



European  
Commission

# Annual Activity Report 2021

## Annexes

DG JUST

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

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

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

**Date 31/03/2022**

**Giles Goodall**

**Risk Management and Internal Control Coordinator, Head of Unit Communication and Strategic Planning, DG JUST 01**

**(Signed)**

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<sup>(1)</sup> C(2017)2373 of 19.04.2017.

## ANNEX 2: Performance tables

### General objective 6: A new push for European democracy

**Impact indicator:** Perceived independence of the national justice systems in the European Union

**Source of the data:** EU Justice scoreboard 2021(based on Eurobarometer survey)

<b>Baseline</b> (2019)	<b>Interim Milestone</b> (2022)	<b>Target</b> (2024 + explanation how the target was agreed)	<b>Latest known results</b> (2021)
56% <sup>2</sup>	Increase	Increase	54%

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<sup>2</sup> Baseline was for the 28 Member States. The latest known result is for the 27 Member States.

**Specific objective 1:** Strengthened rule of law in the Union*Related to spending programme(s): Justice Programme***Result indicator 1.1:** Degree of establishment of the new European Rule of Law Mechanism in line with the Political Guidelines**Source of the data:** DG JUST monitoring

<b>Baseline</b> (June 2020)	<b>Interim Milestone</b> (2021)	<b>Target</b> (2024 + explanation how the target was agreed)	<b>Latest known results</b> (2021)
Preparation of the first Annual Rule of Law Report	Fully established European Rule of Law Mechanism. First annual Rule of Law Report published and discussed in the Council and Parliament.	Fully functioning European Rule of Law Mechanism. Yearly publication of the Annual Rule of Law Report. Rule of Law Report is used as a basis in the discussions at the Council, Parliament and national level.	Publication of the second annual Rule of Law Report in July 2021. In the General Affairs Council a general follow-up discussion and two sets of country-specific discussions covering 10 Member States took place, as well as presentations in the European Parliament and 20 discussions in national Parliaments (related to the 2020 Rule of Law Report in the first half of 2021 and the 2021 Rule of Law Report in the second half of 2021). The Rule of Law Report fed the preparation of the high-level conference on Rule of Law in Europe co-organised by the Portuguese Presidency of the Council, European Commission and the University of Coimbra.

**Result indicator 1.2:** Strengthening of judicial independence in the Member States**Source of the data:** Annual Rule of Law report, European Semester Country Specific Recommendations, EU Justice Scoreboard, DG JUST monitoring

<b>Baseline</b> (2019)	<b>Interim Milestone</b> (2022)	<b>Target</b> (2024 + explanation how the target was agreed)	<b>Latest known results</b> (2021)

<b>Baseline</b> (June 2020)	<b>Interim Milestone</b> (2021)	<b>Target</b> (2024 + explanation how the target was agreed)	<b>Latest known results</b> (2021)
5 MS for which challenges related to the structural independence of courts and judges have been identified by the Commission.	80% of the previously or newly identified challenges have been addressed through the Rule of Law Toolbox and are in the process of being resolved.	100% of the previously or newly identified challenges have been addressed through the Rule of Law Toolbox and are in the process of being resolved.	An exchange on structural independence has been launched with the Member States through the new Rule of Law Mechanism and the 2020 Rule of Law Report. The Commission also initiated two infringement proceedings regarding judicial independence against one Member State and contributed to a successful request for interim measures concerning the functioning of the justice system in one Member State, which the Court of Justice granted on 14 July 2021. In addition, in order to address the challenges in all five Member States, binding milestones have been included in the context of the implementation of the Recovery and Resilience Facility Regulation.

## Main outputs in 2021:

### New policy initiatives

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results</b> (situation on 31/12/2021)
<sup>3</sup>  2021 Rule of Law Report (JUST co-CdF with SG)	Adoption by the Commission	Q3 2021	20/07/2021

<sup>3</sup> This symbol signifies that the initiative was mentioned in the Commission Work Programme.

