cooperation in place in support of the Albanian Government. The reason for choosing an international organisation is that the beneficiary needs support from a specialised institutional partner with comparative expertise and relevant project management capacity</p>	<p>UN Women will conduct activities a) to support Government of Albania (PM office and other public institutions) to increase capacities to align sector reforms, strategies, programmes and plans with the EU Gender Equality acquis and consistently reflect the principles of HRBA, gender transformative approach in line with EU GAP III; b) to support Local government units to increase capacities to apply gender mainstreaming to policies and plans and implement gender responsive actions in accordance with their mandate; c) to support Central and local government to strengthen capacities to mainstream/integrate gender perspectives into production and use of data to inform policies and actions for advancing gender equality and women's empowerment; d) to support SASPAC and EU Delegation to apply gender mainstreaming throughout IPA programming and promote a human rights based approach</p>
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421753	EU Support to Local Employment Partnerships - Phase II (LEP II)	14-20 IPA II	Bosnia and Herzegovina	Contribution Agreement	INTERNATIONAL LABOUR ORGANIZATION	01.01.2021	30.06.2026	2 000 000,00	Pillar assessed organisation with adequate technical capacities to deliver the action	In accordance with Article 62(1)(c)(ii) of the Financial Regulation No. 2018/1046 of 18 July 2018, which provides the Commission with an option for entrusting the budget implementation tasks to "international organisations or their agencies, within the meaning of Article 156", the International Labour Organisation (ILO) has been selected for the implementation of "EU Support to Local Employment Partnerships - Phase II (LEP II)". The selection of ILO as an entrusted entity for this Action is based on its track record of effective cooperation in Bosnia and Herzegovina and its expertise, which is well recognised by local communities and at the state, entity and Brčko District level as described in the Annex I to the Annual Action Programme for Bosnia and Herzegovina for year 2019, EU4 Employment and Education. In addition, the ILO was the implementing Agency for the IEP Phase I	Impact: To improve socio-economic situation and living conditions in BiH Outcome: To contribute to better employability in local communities Output 1: Fostered sustainable, partnership-driven labour market frameworks at the local level for increased access to formal employment (LEP II) Output 1.1.: Key stakeholders recognise LEPS as partnership-driven labour market mechanisms for increased access to formal employment at the local level Output 1.2.: Local employment partnerships successfully design and implement activation and labour market integration programmes Output 1.3.: Institutional development services are provided to the LEPS, including for advocacy, networking/peer learning, and employment policy implementation
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455108	Strengthened social, child protection and education systems in BiH to provide inclusive services and prevent institutionalization	14-20 IPA II	Bosnia and Herzegovina	Contribution Agreement	UNITED NATIONS CHILDREN'S FUND	01.05.2024	30.04.2027	6 320 000,00	Pillar assessed organisation with adequate technical capacities to deliver the action	<p>UNICEF has been selected for implementation due to its technical competence and high degree of specialisation with regard to this Action and has contributed significantly to the social inclusion of children with disabilities in BiH as part of its overall focus on disadvantaged and vulnerable children. UNICEF has a unique experience in working with the relevant institutions at all levels of governance, on transformation and the relevant legislative tasks. Authorities and the relevant civil society actors acknowledge its leading experience. The action is proposed to be implemented with UNICEF as a pillar assessed entity which was selected by the Commission services using the following criteria:</p> <p>An entity to be entrusted with the implementation of an Action possess operational capacity for managing large scale interventions which combine technical assistance, supplies, works and grants.; Technical competences were demonstrated by an entrusted entity (either individually or within papartnership) in the relevant filed</p>	<p>The overall objective of the Action is to contribute to improving socio-economic situation and living conditions of children and families in BiH, and this will be achieved through the specific objective of strengthening the social and child protection, education systems in BiH to provide more inclusive services. It is comprised of three main components:</p> <ul style="list-style-type: none"> • COMPONENT 1: Strengthen infrastructure of preschool and CSW institutions; • COMPONENT 2: Strengthen ICT and office equipment for MoHRR and other institutions involved in reporting on child rights; • COMPONENT 3: Strengthen capacities of institutions to promote every child's right to grow up in a supportive family environment and prevent institutionalization. <p>The Following results are expected:</p> <ol style="list-style-type: none"> 1. Improved infrastructure and capacities of authorities to strengthen provision of social services 2. Improved capacity of Ministry of Human Rights and Refugees (MoHRR) to monitor and report the situation of children and vulnerable persons 3. Gatekeeping mechanism, inclusive and integrated social service provision are strengthened to support prevention 4. Transformation of the residential care institutions and semi-independent living initiated/continued in selected locations 5. System of foster care in Bosnia and Herzegovina strengthened through capacity building and awareness raising
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455384	Individual measure to strengthen the strengthen border management capacities in Bosnia and Herzegovina - Amendment No. 01 to the contract 452194	14-20 IPA II	Bosnia and Herzegovina	Contribution Agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	31.07.2024	30.01.2026	2 393 896,00	Pillar assessed organisation with adequate technical capacities to deliver action	IOM is proposed to implement this activity due to operational capacity proven in implementing similar actions as well as due to the ongoing complementary activities under the scope of the contribution agreement n°2023/452-194 Individual measure to strengthen border management capacities in Bosnia and Herzegovina.	IOM as PA entity will be in charge of the procurement of the specific equipment for the Migration Information System phase II, preparing an updated cost assessment and launching the tender according to their procurement rules. This project will will contribute to further enhancement of relevant Law Enforcement Agencies, Border Police and migration authorities IT capacity, IT security and data exchange. This will encompass improved border management, IT security and improved fight against transnational organised crime and fight against irregular migration

