



Annual Activity Report 2021

**I.D.E.A. - Inspire,
Debate, Engage and
Accelerate Action**

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THE DG IN BRIEF

I.D.E.A. (Inspire, Debate, Engage and Accelerate Action) is the European Commission's in-house advisory service, established by a Presidential Decision on 1 December 2019¹.

I.D.E.A. is placed under the direct authority of the President's Cabinet and reports directly to the President of the European Commission.

According to its mission and mandate, I.D.E.A.'s main tasks include to provide strategic, evidence-based analysis, ideas and inspiration for the core priorities of the President as laid out in her Political Guidelines, and specific, forward-looking policy advice on ongoing and future priorities; to debate and engage around new evidence-based policy alternatives in the community of think tanks, academia, research, and other institutions through active outreach; and to accelerate the conversion of these ideas and engagements into concrete action to help the Commission deliver in a fast-changing context.

I.D.E.A.'s structure is organised around the matters and priorities defined by the President in her Political Guidelines "A Union that strives for more", and consists of 5 teams:

- Geopolitics and Europe in the Global Order,
- Green Deal,
- Digital, Technology and Innovation,
- Social Market Economy, and
- The future of Europe and the EU's institutions.

Throughout 2021, I.D.E.A. has reinforced its in-house research capacity and strengthened its network of experts and academics working on different European matters, despite the constraints posed by the COVID-19 and the related containment measures.

Collaborating closely with the President's Cabinet, I.D.E.A. successfully completed all assignments allocated to the Service in 2021. I.D.E.A. reinforced significantly its ability to analyse and anticipate trends swiftly and accurately, pointing to key matters of interest for the President and the Institution, and facilitating discussions and outreach to external stakeholders. I.D.E.A.'s versatile, skilled and experienced team was a key asset to follow and monitor all different areas of interest in 2021, supporting flexibly and efficiently the President and her Cabinet with timely and relevant input on different matters linked to the political priorities..

In 2021, **I.D.E.A. has worked on a wide range of policy areas**, from resilience and preparedness in global health, to the twin transition as our economic growth strategy, from economy and finance to the Global Gateway, geopolitical developments, defence and trade policy, as well as social, labour market, youth, education and innovation policies, and diverse aspects of the European integration process.

¹ P(2019) 5 of 1 December 2019, Communication from the President to the Commission: I.D.E.A. - Inspire, Debate, Engage and Accelerate Action - Mission, Tasks and Organisation Chart

EXECUTIVE SUMMARY

This Annual Activity Report is a management report of the Head of Unit for Management and Resources, acting as Head of DG I.D.EA., in her capacity as Authorising Officer by Delegation, to the College of Commissioners. Annual Activity Reports are the main instrument of management accountability within the Commission and constitute the basis on which the College takes political responsibility for the decisions it takes as well as for the coordinating, executive and management functions it exercises, as laid down in the Treaties ⁽²⁾.

⁽²⁾ Article 17(1) of the Treaty on European Union

A. Key results and progress towards achieving the Commission's general objectives and DG's specific objectives (executive summary of section 1)

This section explains *what* the service has delivered under **the general objective 7 “A modern, high-performing and sustainable European Commission.”**

In 2021, I.D.E.A. has enhanced its work around the thematic clusters identified in its foundational Decision, namely: Geopolitics and Europe in the Global Order, Green Deal, Digital, Technology, and Innovation, Social Market Economy, and The Future of Europe and the EU's institutions. The different I.D.E.A. teams have worked around these topical clusters on a fully coordinated and integrated approach, implementing a “no silo” approach, and supported by an organisational, horizontal team (I.D.E.A.'s Management and Resources Unit).

Throughout 2021, **I.D.E.A.'s outputs were delivered in line with the service's Management Plan, mainly based on proactive outputs (policy briefs, strategic notes, organisation of and participation in events) and ad-hoc requests of the President's Cabinet.** I.D.E.A. engaged with internal and external actors, including namely think tanks, academia, research institutes, and other European and national institutions on new, evidence-based policy alternatives, supporting the President and the Commission to respond quickly to challenges and address opportunities like **the ones presented by the European Green Deal and its implications on the social market economy, the COVID-19 crisis and its social and economic impact**, the Geopolitical developments and defence challenges, the Digital Agenda, and the opportunities for young people. In all strands of work, I.D.E.A. strived to ensure high quality in the delivery of its objectives, through strategic policy advice, policy briefs and notes as well as the organisation of workshops, roundtables and brainstorming sessions, among many others.

It is particularly important to highlight the success of the high-level Conference **“New European Bauhaus”** organised by I.D.E.A. in a hybrid format, which set a new tone in the way of running large-scale events in a hybrid format.

I.D.E.A. fed as well into the reflection of the President's Cabinet on the preparation of the State of the Union Address and the annual Commission Work Programme, by organising roundtables with external stakeholders, academics, businesses, NGOs and think tanks, among others, producing concrete policy briefings and strategic notes on the most relevant topics.

At the same time, I.D.E.A. developed further its vocation to set a unique space within the European Commission for conducting interdisciplinary analysis, collaborative projects and organising thought-provoking seminars and events.