External communication actions			
Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Increased awareness on the rule of law among the defined target audiences.	Number of website visits (weekly)	192,000	Defined target audiences (MS + age groups) Signed contract for implementation in 2022
Other important outputs			
Output	Indicator	Target	Latest known results (situation on 31/12/2021)
2021 EU Justice Scoreboard (PLAN/2020/9446)	Adoption by the Commission	Q1 2021	08/07/2021
Monitoring of country-specific challenges for the effectiveness of justice systems in the context of the a) European Semester and b) the Resilience and Recovery Facility	Delivery of DG Justice and Consumer contributions to the a) monitoring of the implementation of the country specific recommendations from the preceding European Semester cycles, and to Commission documents to be adopted in the context of the European Semester b) assessment of the national Recovery and Resilience Plans	Q1 2021 Q2 2021 Q3 2021 Q4 2021	Contribution to the assessment of Resilience and Recovery Plans, to the draft Council Implementing Decisions and Operational Arrangements. Contribution to the 2022 Annual Sustainable Growth Survey
Actions promoting the rule of law	Number of operating grants Number of judges trained through the operating grants given to EJTN	Operating grants: 4  39 eligible prosecutors/judicial trainers	Operating grants were awarded to three judicial networks (ACA-Europe, Network of the Presidents of the Supreme Judicial Courts of the EU, European Network of Councils for the Judiciary).  Number of judges trained through the operating grants given to EJTN - 46 judges - Proportion of judges among the participants higher than foreseen.

## General objective 6: A new push for European democracy

**Impact indicator:** Citizens satisfied with how democracy works in the European Union

**Source of the data:** Standard Eurobarometer 95

<b>Baseline</b> (2019)	<b>Interim Milestone</b> (2022)	<b>Target</b> (2024 + explanation how the target was agreed)	<b>Latest known results</b> (2021)
54%	Increase	Increase	59%

## Specific objective 2: **Strengthened application of fundamental rights**

**Specific objective 2:** Strengthened application of fundamental rights

*Related to spending programme(s): REC / CERV*

**Result indicator 2.1:** Higher awareness of people's rights enshrined in the EU Charter of Fundamental Rights and where to turn in case of violation

**Source of the data:** Eurobarometer

<b>Baseline</b> (June 2020)	<b>Interim Milestone</b> (2021)	<b>Target</b> (2024 + explanation how the target was agreed)	<b>Latest known results</b> (2021)
42% of citizens are aware about the EU Charter of Fundamental Rights. Out of those 12% know what it is		20% of citizens know what the EU Charter of Fundamental Rights is.	Awareness raising campaign launched in December 2021. Campaign ongoing until June 2022 in SE, NL, CY, MT.

## Main outputs in 2021:

### New policy initiatives

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
 Initiative to extend the list of eurocrimes to all forms of hate crime and hate speech (PLAN/2021/10059)	Adoption by the Commission	Q4 2021	Adopted on 9 December 2021
 EU strategy on the rights of the child (PLAN/2020/7350)	Adoption by the Commission	Q1 2021	Adopted on 24 March 2021
 EU strategy on combating antisemitism (PLAN/2020/8665)	Adoption by the Commission	Q4 2021	Adopted on 5 October 2021

### Public consultations

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Targeted stakeholders consultation for the Strategy on combating antisemitism.	Summary report	Q1/Q2 2021	Roadmap was open for consultation from 7 June to 5 July 2021. Summary report published on 23 September 2021.
Targeted consultation for the preparation of the 'EU crimes' initiative	Synopsis report	Q1/Q2 2021	Q4 2021

### Enforcement actions

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Enforcement of the Framework Decision 2008/913/JHA on combating racism and xenophobia by means of criminal law	Launch of infringement proceedings		Infringement proceedings launched against 11 Member States
Support Member States in their work on the transposition of the Directive 2019/1937, on the protection of persons who report breaches of Union law ("Directive on whistleblower protection")	Meetings of the Commission expert group on Directive 2019/1937	3	3