456959	Comprehensive Research for the Implementation of Cervical, Breast, Colorectal and Prostate Cancer Prevention Program (UNFPA, WHO)	21-27 IPA III	Bosnia and Herzegovina	Contribution Agreement	UNITED NATIONS ORGANISATION	02.12.2024	01.12.2025	900 000,00	Pillar assessed organisation with adequate technical capacities to deliver the action	UNFPA and WHO are UN agencies specialised for sector of health and as such are active in BiH and involved in strengthening and development of BH health sector for years. Proposed implementing partners are specialised UN agencies for the health sector, and have proven experience and necessary knowledge and capacities to fulfil the activities which they have proposed, respecting EU demands and applicable standards, also those related to health specific issues	UNFPA will implement activities previously agreed with and approved by responsible governmental health institutions in BiH. Foreseen actions are directed towards strengthening primary health care in BiH in segment of prevention and early detection of cervical, breast, colorectal and prostate cancer. Both agencies have their own country offices in BiH, they are present in country for years and active in the field of health, providing support to BH health institutions. Specific objective (Outcome level): Improved availability of data for the implementation of the Cervical, Breast, Colorectal and Prostate Cancer Comprehensive Prevention Program The project activities will be focused on improving availability of data for the implementation of Cervical, Breast, Colorectal and Prostate Cancer Comprehensive Prevention Programme through improvement of health system resources for breast, cervical, colorectal and prostate cancer early detection and treatment, identification of needs for capacity building for the appropriate implementation of quality screening programmes on encompassed types of cancer, desk review of existing laws, procedures and guidelines
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458140	Addendum / Top up the EU-Community Stabilisation Programme Phase IV - 2019/414-002	14-20 IPA II	Kosovo (under UNSCR 1244/99)	Contribution Agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	01.01.2020	31.07.2025	500 000,00	An addendum to the existing contribution agreement	Continuation of the existing agreement with good track record	The addendum provides additional and complementary services to the already signed contract, including (i) advisory services and financial support to up to 30 additional individual start-up and existing businesses, creating up to 35 new jobs. Of these at least 10 businesses will be led by women, youth and persons with disabilities (part of result 3), (ii) financing or supplying of equipment to up to 15 additional community development projects to address the needs of all communities living in non-majority areas. (iii) coordination with stakeholders, monitoring and reporting.
455838	700002045 - Contribution Arrangement CN IPA III/2024/700002045 with respect to the European Western Balkans Joint Fund under the Western Balkans Investment Framework - Allocation 2023-2024 for DII, ENE, ENV and SOC infrastructure sectors	21-27 IPA III	Headquarters	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	17.09.2024	16.01.2032	163 395 479,89	Pillar assessed IO - experience/technical expertise/optimisation of donor coordination.	The entrusted entities, EBRD (together with the EIB), are the Managers of the Joint Fund. The envisaged entities have been selected using the following criteria: demonstrated experience in implementing infrastructure projects and length of cooperation under the WBIF.	The entrusted entity shall be responsible for the contracting, implementation, information and visibility, monitoring and reporting of IPA III activities, and the evaluation thereof whenever relevant, in accordance with the principle of sound financial management, and for ensuring the legality and regularity of the expenditure incurred in the implementation of the programme. This implementation entails supporting the implementation of the projects financed through the EWBJF and this implementation modality will contribute to achieving the following objectives: EU4 Green and Digital Transition, and EU4 Green Growth.

460437	700002526 - EU Contribution Arrangement with respect to the EWBJF - Sustainable Transport Connectivity Sector - Allocation 2024	21-27 IPA III	Headquarters	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	29.11.2024	28.12.2031	280 000 000,00	Pillar assessed IO - experience/technical expertise/optimisation of donor coordination.	The entrusted entities, EBRD (together with the EIB), are the Managers of the Joint Fund. The envisaged entities have been selected using the following criteria: demonstrated experience in implementing infrastructure projects and length of cooperation under the WBIF.	The entrusted entity shall be responsible for the contracting, implementation, information and visibility, monitoring and reporting of IPA III activities, and the evaluation thereof whenever relevant, in accordance with the principle of sound financial management, and for ensuring the legality and regularity of the expenditure incurred in the implementation of the programme. This implementation entails supporting the implementation of the projects financed through the EWBJF and this implementation modality will contribute to achieving the objective on Sustainable Transport Connectivity.
460724	700002552 - Multi-country assessment of the socio-economic vulnerabilities of Roma in Western Balkans and Türkiye	21-27 IPA III	Headquarters	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01.01.2025	31.12.2026	1 756 000,00	Pillar assessed IO - technical expertise	The entrusted entity, UNDP, has been selected using the following criteria: important policy and strategic interlocutor, key implementer for the delivery of the EU's development assistance, presence in and cooperation with targeted IPA III beneficiaries, including with Roma communities, thematic expertise in data collection, and experience building sub-national partnerships in the targeted beneficiaries, which is essential for data-collection.	This implementation by this entity entails delivering activities for undertaking the Regional Roma Survey 2024.