President von der Leyen's vision of a Union that will be stronger if it is more reflective, determined and caring, grounded in values and bold in action, has guided the work of the service in 2021. For the second time since the creation of the Service, **I.D.E.A. has delivered its Christmas reading Package**, which is one of the Service's milestone

productions for the President and her Cabinet. The main purpose of this document was to propose an outlook to the year ahead and to the most critical priorities, challenges and opportunities for the third year of the Commission's mandate. It crosscuts different areas, including views of relevant experts and serves as internal work programme for the service.

More generally, as a Presidential service, in 2021, I.D.E.A. contributed effectively to achieving the general objective of a modern, high-performing and sustainable Commission through the strategic objectives defined in its Strategic Plan 2020-2024 and subsequent Management Plans..

B. Key Performance Indicators (KPIs) as set out in IDEA's Strategic Plan (2020-2024)

Timeliness and relevance of advice to the President's Cabinet	No quantitative target defined	Successful completion and full satisfaction of the President and her Cabinet (very positive regular feedback expressed orally during regular meetings and in e-mails).
Timeliness and relevance of evaluation of ideas and proposals for concrete follow up actions	No quantitative target defined	Alignment of outreach activities with the timeline/calendar defined in the Commission work programme. Ex ante activities to prepare for an adoption of a strategy/package of proposals/consultation etc.
Timeliness, relevance and inclusiveness of outreach activities	No quantitative target defined	Alignment of outreach activities with the timeline/calendar/ ad hoc requests defined by the President Cabinet.
Presence at all coordination meetings of the Presidential Services	100%	100%
Reply to relevant consultations to Commission DGs and Services within deadlines	100%	Timely contributions and feedback provided to relevant consultations from other Commission DGs and Services.

C. Key conclusions on Financial management and Internal control (executive summary of section 2.1)

In line with the Commission's Internal Control Framework DG I.D.E.A. has assessed its internal control system during the reporting year and has concluded that it is effective and the components and principles are present and functioning as intended. Please refer to AAR section 2.1.3 for further details.

In addition, DG I.D.E.A. has systematically examined the available control results and indicators, as well as the observations and recommendations issued by the internal auditor and the European Court of Auditors. These elements have been assessed to determine their impact on management's assurance about the achievement of the control objectives. Please refer to Section 2.1 for further details.

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated. The Head of Unit for Management and Resources, acting as Head of DG I.D.E.A., in her capacity as Authorising Officer by Delegation, has signed the Declaration of Assurance.

D. Provision of information to the Commissioner(s)


In the context of the regular meetings during the year between the DG and the President's Cabinet on management matters, the main elements of this report and assurance declaration have been brought to the attention of the President's Cabinet.

1. KEY RESULTS and progress towards achieving the Commission's general objectives and DG's specific objectives

The presentation of DG I.D.E.A.'s outputs below is based on the definition of projects listed in the 2021 Management Plan and ad-hoc requests to the service during 2021. Given the complexity of the challenges faced in 2021 and their impact on the EU policy-making, as well as the nature of role of DG I.D.E.A., the management plan necessarily took into account a large degree of flexibility in order to be able to respond quickly, efficiently and to the highest quality standards to urgent requests and needs for expertise and analysis.

Specific Objective 1.1

To provide the President with strategic analysis and policy advice related to the political guidelines set by the Commission

General objective 7. A modern, high-performing and sustainable European Commission			
Specific objective 1.1: To provide the President with strategic analysis and policy advice related to the political guidelines set by the Commission		Related spending programme(s) N/A	
Main outputs in 2021:			
Other important outputs			
Output description	Indicator	Target	Latest known results (situation on 31/12/2021)
 Contribution to the President's State of the Union speech and preparation of new initiatives for the forthcoming Commission Work Programme (with the President's Cabinet)	Quality and timeliness of support and contribution to organisation Delivery Outreach	Q2-Q3-Q4	Contribution to the President's Address to the State of the European Union 2021 package (events and roundtable discussions organised in July and September 2021; policy briefs and strategic notes delivered between May and early September 2021). SOTEU 2021 events and roundtable discussions with external experts: 7 June: Lessons learnt from the COVID-19 pandemic

			<p>8 July: NextGenerationEU and the future of the Economic and Monetary Union: The EU after the immediate recovery measures</p> <p>14 July: Leading Europe's Digital decade: How to strengthen the Open Technological Sovereignty?</p> <p>16 July: Strengthening the resilience and fairness of Europe's social market economy and of Europe's democracies</p> <p>20 July: Global Europe and the Geopolitics of the Twin Transition</p> <p>22 July: The European Green Deal: Preparing for the next successful factors</p> <p>7 September: Security and Defence Cooperation: How to Prepare Better the Union for the Global Challenges</p>
Ad hoc policy briefs	Quality and timeliness of support Delivery	Q1 – Q2 – Q3 – Q4	<p>Policy briefs by thematic area produced in 2021</p> <p>Geopolitics – China: 13 policy briefs</p> <p>Geopolitics- US and China: 5 policy briefs</p> <p>Geopolitics – US: 3 policy briefs</p> <p>Geopolitics – Russia: 4 policy briefs</p> <p>Geopolitics – Indo Pacific: 7 policy briefs</p> <p>Geopolitics – Afghanistan: 3 policy briefs</p> <p>Geopolitics – Africa: 2 policy briefs</p> <p>Geopolitics – Europe's position in the world: 6</p>