External communication actions			
Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Increased awareness on the EU Charter of Fundamental Rights and concrete ways to claim Charter rights among target audiences in Cyprus, Sweden, Malta and the Netherlands.	Number of clicks Click through rate (CTR) Cost per click (CPC)	Number of clicks: 389,082 CTR 0,72% CPC € 0,74 Full list of 52 target values available upon request to JUST 01	Awareness raising campaign launched in December 2021 Campaign ongoing until June 2022 in SE, NL, CY, MT.
Increased awareness on the rights of the child among target audiences.	Reach: Number of contacts made during the campaign [audited circulation and audience analytics] Other indicators to be defined in function of target audiences, countries and channels selected	To be defined before launching the project	Specific campaign on rights of the child cancelled as rights of the child already featured in umbrella campaign on the EU Charter of Fundamental Rights On the umbrella campaign on the EU Charter, the rights of the child is one of the 5 rights that the campaign features. See here: <a href="https://right-here-right-now.campaign.europa.eu/index_en">https://right-here-right-now.campaign.europa.eu/index_en</a>
Other important outputs			
Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Annual report on the application of the EU Charter of the Fundamental Rights.	Adoption by the Commission	Q4 2021	Adopted on 10 December 2021.
Implementation of the Council Declarations on antisemitism of 2018 and 2020.	Two meetings of the working group on the implementation of the Council Declaration on the fight against antisemitism.	Q2 and Q4	Meetings took place on 3-4 June 2021 and 14-15 December 2021
Meetings of the Member States informal expert group on the Rights of the Child (to be possibly upgraded into the EU Child Rights Network) [it will be formalised in 2022]	Two meetings (plus two joint meetings with DG HOME informal expert group on children in migration)	Q2 and Q4 2021	One meeting (and two joint meetings with DG HOME informal expert group on children in migration)
The 14th EU forum on the Rights of the Child	Number of participants	250 if the event is in person OR 350 if the event is online	The 14th European Forum on the Rights of the Child will take place in 2022 One meeting

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Actions promoting the rights of the child and preventing and combatting racism, xenophobia and other forms of intolerance	Number of action grants Number of operating grants	Action grants: 26 Operating grants:5 [to be complemented by 04]	Action grants: 23 (CERV-2021-EQUAL RACI objective 16 + CERV-2021-CHILD 7) Operating grants: 5 (CERV-2021-OG-FPA, priority "Protect and promote the rights of the child")

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

**Specific objective 3:** Improved framework to protect democracy in the European Union  
*Related to spending programme(s): ...*

**Result indicator 3.1:** Citizens perception on democratic participation "my voice counts"  
**Source of the data:** Eurobarometer<sup>4</sup>

Baseline (2019)	Interim Milestone (2022)	Target (2024 + explanation how the target was agreed)	Latest known results (2021)
56%	Increase	Increase	43%

**Main outputs in 2021:**

**New policy initiatives**

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
 Initiative on greater transparency in paid political advertising (PLAN/2020/8647)	Adoption by the Commission	Q3 2021	Adopted on 25 November COM/2021/731
Initiative against abusive litigation targeting journalists and rights defendants (PLAN/2021/11951 - Recommendation)	Adoption by the Commission	Q4 2021	Postponed to 2022

<sup>4</sup> Standard Eurobarometer 95 - Spring 2021 - September 2021 - - Eurobarometer survey (europa.eu)

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results</b> (situation on 31/12/2021)
Initiative against abusive litigation targeting journalists and rights defendants (PLAN/2021/11950 - Directive)	Adoption by the Commission	Q4 2021	Postponed to 2022
Revision of the Directive on the right of EU citizens in European elections (PLAN/2020/8646)	Adoption by the Commission	Q4 2021	Adopted on 25 November COM/2021/732
Revision of the Directive on the rights of EU citizens in municipal elections (PLAN/2020/8645)	Adoption by the Commission	Q4 2021	Adopted on 25 November COM/2021/733
Communication on a package of measures reinforcing democracy and citizens' democratic participation (PLAN/2020/8687)	Adoption by the Commission	Q4 2021	Adopted on 25 November COM/2021/730

### Public consultations

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results</b> (situation on 31/12/2021)
Public consultation related to revisions of two Directives on the right of EU citizens in municipal and European elections	Summary report	Q4 2021	Finalised (not yet published)
Public consultation related to an initiative on transparency of political advertising	Summary report	Q3 2021	Published
Public consultation related to the Initiative against abusive litigation targeting journalists and rights defendants (PLAN/2021/11950 - Directive)	Summary Report	Q4 2021	Summary report due to be published in Q1 2022; Joint OPC with PLAN/2021/11951 - Recommendation

<b>Other important outputs</b>			
<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results</b> (situation on 31/12/2021)
Impact assessments supporting the revision of two Directives on the right of EU citizens in municipal and European elections	Impact assessments ready	Q4 2021	Finalised
Impact assessments supporting an initiative on transparency of political advertising	Impact assessments ready	Q3 2021	Finalised
Increasing citizens participation, including town twinning and network of towns as well as in the area of remembrance and Union Values	Number of action grants Number of operating grants	Action grants: 295 Operating grants: 30	Action grants: 158  Operating grants: 30 (CERV-2021-OG-FPA Promote citizens engagement and participation 22 Promote European remembrance 8)

*Specific objective 4. Increased perception of the status and the rights conferred by European citizenship*