460660	700002545 - Contribution Arrangement with respect to the European Western Balkans Joint Fund under the Western Balkans Investment Framework - Allocation 2023-2024 for Private Sector Development	21-27 IPA III	Headquarters	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	11.12.2024	10.01.2034	40 847 821,68	Pillar assessed IO - experience/technical expertise/optimisation of donor coordination.	The entrusted entities, EBRD (together with the EIB), are the Managers of the Joint Fund. The envisaged entities have been selected using the following criteria: demonstrated experience in implementing infrastructure projects and length of cooperation under the WBIF.	The entrusted entity shall be responsible for the contracting, implementation, information and visibility, monitoring and reporting of IPA III activities, and the evaluation thereof whenever relevant, in accordance with the principle of sound financial management, and for ensuring the legality and regularity of the expenditure incurred in the implementation of the programme. This implementation entails supporting the implementation of the projects financed through the EWBJF and this implementation modality will contribute to achieving the for EU4 Competitiveness and Innovation.
460647	700002539 - Single Market Ready	21-27 IPA III	Headquarters	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	01.01.2025	31.12.2033	12 979 200,00	Pillar assessed IO - following result of call	The entrusted entity, EBRD, has been selected based on their comparative advantages, expertise, capacity and experience with managing project preparation facilities in the past.	The entrusted entity shall be responsible for the contracting, implementation, information and visibility, monitoring and reporting of IPA III activities, and the evaluation thereof whenever relevant, in accordance with the principle of sound financial management, and for ensuring the legality and regularity of the expenditure incurred in the implementation of the programme. This implementation entails supporting the implementation of the projects financed through the WBIF Private Sector Development and this implementation modality will contribute to achieving Objective 3 - EU4 Competitiveness and Innovation.

440507	Eco - Industrial Parks in the Western Balkans	21-27 IPA III	Headquarters	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	19.12.2022	30.06.2028	1 134 750,00	Pillar assessed IO - following result of call	The entrusted entity, the World Bank, has been selected based on their comparative advantages, expertise, capacity and experience with managing project preparation facilities in the past.	The entrusted entity shall be responsible for the contracting, implementation, information and visibility, monitoring and reporting of IPA III activities, and the evaluation thereof whenever relevant, in accordance with the principle of sound financial management, and for ensuring the legality and regularity of the expenditure incurred in the implementation of the programme. This implementation entails supporting the implementation of the projects financed through the WBIF Private Sector Development and this implementation modality will contribute to achieving Objective 3 - EU4 Competitiveness and Innovation.
447953	Contribution Arrangement with respect to the European Western Balkans Joint Fund under the Western Balkans Investment Framework - Allocation 2022 for Technical Assistance	21-27 IPA III	Headquarters	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	22.02.2022	31.12.2031	865 885,00	Pillar assessed IO - experience/technical expertise/optimisation of donor coordination.	The entrusted entities, EBRD (together with the EIB), are the Managers of the Joint Fund. The envisaged entities have been selected using the following criteria: demonstrated experience in implementing infrastructure projects and length of cooperation under the WBIF.	The entrusted entity shall be responsible for the contracting, implementation, information and visibility, monitoring and reporting of IPA III activities, and the evaluation thereof whenever relevant, in accordance with the principle of sound financial management, and for ensuring the legality and regularity of the expenditure incurred in the implementation of the programme. This implementation entails supporting the implementation of the projects financed through the EWBJF.

459852	EU4 Gender Equality – Women’s Economic Empowerment and Ending Violence Against Women	21-27 IPA III	Headquarters	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01.02.2025	31.01.2028	6 223 000,00	Pillar assessed IO - technical expertise	The entity, UNDP, has been selected using the following criteria: important policy and strategic interlocutor, key implementer for the delivery of the EU’s development assistance, presence in and cooperation with targeted IPA III beneficiaries, operational and financial capacity, and strong practical experience working with governments, CSOs, business/industry associations and private sector in the areas of system-wide reforms to drive social transformations.	The implementation by this entity entails delivering activities contributing to improving women’s economic empowerment and for providing increased access to digital essential services for women and girls who are survivors of violence, and tools to protect themselves from ICT facilitated and online violence.
459922	Regional Programme on Local Democracy in the Western Balkans 3 (ReLOaD3)	21-27 IPA III	Headquarters	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01.02.2025	31.01.2029	10 750 000,00	Pillar assessed IO - continuation of an existing programme/technical expertise	The entrusted entity has been selected using the following criteria: UNDP has relevant extensive technical experience in working with local authorities and local civil society organisations (it implemented the first two phases of the activity in the region); and it has demonstrated operational capacity to manage a project of this size, and to ensure a large component of financial support to third parties	The implementation by this entity entails management and implementation of all aspects to implement the support to local democracy, civic activism and youth engagement, including budget implementation tasks (procurement and grant award procedures as relevant), to contribute to the achievement of more capable, effective, transparent and accountable CSOs.