			<p>policy briefs</p> <p>Connectivity: 6 policy briefs</p> <p>European Green Deal: 1 steering paper</p> <p>International events and Summits: 3 strategic notes</p> <p>Social Market Economy: 3 policy briefs</p> <p>Digital Agenda: 6 policy briefs</p> <p>Contribution to the preparation of EUCO meetings</p> <p>Factsheet on Connectivity, October 21</p> <p>Factsheet on Eastern Partnership, October 21</p> <p>Factsheet on Migration and International Mobility, December 21</p>
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Specific Objective 1.2

To follow-up on the President's priorities through interdisciplinary, cross-cutting, inclusive and interactive ways of working across intellectual, policy and institutional silos

General objective 7. A modern, high-performing and sustainable European Commission			
Specific objective 1.2: To follow-up on the President's priorities through interdisciplinary, cross-cutting, inclusive and interactive ways of working across intellectual, policy and institutional silos	<i>Related to spending programme(s)</i> N/A		
Main outputs in 2021:			
Other important outputs			
Output description	Indicator	Target	Latest known results (situation on 31/12/2021)
A European Green Deal	Timeliness and relevance of evaluation of ideas and proposals for concrete follow-up actions	Ongoing	Steering paper: EU Forest Strategy (26/02/21)
In house coordination of New European Bauhaus Project	Variable: Written inputs, Outreach to external experts Delivery of written inputs as requested, Organisation Active participation in events and meetings	Ongoing	New European Bauhaus Conference Debrief (30/04/21)
A Europe fit for Digital Age	Timeliness and relevance of evaluation of ideas and proposals for concrete follow-up actions Variable: Written inputs Outreach to external experts Delivery of written inputs as requested, Organisation Active participation in events and meetings	Ongoing	Strategic note - High-Level Experts Group on Semiconductors Technologies (29/10/2021)

An Economy that works for People	<p>Timeliness and relevance of evaluation of ideas and proposals for concrete follow-up actions</p> <p>Variable: Written inputs</p> <p>Outreach to external experts</p> <p>Delivery of written inputs as requested, Organisation</p> <p>Active participation in events and meetings</p>	Ongoing	<p>Strategic Note - RelImagineEU: Putting Europe's NextGenerations first (05/03/21)</p> <p>Proposal for events - IDEA's input to the rollout of the Recovery and Resilience Fund's Proposed Communication and Outreach Strategy (19/11/2021)</p>
A stronger Europe in the World	<p>Timeliness and relevance of evaluation of ideas and proposals for concrete follow-up actions</p> <p>Variable: Written inputs</p> <p>Outreach to external experts</p> <p>Delivery of written inputs as requested, Organisation</p> <p>Active participation in events and meetings</p>	Ongoing	<p>Debriefs of I.D.E.A. participation in external events:</p> <p>Romanian MoD & New Strategy Event on Unmanned Systems Forum. Smart Approach, Fast Development (26/02/21)</p> <p>Strengthening the transatlantic bond : a conversation between NATO SG Jens Stoltenberg and us SOS Anthony Blinken (30/03/21)</p> <p>SWP March 12, 2021 Turkey event: Turkey's Foreign Policy (a 2-series event hosted by SWP, the first featuring reputed Turkish Ambassadors, while the second gathered representatives of the opposition parties) Executive Summary (30/03/21)</p> <p>Central European Perspectives on the Future of Europe: An Austro-French Dialogue with the Visegrad States. Part IV: Poland, the Visegrad Four and the European Union (focused on climate changed, and energy transition) (16/04/21)</p> <p>Building together a more resilient Europe (Romanian Ministry of National Defence and the New Strategy Center) (16/04/21)</p> <p>Union Européenne et Russie: entre partenariats et rivalités (12/05/21)</p>