<b>General objective 6:</b> A new push for European democracy			
<b>Impact indicator:</b> Rights as citizens of the European Union			
<b>Source of the data:</b> Eurobarometer			
<b>Baseline (2019)</b>	<b>Interim Milestone (2022)</b>	<b>Target</b> (2024 + explanation how the target was agreed)	<b>Latest known results (2021)</b>
55%	Increase	Increase	54%

**Specific objective 4:** Increased perception of the status and of the rights conferred by European citizenship

*Related to spending programme(s): REC /CERV Programme*

**Result indicator 4.1:** Feeling being a citizen of the EU

**Source of the data:** standard Eurobarometer 95

<b>Baseline (2019)</b>	<b>Interim Milestone (2022)</b>	<b>Target</b> (2024 + explanation how the target was agreed)	<b>Latest known results (2021)</b>
73%	Increase	Increase	72%

### Main outputs in 2021:

#### New policy initiatives

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
 Consular protection directive (PLAN/2020/8637)	Adoption by the Commission	Q4 2021	Postponed to 2022

#### Enforcement actions

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Consular Protection Directive Implementation Report (PLAN/2020/8805)	Adoption by the Commission	Q2 2021	Postponed to 2022

External communication actions			
Output	Indicator	Target	Latest known results (situation on 31/12/2021)
<p>Citizens having higher awareness about their citizenship rights. Online campaign based on findings from the Citizenship Report 2020</p> <p>Higher awareness of EU citizens about the EU Digital COVID Certificate</p>	<p>Engagement rate Website visits Average time spent on page</p> <p>Traffic to the website</p>	<p>Engagement rate – 0.12%</p> <p>Website visits –10,500</p> <p>Average time spent on page: 00:00:25</p> <p>Link clicks: 108,000</p>	<p>Engagement rate – 8.97%</p> <p>Website visits – 23, 100</p> <p>Average time spent on page – 00:02:41</p> <p><b>Main results:</b></p> <p>The traffic generated by the campaign represents 2.5% of the total traffic on the Re-Open EU website during the same period.</p> <p>CTR -&gt; 0.74% - FB, 0.30%- TW</p> <p>CPC -&gt; 0.20 - FB; 0.33 - TW</p> <p>Link clicks across channels – 108,427</p> <p>Engagement rate-&gt; 1.95% - FB, 1.20% TW.</p>
Other important outputs			
Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Impact assessment supporting the proposal for a directive on consular protection	Impact assessment ready	Q3 2021	Postponed to 2022

*Specific objective 5. High level of personal data protection achieved throughout the EU and EU data protection promoted as a global model*

General objective 6: A new push for European democracy			
Impact indicator: Rights as citizens of the European Union			
Source of the data: Eurobarometer			
Baseline (2019)	Interim Milestone (2022)	Target (2024 + explanation how the target was agreed)	Latest known results (2019)
55% (EU 27)	Increase	Increase	55%

**Specific objective 5:** High level of personal data protection achieved and EU data protection promoted as a global model

*Related to spending programme(s): REC/CERV Programme*

**Result indicator 5.1:** Awareness of individuals of the General Data Protection Regulation

**Source of the data:** Eurobarometer

<b>Baseline (2019)</b>	<b>Interim Milestone (2022)</b>	<b>Target</b> (2024 + explanation how the target was agreed)	<b>Latest known results (2021)</b>
67%	Increase	Increase	77%

**Specific objective 5:** High level of personal data protection achieved and EU data protection promoted as a global model

*Related to spending programme(s): REC/CERV Programme*

**Result indicator 5.2:** Number of international transfer mechanisms (including adequacy decisions) concerning data protection in third countries

**Source of the data:** EU Commission

<b>Baseline (2019)</b>	<b>Interim Milestone (2022)</b>	<b>Target</b> (2024 + explanation how the target was agreed)	<b>Latest known results (2021)</b>
Adequacy decision for Japan	Increase	Increase	4  Additional transfer mechanisms: Adequacy decisions (GDPR, LED) for UK (June 2021) Adequacy decision for South Korea (December 2021) Standard Contractual Clauses (SCCs) (June 2021)

**Specific objective 5:** High level of personal data protection achieved and EU data protection promoted as a global model