462603	700002720 - Partnership to Counter the Smuggling of Migrants and Trafficking in Persons in Egypt (PACSOM)	21-27 NDICI Neighbourhood	Headquarters	Contribution Agreement	UNITED NATIONS ORGANISATION	01.01.2025	31.12.2028	20 000 000,00	<p>The project is implemented by the UNODC in cooperation with France (CIVIPOL), therefore indirect management. This project is the Egyptian window of the so-called 'new anti-smuggling programme for North Africa', for which it was decided to sign individual country contracts.</p>	<p>UNODC is an EU pillar-assessed organization and has solid, well-established and fruitful relations with the most important national and international actors around transnational organised crime, human trafficking and smuggling of migrants in Egypt. UNODC is the leading United Nations entity for delivering legal and technical assistance to prevent TIP/SOM. Headquartered in Vienna, UNODC operates in more than 50 field offices around the world, covering over 150 countries. As the guardian of the UN Convention against Transnational Organized Crime and its Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, and the Protocol against the Smuggling of Migrants by Land, Sea and Air, UNODC has collaborated with state and non-state parties at different levels. As it implemented the regional T05-EUTF-NOA-REG-05 (T05.756) project "Dismantling the criminal networks involved in migrant smuggling and human trafficking", this implementing partner has already established useful connections with the beneficiaries. The activities package is solid and already largely approved by the various Egyptian beneficiaries. The co-construction has been really appreciated by Egyptian authorities and the project is therefore off to a good start.</p>	<p>The overall purpose of the contract is to contribute to improve national responses to counter the smuggling of migrants (SOM) and trafficking in persons (TIP) in Egypt. Its specific objectives are:</p> <ol style="list-style-type: none"> 1) Frontline law enforcement officers from the Ministry of Interior and Administrative Control Authority effectively and efficiently detect, identify, and investigate SOM, TIP and related crimes, in line with a human rights and gender-sensitive approach. 2) Public Prosecution and the Ministry of Justice officials successfully prosecute, and adjudicate SOM and TIP, ensuring a human-rights, and gender-sensitive, and victim centered approach. 3) National TIP and SOM actors/first responders effectively detect, identify, refer, and protect victims of trafficking and the rights of smuggled migrants, in accordance with a human rights, and gender-sensitive approach. 4) National actors in Egypt develop and implement evidence-based strategies and policies that address TIP and SOM in a coordinated manner.
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436525	Completion of the integrated coastal surveillance system in Tunisia - Phase III BMP	21-27 NDICI Neighbourhood	Headquarters	Contribution Agreement	THE INTERNATIONAL CENTRE FOR MIGRATION POLICY DEVELOPMENT	18.09.2022	17.12.2028	30 000 000,00	Continuation of a previous action. Added value compared to other implementing modalities is to go through mandated IO	ICMPD has a recognised expertise and mandate on Border Management trainings and activities. The IO is already well established in Tunisia and working with the EU in the country in other BM programmes.	Main tasks entrusted to the IO include: Procurement of equipment to strengthen border management and maritime borders surveillance of Tunisia in line with human rights standards. Procurement and installation of a complete coastal radar surveillance system and transmission equipment covering the whole coastline of Tunisia. Technical requirements for this system are based on the results of the radar/transmission feasibility study undertaken during phase I of the programme. Support to capacity development for the Maritime National Guard staff dedicated to SAR functions in line with human rights standards. Technical expertise for the procurement, supervision and follow-up of the coastal radar surveillance system and transmission equipment.
437699	Strengthening the Operational Capacity of the Egyptian Navy and Egyptian Border Guard to Manage Migration Flows through Effective Border Surveillance and Search and Rescue at Land and Sea	21-27 NDICI Neighbourhood	Headquarters	Contribution Agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	01.11.2022	31.10.2028	82 000 000,00	IOM was put forward by the EG government based on the partnership established between EG MoD and IOM since 2019, France entered the implementation based on an in-kind contribution offered to the EG Coast Guard.	Working with the EG MoD is sensitive by nature and implementation could only be done by partners trusted by EG. IOM has entered into a partnership with MoD since 2019 and France has a strategic partnership with EG in the maritime domain. Furthermore, IOM applies the United Nations Human Rights Due Diligence Policy (HRDDP) and the principles and guidelines recommended by the Office of the High Commissioner for Human Rights (OHCHR) on human rights at international borders. Other EUMS may contribute to capacity building activities. 82,000,000.00 EUR is a top-up to the initially defined budget of 23,000,000.00 EUR + 5,000,000.00 EUR for the present project.	The project aims at enhancing border surveillance and SAR operations at land sea by the Egyptian Navy and Border Guard, in line with national and international obligations, human rights standards and protection-centred approaches. It is implemented jointly by IOM and CIVIPOL (FR) with CIVIPOL responsible for all equipment procurement and related training for their operating.