			<p>Transatlantic Relations after President Biden's first 100 days in office (12/05/21)</p> <p>A Conversation with Portuguese National Defence Minister João Gomes Cravinho: Challenges in Global Security and the Future of Transatlantic Relations (12/05/21)</p> <p>Europe's Missile Defence and NATO (12/05/21)</p> <p>The Geopolitical Gambles in the Balkans (12/05/21)</p> <p>China's Arctic Ambitions and Activities (12/05/21)</p> <p>India: An Ambivalent Partner to the West (12/05/21)</p> <p>Building back and changing tack: answering calls for reform in Europe and the United States (12/05/21)</p> <p>EPC Talks to Bogdan Aurescu, Romanian Foreign Minister, Hosted by David O'Sullivan (12/05/21)</p> <p>Situation in Belarus (12/05/21)</p> <p>Profiteers of Fear: Impact of Covid on Political Populism and Right Wing Extremism (23/04/21)</p> <p>Security Challenges from the Baltic to the Black Sea. The visions of Poland, Turkey and Romania (ahead of the trilateral ministerial meeting hosted in Bucharest). (23/04/21)</p> <p>Europe's Green Moment: How to Meet the Climate Challenge (23/04/21)</p> <p>EPC Talks Geopolitics with Alexander Stubb (30/04)</p> <p>US policy towards the Middle East: Is there a role for the EU? (30/04/21)</p>
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			<p>Destination Indo-Pacific: What Role for the EU? (30/04)</p> <p>EU-India Relations: A Geopolitical Necessity (30/04/21)</p> <p>EU Turkey: Towards a Positive Agenda (30/04/21)</p> <p>Covid-19 and the Geopolitics of the Balkans (30/04/21)</p> <p>European foreign policy in times of Covid-A conversation with High-Representative/ Vice-President Josep Borrell (30/04/21)</p> <p>Turkey and Post-Brexit Britain: How far Britain diverges from the EU policy towards Turkey? (21/05/21)</p> <p>The Covid-19 Challenge for the Conference on the Future of Europe (21/05/21)</p> <p>Bucharest Summit on Cooperation for Development. Lessons for the Post-pandemic World (28/05/21)</p> <p>Global Europe: Is the EU serious about engaging with Africa? EURACTIV Virtual Conference (28/05/21)</p> <p>Foresight for resilience: building the EU's capacity to act (4/06/21)</p> <p>Turkey, a touchstone for European cohesion (4/06/21)</p> <p>Competing Nationalisms in Turkey: A Stumbling Block or Opportunity for Opposition Parties? (4/06/21)</p> <p>New Ideas for German Foreign Policy (11/06/21)</p> <p>Crisis of European confidence: How Europeans see their place in the world (11/06/21)</p> <p>Health and Economy: Lessons learned from the COVID-19 crisis (11/06/21)</p>
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			<p>French Foreign and Security Policy under Macron: Implications for the Franco-German Cooperation (11/06/21)</p> <p>Security Challenges in the Balkans Region: EU and NATO enlargement in the Western Balkans and the Impact of Post-Pandemic Challenges (25/06/21)</p> <p>Strategic Culture: an Elusive but Necessary Foundation for EU Security and Defence (25/06/21)</p> <p>Multiple Faces of Turkish-Chinese Relations (25/06/21)</p> <p>How will the Alliance Take Action after the NATO Summit (25/06/21)</p> <p>Why November 2021 is important for President Xi (29/10/2021)</p> <p>Contours of US Indo-Pacific Strategy and Economic Framework (10/12/2021)</p>
A new push for European democracy	<p>Timeliness and relevance of evaluation of ideas and proposals for concrete follow-up actions</p> <p>Variable: Written inputs</p> <p>Outreach to external experts</p> <p>Delivery of written inputs as requested, Organisation</p> <p>Active participation in events and meetings</p>	Ongoing	Strategic note - European Year of Youth 2022 (29/10/2021)

Specific Objective 1.3

To provide the President with effective outreach to relevant stakeholders in the academic, research, think tank, and practitioner's communities

General objective 7. A modern, high-performing and sustainable European Commission			
Specific objective 1.3: To provide the President with effective outreach to relevant stakeholders in the academic, research, think tank, and practitioner's communities	<i>Related to spending programme(s)</i> N/A		
Main outputs in 2021:			
External Communication Actions			
Output description	Indicator	Target	Latest known results (situation on 31/12/2021)
Breakthrough Energy Catalyst – Jonah Goldman	Organisation, active participation, delivery	ad-hoc requests of the President's Cabinet	Date: 18/03/21 On-line event
New European Bauhaus High Level Conference	Organisation, active participation, delivery Number of participants depends on nature and scope of event	ad-hoc requests of the President's Cabinet	Date: 22-23/04/2021 Hybrid event 8603 on-line visits on-22 April 2021 3556 on-line visits on 23 April 2021
High Level Session Discussion Lessons learnt from the Pandemic	Organisation, active participation, delivery	ad-hoc requests of the President's Cabinet	Date: 7/06/21 On-line event
High-Level Roundtable Discussion 'The Implementation of the Protocol on Ireland / Northern Ireland'	Variable	ad-hoc requests of the President's Cabinet	Date : 18/10/21
High Level Roundtable – State of the Union –Next Generation EU and the future of EMU	Organisation, active participation, delivery	ad-hoc requests of the President's Cabinet	Date: 8/07/21 On-line event
High Level Roundtable – State of the Union – Leading Europe's Digital Decade: How to strengthen the	Organisation, active participation, delivery	ad-hoc requests of the President's Cabinet	Date: 14/07/21

Open Technological Sovereignty ?			On-line event
High Level Roundtable – State of the Union – Strengthening the resilience and fairness of Europe’s social market economy and of Europe’s democracies	Organisation, active participation, delivery	ad-hoc requests of the President’s Cabinet	Date: 16/07/21 On-line event
High Level Roundtable – State of the Union -Global Europe and the Geopolitics of the Twin Transition’	Organisation, active participation, delivery	ad-hoc requests of the President’s Cabinet	Date 20/07/21
High Level Roundtable – State of the Union - European Green Deal: Preparing for the next successful factors	Organisation, active participation, delivery	ad-hoc requests of the President’s Cabinet	On-line event Date: 22/07/21 On-line event
High-Level Roundtable Discussion on ‘Security and Defence Cooperation: How to prepare better the Union for the global challenges?’	Organisation, active participation, delivery	ad-hoc requests of the President’s Cabinet	Date: 7/09/21 On-line event
High-Level Policy Working Dinner of the Head of the Cabinet of the President with external experts - Discussion on ‘The State of the Union 2021’	Organisation, active participation, delivery Number of participants depends on nature and scope of event	ad-hoc requests of the President’s Cabinet	Date: 28/09/21 16 participants
High-Level Policy Working Dinner of the Head of the Cabinet of the President with external experts - The Global Gateway	Organisation, active participation, delivery Number of participants depends on nature and scope of event	ad-hoc requests of the President’s Cabinet	Date: 24/11/21 20 participants