*Related to spending programme(s): REC/CERV Programme*

<b>Main outputs in 2021:</b>			
<b>New policy initiatives</b>			
<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results</b> (situation on 31/12/2021)
Adequacy decision for Korea	Adoption by the Commission	Q1-Q2 2021	Adopted Q4 2021 (delay due to legislative changes in Korean law and a longer-than-expected adoption procedure, especially time for EDPB Opinion)
Standard Contractual Clauses	Adoption of decision	Q1 2021	Adopted Q2 2021
Adequacy decisions for the UK	Adoption by the Commission	Q1 2021	Adopted Q2 2021
Review of the adequacy decisions under GDPR	Adoption by the Commission	Q2 2021	Ongoing – adoption expected in Q1/Q2 2022. Reasons for the delay include the need for a common review report for all 11 countries, delays by certain of them in providing complete information for the assessment, legislative developments in several countries and the need to negotiate solutions for problems found with some of them.
<b>Other important outputs</b>			
<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results</b> (situation on 31/12/2021)
(Model) Framework Agreement for DPA Enforcement Cooperation	First signature with third country	Q4 2021	In preparation (delay due to ongoing discussions in EDPB on data protection requirements for such forms of cooperation)
Actions on promoting data protection	Number of action grants	Action grants: 5	N/A [call for tenders extended until 08/12/2021; selection ongoing] The evaluation of the DATA call is indeed still ongoing. The results will be reported next year.

*Specific objective 6. Eliminate inequalities and discrimination, and promote equality for all*

**General objective 6:** A new push for European democracy

**Impact indicator:** Rights as citizens of the European Union

**Source of the data:** Eurobarometer

<b>Baseline (2019)</b>	<b>Interim Milestone (2022)</b>	<b>Target</b> (2024 + explanation how the target was agreed)	<b>Latest known results (2020)</b>
55%	Increase	Increase	57%

**Specific objective 6:** Eliminate inequalities and discrimination, and promote equality for all

*Related to spending programme(s): REC /CERV Programme*

**Result indicator 6.1:** Degree of implementation of Gender Equality Strategy

**Source of the data:** European Commission

<b>Baseline (2020)</b>	<b>Interim Milestone (2022)</b>	<b>Target (2024 + explanation how the target was agreed)</b>	<b>Latest known results (2021)</b>
Strategy adopted	All measures within DG JUST competence due by 2022 implemented	All measures within DG JUST competence due by 2024 implemented	<p>A proposal for a Directive to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms was adopted on 3/3/2021; a general approach on the text was reached on 6/12/2021.</p> <p>The 2021 Report on gender equality in the EU was adopted on 5/3/2021;</p> <p>An initiative to add hate crime and hate speech, including on misogynistic grounds, to the list of EU-crimes in Article 83 TFEU was adopted on 9/12/2021..</p> <p>The proposal for a legislative initiative on violence against women and domestic violence was adopted on 8 March 2022.</p>

**Specific objective 6:** Eliminate inequalities and discrimination, and promote equality for all

*Related to spending programme(s): REC /CERV Programme*

**Result indicator 6.2:** Percentage of EU citizens reporting having personally felt discriminated against or harassed within the previous 12 months in DG JUST area of competence

**Source of the data:** Special Eurobarometer on Discrimination in the EU

<b>Baseline (2019)</b>	<b>Interim Milestone (2022)</b>	<b>Target (2024 + explanation how the target was agreed)</b>	<b>Latest known results (2021)</b>
17% of the general population 58% of LGBTI people 49% of Roma population	Decrease	Decrease	The next Eurobarometer will be launched in 2023

**Specific objective 6:** Eliminate inequalities and discrimination, and promote equality for all

*Related to spending programme(s): REC /CERV Programme*

**Result indicator 6.3:** Proportion of proposed legislative revisions that include burden reduction measures

**Source of the data:** DG JUST

<b>Baseline</b>	<b>Interim Milestone (2022)</b>	<b>Target (2024 + explanation how the target was agreed)</b>	<b>Latest known results (2021)</b>
(N/A)	Positive trend	Positive trend	N/A