437852	MIGRANT PROTECTION, RETURN AND REINTEGRATION IN NORTH AFRICA (MPRR-NA)	21-27 NDICI Neighbourhood	Headquarters	Contribution Agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	01.01.2023	31.12.2026	17 688 497,44	Continuation of a previous action. Added value compared to other implementing modalities is to go through mandated IO	The project builds on the national and regional actions of the EUTF-funded "EU[1]IOM Joint Initiative" in North Africa. More specifically, this Action builds on IOM's extensive experience in design and delivery of Migrant Protection and Assisted Voluntary Return and Reintegration (AVRR) programmes and Voluntary Humanitarian Returns (VHR) in Libya. The Action thus will benefit from all accumulated experiences, including achievements, best practices, lessons learned and insights gained from the previous programme	The Overall Objective of this Action is that vulnerable and stranded migrants safely and voluntarily return to and from North Africa, and returnees are sustainably reintegrated into their countries of origin. The Outcomes of the Action are: Outcome 1: Vulnerable and stranded migrants in North Africa return home safely, voluntarily and in dignity to their respective countries of origin; Outcome 2: Returning migrants are reintegrated in North Africa and selected countries of origin; Outcome 3: Partner countries and relevant stakeholders in North Africa increasingly exercise responsibility for and manage migrant return, readmission, and sustainable reintegration.
438141	Resilience-Building Programme for Vulnerable Children in Libya, including Host Communities, Migrant and Refugee Children	21-27 NDICI Neighbourhood	Headquarters	Contribution Agreement	UNITED NATIONS CHILDREN'S FUND	01.04.2023	31.12.2025	2 600 000,00	Continuation of a previous action.	The project builds on another action implemented by UNICEF under the EUTF and is the continuation of it.	Overall Objective: Children and adolescents, especially the most vulnerable including children on the move, will have their rights progressively fulfilled in an inclusive and protective environment and have increased resilience to shocks
448780	Towards a Holistic Approach to Labour Migration Governance and Labour Mobility (THAMM+) in Italy and North Africa	21-27 NDICI Neighbourhood	Headquarters	Contribution Agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	01.01.2024	31.12.2026	400 000,00	Continuation of a previous action.	The funds have been allocated as a top up to the ongoing project implemented by IOM, which is also building on a previous actions implemented in joint partnership ILO/IOM. IOM has been selected as implementing partner in joint collaboration with the Italian Ministries of Interior and Labour as the most suitable organization for the implementation of the action.	The overall objective of the contract is to increase employability and mutually beneficial legal migration and labour mobility for potential migrant workers in Morocco and Tunisia going to Italy.

455417	Protecting vulnerable migrants and stabilizing communities in Libya /Phase III	21-27 NDICI Neighbourhood	Headquarters	Contribution Agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	01.11.2022	31.12.2024	11 000 000,00	Continuation of a previous action. Added value compared to other implementing modalities is to go through mandated IO Specific mandate for migrants, capacity to conduct DTM, lead in the coordination system for migration This contract focuses on very critical activities at disembarkation points, detention centers as well as in urban settings including labour migration agreements, etc	Continuation of a previous action. Added value compared to other implementing modalities is to go through mandated IO Specific mandate for migrants, capacity to conduct DTM, lead in the coordination system for migration This contract focuses on very critical activities at disembarkation points, detention centers as well as in urban settings including labour migration agreements, etc	Continuation of a previous action. Added value compared to other implementing modalities is to go through mandated IO Specific mandate for migrants, capacity to conduct DTM, lead in the coordination system for migration This contract focuses on very critical activities at disembarkation points, detention centers as well as in urban settings including labour migration agreements, etc
457011	TOP UP Renforcer la protection et l' accès aux services de base des réfugiés au Maroc	21-27 NDICI Neighbourhood	Headquarters	Contribution Agreement	UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES	01.01.2022	31.12.2027	4 000 000,00	Continuation of a previous action.	This extension of the project T05-EUTF-NOA-REG-09-02 (T05.1154) follows the continuity of actions carried out in 2022 and 2023. Morocco remains a transit country, and trends indicate that it is also gradually becoming a destination for refugees.	The objective of this action is to strengthen the protection of refugees and asylum seekers in Morocco, address situations of vulnerability, and promote their local integration. These objectives will be achieved through activities aimed at improving access to health services, education, and legal assistance, as well as emergency shelter and financial support to help the most vulnerable meet their basic needs.
456168	700002091 - EU SME Competitiveness and Inclusion Programme in Ukraine		Ukraine	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	16.07.2024	15.07.2029	37 720 000,00	This is a Ukraine Facility Pillar II action which is implemented in indirect management	IFI which is a Pillar II eligible financial institution Top up/continuation of a program	The Action is a TA: implementing task included award and management of Procurement Contracts The action includes the award and management of grants
456169	700002092 - ¿EU-EBRD Municipal Infrastructure Recovery Programme for Ukraine¿		Ukraine	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	16.07.2024	15.07.2029	25 499 600,00	This is a Ukraine Facility Pillar II action which is implemented in indirect management	IFI which is a Pillar II eligible financial institution Contracts linked to a guarantee implemented by the select IFI	The action includes the award and management of grants