2. MODERN AND EFFICIENT ADMINISTRATION AND INTERNAL CONTROL

2.1. Financial management and internal control

Assurance is provided on the basis of an objective examination of evidence of the effectiveness of risk management, control and governance processes.

This examination is carried out by the management, who monitors the functioning of the internal control systems on a continuous basis, and by internal and external auditors. The results are explicitly documented and reported to the Director-General. The following reports have been considered:

- The reports from AOSD,
- the reports on recorded exceptions, non-compliance events and any cases of 'confirmation of instructions' (Art 92.3 FR);
- the contribution by the Head of Unit in charge of Risk Management and Internal Control, including the results of internal control monitoring at DG level.

These reports result from a systematic analysis of the available evidence. This approach provides sufficient guarantees as to the completeness and reliability of the information reported and results in a complete coverage of the budget delegated to the Head of Unit for Management and Resources, acting as Head of DG I.D.E.A.

This section covers the control results and other relevant elements that support management's assurance. It is structured into 2.1.1 Control results, 2.1.2 Audit observations and recommendations, 2.1.3 Effectiveness of internal control systems, and resulting in 2.1.4 Conclusions on the assurance.

2.1.1. Control results

This section reports and assesses the elements identified by management which support the assurance on the achievement of the internal control objectives (ICO) ⁽³⁾. The DG's assurance building and materiality criteria are outlined in AAR Annex 5. The AAR Annex 6

⁽³⁾ 1) Effectiveness, efficiency and economy of operations; 2) reliability of reporting; 3) safeguarding of assets and information; 4) prevention, detection, correction and follow-up of fraud and irregularities; and 5) adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the multiannual character of programmes as well as the nature of the payments (FR Art 36.2). The 2nd and/or 3rd Internal Control Objective(s) (ICO) only when applicable, given the DG's activities.

outlines the main risks together with the control processes to mitigate them and the indicators used to measure the performance of the relevant control systems.

DG I.D.E.A. has a portfolio of activities that represented low risk in financial management. Nevertheless, the (potential) reputational risk shall always be taken into consideration as I.D.E.A operated directly under the President's authority.

In 2021, the budget consisted only of administrative credits (**global envelope**) covering outreach activities such as conferences' organisation, reflection papers and missions. As for 2021 the public health safety measures imposed to combat the pandemic affected considerably the budget consumption, in particular the missions and conference expenses, which are part of the core activities of the Service. Given the conditions created by the sanitary crisis, the majority of the events were organised remotely or in hybrid format.

The authorised budget for 2021 was **441,800 EUR** with an important decrease compared to 2020 (720,000 EUR) due to the pandemic and the Commission's decision to cut 20% of its budget for missions and conferences for greening purposes. The total amount of payment appropriations made - as reflected in Annex 3 - is **114,324.12 EUR**, covering conferences' expenses occurred during 2021, in particular the organisation of the High Level hybrid Conference "**New European Bauhaus**".

The Management and Resources Unit was responsible for the entire financial management process, with a fully centralised financial workflow model performing 100% of ex-ante control of its financial transactions. Due to the small volume of transactions, the Service did not perform ex-post control, following the assessment and conclusion that this would not be cost effective.

Overview table (amounts in EUR million)

Risk-type / Activities	Grants (e.g. actual costs based, or lump sums, or entitlements)	Procurement (e.g. minor or major values)	Shared mngt (MS's OPs, PAs, etc) + EAC (for NAs)	Cross-delegations to other DGs (other AOXDs)	Contributions and/or funds to EE (EU Agency, EA, JU)	Delegation / Contribution agreements with EE (EIB, Int-Org, etc)	Other (describe any other expenditure not covered by the previous columns)	Total Expenditure	NEI, e.g. Revenues, Assets, OBS ((in)tangible or financial assets & liabilities)
Activity linked to Conferences' organisation	0 EUR	114,324.12 EUR	0 EUR	0 EUR	0 EUR	0 EUR	0 EUR	114,324.12 EUR	0 EUR
Totals (coverage)	0 EUR	114,324.12 EUR	0 EUR	0 EUR	0 EUR	0 EUR	0 EUR	114,324.12 EUR	0 EUR
Links to AAR Annex 3	Overall total (m EUR); see Table 2 – payments made						Overall total (m EUR)	n/a	Table 4 – assets