<b>Main outputs in 2021:</b>			
<b>New policy initiatives</b>			
<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
 Legislative proposal on preventing and combating gender based violence and domestic violence (PLAN/2020/9290)	Adoption by the Commission	Q4 2021	Adopted on 8 March 2022
Communication on the EU strategy on combating antisemitism (PLAN/2020/8665)	Adoption by the Commission	Q4 2021	Adopted on 5 October 2021.
<b>Evaluations and fitness checks</b>			
<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Fitness check of the EU legislation on violence against women and domestic violence (PLAN/2020/8279)	Staff Working Document	Q4 2021	Presented to the Regulatory Scrutiny Board in September 2021; rejected by the RSB on the ground that it did not respond to the mandate of the fitness check because none of the 14 instruments examined was specifically designed to combat violence against women.
<b>Public consultations</b>			
<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Public consultation in relation to the EU legislation on violence against women and domestic violence	Summary report	Q3 2021	Published on 8 February 2022
<b>Enforcement actions</b>			
<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Joint report on the application of the Racial Equality Directive and the Employment Equality Directive (JUST with EMPL) (PLAN/2020/6374)	Adoption by the Commission	Q1 2021	Adopted on 19 March 2021

<b>External communication actions</b>			
<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Increased awareness on LGBTIQ equality among target audiences.	Reach: number of contacts made during the campaign (audited circulation and audience analytics) Other indicators to be defined in function of target audiences, countries and channels selected.	To be defined before launching the project	Postponed given lack of financial resources to implement the action in 2021
Increased awareness on gender stereotypes and on how to challenge them among target audiences.	Reach: number of contacts made during the campaign (audited circulation and audience analytics) Other indicators to be defined in function of target audiences, countries and channels selected.	192,000	Defined target audiences (MS + age groups) and mix of channels Launch planned in 2022 (Q2 or Q3 TBC)
<b>Other important outputs</b>			
<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Supporting negotiations on the proposal on improving the gender balance among non-executive directors of companies listed on stock exchanges and related measures	Adoption	2021	Not achieved; position of the new German government still pending by end 2021.
A proposal on pay transparency	Adoption	Q1 2021	Adopted 5 March 2021; General approach adopted in December 2021
Annual report on gender equality	Adoption by the Commission	8 March 2021	Adopted 5 March 2021
Impact assessment supporting the proposal for an initiative on preventing and combating genderbased violence and domestic violence	Impact assessment ready	Q4 2021	Presented to the Regulatory Scrutiny Board in September and December 2021

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Promoting actions in the area of anti-discrimination and gender equality as well as in the area of combating violence	Number of action grants Number of action grants	Action grants: 45 Operating grants: 13	Action grants: 56 CERV-2021-EQUAL RACI objective: 16 CERV-2021-DAPHNE: 40  Operating grants 13 CERV-2021-OG-FPA Combat racism, xenophobia and all forms of intolerance 5 Prevent and combat gender-based violence 4 Prevent and combat violence against children 2 Promote gender equality 2
Supporting negotiations of the Council recommendation on Roma Equality, Inclusion and Participation	Adoption of the recommendation	Q2 2021	Council Recommendation adopted on 12 March 2021
Launch of EP Preparatory Action of Roma civil society capacity-building and reporting	Adoption of the financing decision	Q3 2021	Adoption in September 2021
An annual designation of European capital(s) inclusion and diversity	Launch	Q2 2021	Launch of the award in November 2021
High-level event during the European Diversity Charters Month	Organisation of the event	Q2 2021	Event took place on 4 May 2021
European Diversity Platform	Organisation of the event	Q4 2021	Event took place on 18 November 2021
Meetings with stakeholders including civil society organisations and Member States	10 meetings	by end 2021	2 Meetings of the High Level Group on gender equality; 2 meetings of the Advisory Group on gender equality

General objective:

## A European Green Deal



<b>General objective 1:</b> A European Green Deal			
<b>Impact indicator 1:</b> Size of the green economy			
<b>Source of the data:</b> Eurostat (Eurostat online data code: env_ac_egss3)			
<b>Baseline</b> (2017)	<b>Interim Milestone</b> (2022)	<b>Target</b> (2024 + <b>explanation how the target was agreed</b> )	<b>Latest known results</b> (2018)
Gross value-added: EUR 293 921 million <sup>5</sup>	Increase	Increase	EUR 306 799 million
Full-time equivalent employment: 4 251 000 <sup>6</sup>	Increase	Increase	4 363 000 FTE
<b>Impact indicator 2:</b> Circular materials use rate			
<b>Source of the data:</b> Eurostat (Eurostat online data code: sdg_12_41)			
<b>Baseline</b> (2019)	<b>Interim Milestone</b> (2022)	<b>Target</b> (2024+ <b>explanation how the target was agreed</b> )	<b>Latest known results</b> (2020)
12,0%	Increase	Increase	12,8%

*Specific objective : Improved sustainable consumption by empowering consumers and improved integration of sustainability considerations into companies' and companies' behaviour through an upgraded corporate governance framework*

<sup>5</sup> Corrected based on extraction from ESTAT data in January 2022.