457487	700002237 - EU-IFC Administration Agreement on Recovery Programme in Housing	21-27 NDICI Neighbourhood	Ukraine	Contribution Agreement	INTERNATIONAL FINANCE CORPORATION	03.09.2024	02.04.2026	14 000 000,00	Implementation of a grant scheme solely possible under an action implemented in indirect management	There is no alternative implementing partner as IFC is the manager of the Multi Donor Trust Fund, and its mandate is defined by the existing administrative agreement between the EU and IFC (ENI/2018/396-956).	IFC is the manager of the Multi Donor Trust Fund, IFC is closely coordinating the implementation of the programme with contributors to the MDTF (Germany), GIZ and with the Ukrainian EEF.
458143	700002313 - IMF Ukraine Capacity Development Fund	21-27 NDICI Neighbourhood	Ukraine	Contribution Agreement	INTERNATIONAL MONETARY FUND	13.09.2024	12.09.2029	2 000 000,00	This is EU contribution to the Ukraine Capacity Development Fund, a multi-donor trust fund managed by IMF, which can be implemented only in indirect management	Organisation was selected in line with Financing Decision NDICI-GEO-NEAR/2023/ACT 61605 selection criteria: • strong management and operational capacity. • Specific expertise or technical competence and prior experience in the priority areas	Support to the implementation of UCDF's Workplan in financial sector and monetary policy, aligned with the reforms under the IMF Extended Fund Facility.
457736	700002278 - Inclusive, Competitive and Sustainable Value Chain Development and hand-over of the State Agrarian Register with additional modules	21-27 NDICI Neighbourhood	Ukraine	Contribution Agreement	THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS	17.10.2024	16.04.2026	3 750 000,00	Implementation of a grant scheme solely possible under an action implemented in indirect management	The organisation does implement a similar action already and the new contract partially is a top-up to ongoing actions	- Implementation of a matching grant scheme for small and family farms; - Improvement and expansion of the existing State Agrarian Register (SAR).

459177	700002396 - OECD Economic Survey of Ukraine	21-27 NDICI Neighbourhood	Ukraine	Contribution Agreement	ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT	01.08.2024	31.05.2025	400 000,00	Organisation corresponds to Financing Decision NDICI-GEO-NEAR/2023/ACT 61605 criteria	The OECD is the only organisation that can deliver the assignment in question as it is their unique competence. The assignment is the product of the specific expertise and methodology developed by OECD.	- Preparation of the OECD Economic Survey of Ukraine which will provide the Ukrainian authorities with up-to-date and methodologically sound economic information and analysis to underpin the steering and implementation of reforms - Invitation of Ukraine's high-level Government officials to participate in the OECD Economic and Development Review Committee, Working Group on Short-Term Economic Prospects, as well as other meetings, initiatives, and other exercises of interest to the national authorities.
458577	700002337 - Technical Assistance component of the "Hi-Bar" Proposed Investment Programme		Ukraine	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	30.10.2024	29.10.2029	7 500 000,00	This is a Ukraine Facility Pillar II action which is implemented in indirect management	IFI which is a Pillar II eligible financial institution Contracts linked to a guarantee implemented by the select IFI	The Action is a TA: implementing task included award and management of Procurement Contracts
460194	700002513 - Technical assistance allocation for Ukraine investment framework "Municipal, Infrastructure and Industrial Resilience programme plus"		Ukraine	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	21.11.2024	20.11.2029	7 800 000,00	This is a Ukraine Facility Pillar II action which is implemented in indirect management	IFI which is a Pillar II eligible financial institution Contracts linked to a guarantee implemented by the select IFI	The Action is a TA: implementing task included award and management of Procurement Contracts