Legend for the abbreviations: OP=Operational Programme, PA=Paying Agency, NA=National Agency, AOXDs =Authorising Officer by Cross-Delegation, EA=Executive Agency, JU=Joint Undertaking, NEI =Non-Expenditure Item(s), OBS= Off-Balance Sheet, ICO = Internal Control Objective, L&R=Legality and Regularity, SFM= Sound Financial Management, AFS= Anti-Fraud Strategy measures, SAI=Safeguarding Assets and Information, TFV=True and Fair View, RER=Residual Error Rate, CEC=Cost-effectiveness of controls, Mngt =Management

In line with the 2018 Financial Regulation, DG I.D.E.A.'s assessment for the new reporting requirement is as follows:

- Cases of "confirmation of instructions" (new FR art 92.3)
- Cases of financing not linked to costs (new FR art 125.3)
- Financial Framework Partnerships >4 years (new FR art 130.4)
- Cases of flat-rates >7% for indirect costs (new FR art 181.6)
- Cases of "Derogations from the principle of non-retroactivity [of grants] pursuant to Article 193 FR" (new Financial Regulation Article 193.2)

DG I.D.E.A. did not have such cases in 2021.

1. Effectiveness of controls

a) Legality and regularity of the transactions

DG I.D.E.A uses internal control processes to ensure sound management of risks relating to the legality and regularity of the underlying transactions it is responsible for, taking into account the multiannual character of programmes and the nature of the payments concerned.

DG I.D.E.A., whose risk profile is very low in term of financial management, has updated its internal control procedures to ensure the adequate management of the risks relating to the legality and regularity of its financial transactions taking into account the nature of the payments concerned.

2021, as well as 2020 were unusual years for the overall balance between the cost of control and the legality and regularity of financial transactions, due to the impact of the pandemic and the on-going start-up phase of the Service. The residual error is not exceeding 2% of the total payment budget, as foreseen in the annex 5 (materiality criteria).

The Management and Resources Unit was performing **100% of ex-ante controls** for the financial transactions and the public procurement procedures which guarantees a low risk of error.

DG I.D.E.A is therefore able to conclude that there are no indications that procurement procedures and payment transactions were illegal and irregular.

DG I.D.E.A.'s portfolio consists of segments with a relatively low error rate, ie 0.5 %.

This expenditure will not be subsequently subject to ex-post controls. The conservatively recoveries and estimated financial corrections for 2021 expenditure amount to 0 €. (for more details see Annex 7).

DG I.D.E.A.'s relevant expenditure, its estimated overall risk at payment, estimated future corrections and risk at closure are set out in Table X: Estimated risk at payment and at closure.

The estimated overall risk at payment for 2021 expenditure amounts to 571.62 €, representing 0.5 % of the DG's total relevant expenditure for 2021. This is the AOD's best, conservative estimate of the amount of relevant expenditure during the year not in conformity with the contractual and regulatory provisions applicable at the time the payment was made.

The difference between those two amounts results in the estimated overall risk at closure of 571.62 €, representing 0.5 % of the DG's total relevant expenditure for 2021. This is no change in comparison with 2020.

For an overview at Commission level, the DGs' estimated overall risk at payment, estimated future corrections and risk at closure are consolidated in the AMPR.

Table X : Estimated risk at payment and at closure (amounts in EUR million)

The full detailed version of the table is provided in Annex 9.

DG I.D.E.A.	Relevant expenditure	Estimated risk (error rate %) at payment		Estimated future corrections and deductions		Estimated risk (error rate %) at closure	
(1)	(2)	(3)		(4)		(5)	
	m EUR	m EUR	%	m EUR	%	m EUR	%
Administrative Expenditure	114,324.12 EUR	571.62	0.5 %	0	0 %	571.62	0.5 %
DG total	114,324.12 EUR	571.62 EUR	0.5 %	0 EUR	0 %	571.62 EUR	0.5 %

b) Fraud prevention, detection and correction

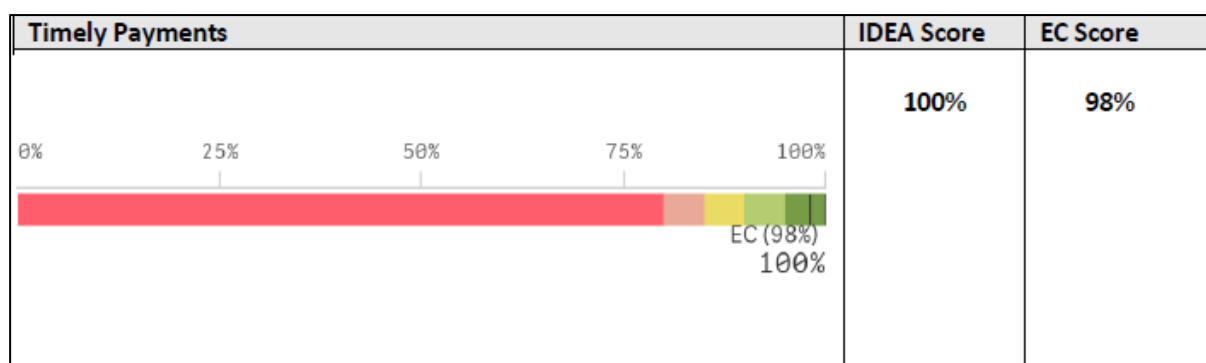
During the transitional, setting-up phase of the Service, DG I.D.E.A. observed and implemented the anti-fraud strategy of its predecessor, the EPSC. Its implementation was closely monitored and observations were reported to the management when necessary, and at least once a year. All necessary preventive and follow up actions have been implemented. Based on the observations and necessary updates and adaptations to the requirements and characteristics of the Service, I.D.E.A. is currently finalising its anti-fraud strategy, which will be submitted to OLAF for review.