<sup>6</sup> Corrected based on extraction from ESTAT data in January 2022.

**Specific objective 1:** Improved sustainable consumption by empowering consumers and improved integration of sustainability considerations into companies' and companies' boards behaviour through an upgraded corporate governance framework

**Result indicator 1.1:** Percentage of consumers declaring that the environmental impact of goods and services influenced their purchases in the last two weeks.. (as in AAR 2020)

*Related to spending programme(s): Consumer / Single Market Programme (only for result indicator 1.1)*

**Source of the data:** Consumer Conditions scoreboard

Baseline (2018)	Interim Milestone (2022)	Target (2024 + explanation how the target was agreed)	Latest known results (2020)
55% overall <sup>7</sup> , 19% for most purchases (EU27)	Increase	Increase	56% overall, 23% for most purchases

**Result indicator 1.2:** Percentage of companies carrying out due diligence to prevent, mitigate and account for adverse sustainability impacts in their value chain

**Source of the data:** DG JUST data

Baseline (2019)	Interim Milestone (2022)	Target (2024 + explanation how the target was agreed)	Latest known results (2021)
33% of business respondents to Commission study	Increase	Increase	N/A

## Main outputs in 2021:

### New policy initiatives

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Proposal for a legislative initiative on empowering consumers to play an active role in the green transition (PLAN/2020/7019)	Adoption by the Commission	Q2 2021	Adopted on 30 March 2022

<sup>7</sup> 2018 baseline figures corrected to refer to EU27 (the initial figures included the UK)

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
 Proposal for a legislative initiative on sustainable corporate governance (PLAN/2019/5404)	Adoption by the Commission	Q2 2021	Adopted on 23 February 2022
Assessment on the adequacy of the country by country disclosure requirements under the Capital Requirements Directive (PLAN/2020/8240)	Adoption by the Commission	Q2/Q3 2021	Adoption planned in Q1 2022
Review of the Capital Requirements legislation – DG FISMA led initiative, DG JUST in lead for the reform of the ‘fit-and-proper’ framework PLAN/2019/5321	Adoption by the Commission	Q1/Q2 2021	Adopted in Q4 2021
Revised Regulatory Technical Standards (RTS) on identified staff for remuneration purposes – CRD V PLAN/2020/8833	Adoption by the Commission	Q1 2021	Adopted in Q1 2021
Regulatory Technical Standards (RTS) on identified staff for remuneration purposes – IFD (PLAN 2021/10088 and PLAN 2021/10079)	Adoption by the Commission	Q3 2021	Adopted in Q3 2021

### Public consultations

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Public consultation on sustainable corporate governance	Summary report	Q1 2021	Summary report published in Q2 2021

Other important outputs			
Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Impact assessment supporting the proposal for a legislative initiative on sustainable corporate governance	Impact assessment ready	Q2 2021	Adopted on 23 February 2022.
Impact assessment supporting the proposal for a legislative initiative on empowering consumers to play an active role in the green transition	Impact assessment ready	Q2 2021	Q2 2021

**General objective:**

**A Europe fit for the digital age**



**Specific objective 1: Consumers are empowered and better protected**

<b>General objective:</b> A Europe fit for the digital age			
<b>Impact indicator:</b> Consumer conditions index <sup>8</sup>			
<b>Source of the data:</b> Consumer Conditions Scoreboard (based on consumer and retailer surveys with biennial frequency)			
<b>Baseline</b> (2018)	<b>Interim Milestone</b> (2022)	<b>Target</b> (2024 + <b>explanation how the target was agreed</b> )	<b>Latest known results</b> (2020)
63	Increase	Increase	-0.24 points (based on fully comparable indicators) <sup>9</sup>

<b>Specific objective 1:</b> Consumers are empowered and better protected			
<i>Related to spending programme(s): Consumer / Single Market Programme</i>			
<b>Result indicator 1.1:</b> Percentage of consumers who think that in general retailers/providers respect their rights as consumers.			
<b>Source of the data:</b> Consumer Conditions scoreboard			
<b>Baseline</b> (2018)	<b>Interim Milestone</b> (2022)	<b>Target</b> (2024 + <b>explanation how the target was agreed</b> )	<b>Latest known results</b> (2020)
71,3% <sup>10</sup>	Increase	Increase	80%
<b>Result indicator 1.2:</b> Proportion of proposed legislative revisions that include burden reduction measures.			
<b>Source of the data:</b> DG JUST			
<b>Baseline</b> (2018)	<b>Interim Milestone</b> (2022)	<b>Target</b> (2024 + <b>explanation how the target was agreed</b> )	<b>Latest known results</b> (2021)
N/A	Positive trend	Positive trend	N/A

<sup>8</sup> Reassessment of the Consumer Conditions Scoreboard is envisaged before 2024

<sup>9</sup> The methodology for the Consumer Conditions Index has changed. For the purpose of this report, the comparison of the 2020 result with the baseline (2018) is done only based on the fully comparable indicators.