460653	700002546 - Strengthening the Partial Credit Guarantee (PCG) Fund for small farmers in Ukraine	21-27 NDICI Neighbourhood	Ukraine	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	03.12.2024	08.01.2027	6 575 000,00	The operation requires to contribute to a Partial Credit Guarantee Fund through grants, which is not feasible through classical service contracts.	The organisation does implement a similar action already and the new contract partially is a top-up to ongoing actions. The operation also benefits from the prior experience of the IO in this field and in Ukraine.	- Support to the management of the Partial Credit Guarantee Fund - crediting of the Fund through grants and delivery of Technical Assistance, training etc.
461118	700002579 - Supporting Transparent Land Governance in Ukraine	21-27 NDICI Neighbourhood	Ukraine	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	17.12.2024	08.01.2029	3 000 000,00	The operation requires the development of information systems, which is difficult through service contracts.	The organisation does implement a similar action already and the new contract partially is a top-up to ongoing actions. The operation also benefits from the prior experience of the IO in this field and in Ukraine.	- Preparation of Ukraine's Integrated Administration and Control System (IACS), including the Land Parcel Information System (LPIS), and the Area Management System (AMS).
462433	700002699 - Preserving Ukraine's Jewish documentary heritage, honouring collective memory, enhancing knowledge and access to archives while promoting intercultural dialogue	21-27 NDICI Neighbourhood	Ukraine	Contribution Agreement	UNITED NATIONS EDUCATIONAL SCIENTIFIC AND CULTURAL ORGANIZATION	01.02.2025	31.01.2027	2 200 000,00	The Financing decision NDICI-GEO-NEAR/2023/ACT-61605 EU Support to Recovery and Reforms' envisages the following selection criteria: • strong management and operational capacity. • Specific expertise or technical competence and prior experience in the priority areas for support as per activities described in section 2.2 under Outcome 1 and Outcome 2.	The organisation possesses specific expertise in the thematic areas to be covered by the project, has implemented similar thematic programmes in other countries. b) The organisation has formed a project team able to provide effective project implementation. Its logistics capacity corresponds to the scope of the task. It is a standard setting organisation in the field of cultural heritage	Reinforcing preservation and ensuring wider access to documentary heritage of Jewish community in Ukraine through digitization of archival holdings; raising awareness on the important role of Jewish cultural heritage.

438103	EU Support to Strengthening IBM in Ukraine – Resilience (EU4IBM-Resilience)	21-27 NDICI Neighbourhood	Ukraine	Contribution Agreement	THE INTERNATIONAL CENTRE FOR MIGRATION POLICY DEVELOPMENT	01.12.2022	31.05.2025	10 000 000,00	The project is the continuation of the ongoing programme, it provides a combination of specialised expertise on trade facilitation and customs with procurement of specialised equipment for the Border Guards in one contract	Organisation was selected in line with Financing Decision NDICI-GEO-NEAR/2023/ACT 61605 selection criteria: • strong management and operational capacity. • Specific expertise or technical competence and prior experience in the priority areas	The action provides support to the most urgent needs of the Ukrainian IBM agencies, in particular State Border Guard Service and State Customs Service, and includes the award and management of procurement contracts
453751	Better Care: Pathways for Child Care Reform in Ukraine	21-27 NDICI Neighbourhood	Ukraine	Contribution Agreement	UNITED NATIONS CHILDREN'S FUND	03.08.2023	02.02.2026	12 000 000,00	Organisation was selected in line with Financing Decision NDICI-GEO-NEAR/2023/ACT 61605 selection criteria: • strong management and operational capacity. • Specific expertise or technical competence and prior experience in the priority areas	The organisation possesses specific expertise in the thematic areas to be covered by the project, UNICEF is the lead Agency for children's protection in Ukraine, with wide technical expertise in all areas of child protection. UNICEF has been providing life-saving support to children and families affected by the war in Ukraine. UNICEF works to fulfil the core commitments for children in humanitarian action, including access to education, psychosocial support, water and sanitation, mine risk education, maternal and child health.	to develop a care system based on global and EU good practice, moving from a residential care approach to childcare to a family-centred social welfare system consistent with Ukraine's pressing needs and the longer-term goals of EU accession
453752	Inclusive strengthening and resilience building of rehabilitation services in Ukraine	21-27 NDICI Neighbourhood	Ukraine	Contribution Agreement	WORLD HEALTH ORGANIZATION	01.01.2024	31.10.2027	8 000 000,00	Recourse to indirect management allows to obtain the specific expertise and increase weight of recommendations made by the leading healthcare organisation in the world	Organisation was selected in line with Financing Decision NDICI-GEO-NEAR/2023/ACT 61605 selection criteria: • strong management and operational capacity. • Specific expertise or technical competence and prior experience in the priority areas WHO is the lead Agency for health in Ukraine, with wide technical expertise in all areas of health and in rehabilitation specifically. WHO has a unique convening power and capacity as the most trusted partner by the Government of Ukraine at all levels	WHO provides convening, strategic, technical, and where relevant, operational support to contribute to improving the health of the Ukrainian population with a focus on quality and access to care by people with rehabilitation needs and/or disabilities.