The results achieved during the year thanks to the anti-fraud measures in place can be summarised as follows: the controls aimed at preventing and detecting fraud are similar to those intended to ensure the legality and regularity of the transactions and they are effective and no weakness has been identified in 2021.

I.D.E.A. contributed also to the Commission anti-fraud strategy and had no financial recommendations from OLAF to follow up. The results achieved can be summarised as follows: all newcomers and staff members were offered trainings in ethics, because it is one of the main objectives of the Service to develop a corporate culture of integrity. On the basis of the available information, DG I.D.E.A. has reasonable assurance that the anti-fraud measures in place are effective.

2. Efficiency of controls

With respect to efficiency, only two main indicators are used: time to pay and time to decommit. The financial scorecard shows 100% for the timely payments (see below) and 100 % for the preparation of decommitments (see Annex 4), which demonstrates the good monitoring of the financial transactions. It is important to underline that the sanitary crisis affected the I.D.E.A.'s volume of transactions, because the main spending activity of the Service is linked to event's organisation.



3. Economy of controls

DG I.D.E.A. is a non-spending service applying a cost of control indicator linked mainly to ex-ante verification and public procurement procedures as described in the Annex 7. Because of the low volume of transactions resulting from the sanitary crisis and the situation of the Service, which is still in a start-up phase, the overall cost of control is equal to 11.400 euro (= 0.1 FTE). It represents a ratio of 9.97 %, which is the minimum cost to maintain a quality control.

As already mentioned in the past, the quantifiable benefits are very difficult to evaluate and are more of qualitative nature due to the closeness of the service to the President's Cabinet and the potential risk of reputational damage.

4. Conclusion on the cost-effectiveness of controls

Based on the most relevant key indicators and control results, DG I.D.E.A. has assessed the effectiveness, efficiency and economy of its control system and reached a positive conclusion on the cost-effectiveness of controls for which it is responsible

2.1.2. Audit observations and recommendations

This section sets out the observations, opinions and conclusions reported by auditors – including the limited conclusion of the Internal Auditor on the state of internal control. Summaries of the management measures taken in response to the audit recommendations are also included, together with an assessment of the likely material impact of the findings on the achievement of the internal control objectives, and therefore on management's assurance.

“In its annual report concerning the financial year of 2021, the European Court of Auditors did not state any observations or recommendations in its section on Heading 5 (Administration) that related to IDEA.”

“The European Court of Auditors did not issue any special reports in 2021 that concerned DG IDEA.”

The Internal Audit Service (IAS) did not perform any audit work in the entity over the last 3

years (i.e. period 2019-2021). Consequently, there are no elements to report for the 2021 AAR.

2.1.3. Assessment of the effectiveness of internal control systems

The Commission has adopted an Internal Control Framework based on international good practice, to ensure the achievement of its policy and management objectives. Compliance with the internal control framework is a compulsory requirement.

DG I.D.E.A uses the organisational structure and the internal control systems suited to achieving its policy and internal control objectives in accordance with the internal control principles and has due regard to the risks associated with the environment in which it operates. It is very important to emphasise that the internal control system put in place is relevant and takes into account the atypical profile of the Service, which employs a small number of people to date. The dissemination of information and communication with staff is ensured through weekly meetings organised at Service's level, teams' and unit's level as well as sectorial level (HR, Finance, etc....), which are also recorded through the drafting of operational conclusions. The main processes and procedures are available in the collaborative tools managed and used by the Service to share relevant information.

In order to evaluate the effectiveness of its internal control system, an assessment was carried out following the methodology described in the "Implementation guide of the Internal Control Framework of the Commission". The evidence required to support the entire process has been gathered from management knowledge gained through daily operations as well as monthly meetings following up internal control progresses, analysis of the register of exceptions/non-compliance events and data extracted from the ex-ante control put in place, in particular for the financial management. For the year 2021 the exceptions⁴ recorded were mainly due to the organisation of the high-level Conference "New European Bauhaus" (April 2021) and several high-level roundtables and dinners, that took place during the pandemic and requested some flexibility for the travel arrangements of moderators/speakers participating in the smooth running of the I.D.E.A. outreach events. Nevertheless none of these exceptions had serious financial impact. They have therefore no consequences for the overall conclusions.

DG I.D.E.A has assessed its internal control system during the reporting year and has put in place mitigating actions for its internal control follow up tailor made to its very small size. They are discussed monthly in management meetings and adjusted, when proved necessary through action plans and adequate internal trainings. Therefore, DG I.D.E.A has concluded that it is effective and the components and principles are present and functioning as intended. .

⁴ 6 recordings of exception out of 10 are linked to events'organisation

2.1.4. Conclusions on the assurance

In conclusion, based on the elements reported above, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated; and necessary improvements and reinforcements are being implemented. The Head of Unit for Management and Resources, in her capacity as Authorising Officer by Delegation, has signed the Declaration of Assurance.