455284	EU Support to Strengthening IBM in Ukraine (EU for Solidarity Lanes and IBM) Addendum number 2 to the contract 436-236	21-27 NDICI Neighbourhood	Ukraine	Contribution Agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	18.10.2022	17.12.2025	20 000 000,00	The project is the continuation of the ongoing programme, it provides a combination of specialised expertise on border management with engineering works and feasibility studies for the planned engineering works in the border crossing points in one contract	Organisation was selected in line with Financing Decision NDICI-GEO-NEAR/2023/ACT 61605 selection criteria: • strong management and operational capacity. • Specific expertise or technical competence and prior experience in the priority areas	The action provides support to improving the border infrastructure and includes the award and management of procurement contracts
459792	Support to the Work of the UN Human Rights Monitoring Mission in Ukraine in Response to the International Armed Conflict in Ukraine	21-27 NDICI Neighbourhood	Ukraine	Contribution Agreement	UNITED NATIONS ORGANISATION	01.12.2024	30.11.2027	5 000 000,00	Continuation of ongoing programme, by a UN agency with specialised mandate for human rights	Organisation was selected in line with Financing Decision NDICI-GEO-NEAR/2023/ACT 61605 selection criteria: • strong management and operational capacity. • Specific expertise or technical competence and prior experience in the priority areas	The action provides independent monitoring of human rights violations by security and armed forces, civilian casualties and attacks on civilian and infrastructure objects
453940	700001846 - CyberEast+ Enhanced action on cybercrime for cyber resilience in Eastern Partnership States	21-27 NDICI Neighbourhood	Headquarters	Contribution Agreement	CONSEIL DE L' EUROPE	01.03.2024	01.03.2027	3 500 000,00	New phase of successful action	<ul style="list-style-type: none"> • Longstanding strategic partnership with European Commission • Organisation based on legally-binding instruments and convention-based monitoring mechanisms at pan-European scale • Solid experience in providing support to the Eastern partner countries and in promotion of structured criminal justice reforms in the fight against based on internationally agreed legal framework of reference • Ability to carry out budget-implementation tasks 	<ul style="list-style-type: none"> • To support legislation and policy frameworks on cybercrime and electronic evidence and achieve stronger compliance with the Budapest Convention and its Second Additional Protocol. • To reinforce capacities of criminal justice authorities through sustainable training frameworks, specialised training and practical exercises. • To enhance cooperation on the basis of the Second Additional Protocol to the Budapest Convention. • To reinforce synergies between criminal justice and cybersecurity responses to cyber threats

	WEST IRBID WASTEWATER TREATMENT PLANT	21-27 NDICI Neighbourhood	Jordan	Contribution Agreement			2 942 500,00	The project is co-funded through a blend of grants and loan financing. The contribution agreement was essential to ensuring efficient project implementation and fostering coherence and synergies among the different donors	EBRD has broader experience in the wastewater sector in West Iberia, as they are overseeing the ongoing wastewater networks project, which is fully complementary to the current project.	The West Irbid WWTP project will provide a reliable wastewater treatment facility, benefiting approximately 200,000 residents by 2045. The EBRD will oversee the project's implementation, ensuring alignment with Jordan's water strategy and sector priorities. The project is in line with the ongoing wastewater networks project co-funded by EU and implemented by EBRD. The EBRD will oversee the project's implementation, ensuring alignment with Jordan's water strategy and sector priorities. The project is in line with the ongoing wastewater networks project co-funded by EU and implemented by EBRD.
	FAO SYRIA SMALLHOLDER SUPPORT PROGRAMME (SSP) FOR AGRICULTURE TRANSFORMATION	14-20 DCI Food	Syria	Delegation agreement			1 200 000,00	Specific expertise	This implementation is justified because FAO has long term experience both working in the area and in the sector.	FAO contributed to an efficient and profitable agriculture sector built on a sustainable, equitable and resilient basis. Invested in generating evidences and managing knowledge to support FAO planning and implementation and to inform other actors; Work with a broad range of strategic and operational partners to harness synergies, leverage impact, expand reach and support conflict-sensitive programming; inclusive approach to capacity building (public institutions, farmers' organizations, implementing partners, etc.) to restore capacity and foster sustainability.
149						Sum:	1 709 893 105,51			

ANNEX 12: EAMR of the Union Delegations

NEAR B	DZ	Algeria	NDICI
NEAR B	EG	Egypt	NDICI
NEAR B	PS	West Bank and Gaza Strip	NDICI
NEAR B	IL	Israel	NDICI
NEAR B	JO	Jordan	NDICI
NEAR B	LB	Lebanon	NDICI
NEAR B	MA	Morocco	NDICI
NEAR B	LY	Libya	NDICI
NEAR B	SY	Syria	NDICI
NEAR B	TN	Tunisia	NDICI
NEAR B	TR	Türkiye	IPA
NEAR C	AM	Armenia	NDICI
NEAR C	AZ	Azerbaijan	NDICI
NEAR C	GE	Georgia	NDICI
NEAR C	MD	Moldova	NDICI
NEAR E	UA	Ukraine	NDICI
NEAR D	AL	Albania	IPA
NEAR D	BA	Bosnia and Herzegovina	IPA
NEAR D	XK	Kosovo	IPA
NEAR D	ME	Montenegro	IPA
NEAR D	MK	The Republic of North Macedonia	IPA
NEAR D	RS	Serbia	IPA