2.1.5. Declaration of Assurance

Declaration of Assurance

I, the undersigned,

In my capacity as authorising officer by delegation.

Declare that the information contained in this report gives a true and fair view

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.

Confirm that I am not aware of anything not reported here which could harm the interests of the Commission”.

Place: Brussels,

(e-signature)

Sonia Vila Núñez

2.2. Modern and efficient administration – other aspects

This section describes the progress made on aspects contributing to transforming the Commission into a modern and efficient administration, as presented in I.D.E.A.'s Strategic Plan 2020-2024 and Management Plan 2021.

In 2021, the newly created Service was still affected by the sanitary crisis, which impacted on all management dimensions. Furthermore, DG I.D.E.A.'s outputs are naturally and frequently subject to potential necessary adjustments to be able to respond, provide advice and support quickly, and in the best possible way, in the delivery of the updated political agenda as outlined by the President.. In this context, the administrative and financial procedures were updated to facilitate the achievement of the objectives in the context of the evolutive situation of the Service.

I.D.E.A. has established an internal control system tailored to its particular characteristics and circumstances. The effective functioning of the service's internal control system is assessed on an ongoing basis throughout the year and is subject to a specific annual assessment covering all internal control principles

2.2.1. Human resource management

In 2021, the Service continued to develop best practices to enhance functioning and delivering of the team, while boosting staff engagement and responding flexibly and in an agile way to the President's Cabinet requests.

In parallel with the development of the revised corporate HR strategy, DG I.D.E.A is working on the outline of its priorities and actions for the forthcoming period in a **local HR strategy**. To ensure efficient delivery of its objectives and the best possible development of human resources, DG I.D.E.A will constantly review that priority areas of work are staffed with people with the appropriate skills, and it is currently developing a **competency map** linking objectives and the skills needed to deliver these. This process will be supported through training and development activities.

Moreover, the new context created by the pandemic underlined the need for a new, specific and very urgent set of requirements for enhancing internal communication. The reduction in real-life staff interaction and exchanges made it all the more important to provide an environment rich in both information and interaction possibilities. Regular staff meetings, brainstormings and debriefs by I.D.E.A. senior management, and other ad-hoc meetings helped to ensure strong two-way communication and team cohesion in 2021.

DG I.D.E.A. has also looked into necessary trainings and learning activities for its staff, at individual and collective level. In this framework, all staff has followed the necessary learning on the use of ARES and document management (staff has been trained internally, with a focus on newcomers), and all members of the Service followed, as

foreseen in the 2021 Management Plan, an Ethics training tailored-made for DG I.D.E.A in cooperation with HR, which raised the awareness on the necessity to promote a culture of ethics in a Service closed to the President's Cabinet.

2.2.2. Digital transformation and information management

The extension of the start-up phase of the Service as well as the on-going recruitment process impacted the achievement of the objectives defined in the 2021 Management Plan.. Nevertheless I.D.E.A. event team has identified **sustainable and digital solutions** in the conference domain recommended at corporate level, which led to the success of the high-level hybrid conference "New European Bauhaus" organised in April. Furthermore, in 2021, DG I.D.E.A. continued optimising corporate processes and implementing solutions such as the qualified electronic signature, and continued improving and reinforcing the service's management and staff awareness on the way data, information and knowledge are managed, and assessing in a continuous way its working methods, to embed modern knowledge management and enhanced collaboration in its processes, with a focus on digital collaborative solutions. To this end, I.D.E.A. created a local "Digital Etiquette Guidelines" drafted, discussed and agreed with all I.D.E.A. staff members in 2021.

As regards **data protection**, I.D.E.A. has ensured that data, information and knowledge management is compliant with data protection rules and principles, ensuring full respect of Regulation (EU) 2018/1725, by establishing internal awareness and training activities (at the level of the Management and Resources Unit and several discussions in the all staff weekly meetings), and has put in place internal arrangements, namely as regards the organisation of events with external participants and treatment of data collected in this regard.

2.2.3. Sound environmental management

In 2021, DG I.D.E.A. continued to operate taking full account of its environmental impact in all its actions, promoting as well measures to reduce this impact where possible.

The Service, located in Berlaymont, followed the Eco-Management and Audit Scheme (EMAS) rules applicable to the building.

DG I.D.E.A. and its ECOR communicated and promoted the EMAS corporate campaigns to all staff members, identifying as well actions that could be implemented at local level to reduce the service's environmental impact, but no specific awareness actions have been organised at the DG level.

Due to the pandemic situation, I.D.E.A. followed the corporate rules regarding teleworking and hybrid working, missions and meetings. I.D.E.A. continued exploring as well the optimisation of virtual events and meetings, and made good use of teleworking and videoconferencing tools and options where relevant and adequate, including by initiating the full equipment of the service meeting room with videoconferencing facilities, in collaboration with the Directorate-General for Interpretation. Furthermore, the Service has

enhanced its efforts to reduce the use of paper and go paperless, including by continuing to assess the use of electronic signature introduced in I.D.E.A. workflows.