<sup>10</sup> The figure corrected to refer to EU27 in 2018 (previous referred to EU28)

**Main outputs in 2021:****Initiatives linked to regulatory simplification and burden reduction**

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Proposal to review Directive 2008/48/EC on credit agreements for consumers (PLAN/2020/6978)	Adoption by the Commission	Q2 2021	Adopted on 30/06/2021
Proposal to review Directive 2002/65/EC on the distance marketing of consumer financial services (PLAN/2020/7021)	Adoption by the Commission	Q4 2021	Adoption planned in Q2 2022
Revision of the General Product Safety Directive 2011/95/EC (PLAN/2019/6283)	Adoption by the Commission	Q2 2021	Proposal adopted by the Commission on 30/06/2021

**Public consultations**

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Public consultation on the proposal on Distance Marketing of Consumer Financial Services	Summary report	Q4 2021	Q4 2021
Publication on "Have your say portal" of the the draft Commission Decision on the safety requirements to be met by European standards for certain children's and related products	Feedback received after 4 weeks	Q1 2022	Not yet published

**Enforcement actions**

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Report on the application of the Package Travel Directive (EU) 2015/230 (PLAN/2020/9384)	Adoption by the Commission	Q1 2021	Q1 2021
Report on the implementation of Directive 2001/95/EC on general product safety (PLAN/2019/6098)	Adoption by the Commission	Q2 2021	Adopted on 30 June 2021

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Commission autonomous act – Annual summary report on enforcement priorities 30ort presented 30ort h CPC Committee under Article 37(4) of CPC Regulation (EU) 2017/2394	Adoption by the Commission	Q1 2021	The document remained a draft as it is totally confidential, it would have entailed a lot of work 30ort he Commission. The CPC network validated it.
Support Member States in their work on the transposition of the Directive 2019/2161 on better enforcement and modernisation	Number of workshops	3	1
Support Member states in their work on the transposition of the Directive representative actions for the protection of the collective interests of consumers and repealing Directive 2009/22/EC	Number of workshops	3	3
Updated guidance on the application of the Consumer rights Directive 2011/83/EU, the Unfair commercial practices Directive 2005/29/EC and the Price Indication Directive	Adoption by the Commission	Q4 2021	Q4 2021
Support Member states in their work on the transposition of the Sale of Goods Directive 2019/771	Number of workshops	1	1
Support Member states in their work on the transposition of the Digital Content Directive 2019/770	Number of workshops	1	1

External communication actions			
Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Increased awareness on consumer rights for young people (18 to 35) in Belgium, France, Ireland, Sweden and Bulgaria - extension of Reach: number of contacts (amongst the target audience) made during the campaign 4 mil 22 #yourEUright campaign	Reach: number of contacts (amongst the target audience) made during the campaign	4 mil Impressions: 33.998.464 Clicks: 218.693 CTR-> Native: 0,18%; Display: 0,12%; Social: 1,19% Engagement: 63274	<b>Main results:</b> Impressions: 43.366.535 Clicks: 280.367 CTR Social – 1.26% CTR Native Ads – 0.16% CTR Display Ads – 0.18% Engagement: 1.170.954
Citizens being more informed about specific consumer related topics: sustainable consumption, financial literacy, internet safety, data protection via four videos on the topics mentioned above.	Number of video views	2 mil	<b>Main results:</b> 29 mil video views generated across all channels  35% video view rate  20 mil impressions  163,000 clicks to the webpage (0.77% CTR)
Umbrella initiative to promote the European Consumer Centres Network activities on DG JUST social media channels - Promotion of ECCs on social media	Number of views	2 mil	<b>Main Results</b> 7 mil video views across channels Cost per view: 0,01 (FB) and 0, 04 (TW) Average view rate: 5 sec FB and 49% TW
Rapid Alert System media event with the main purpose to communicate to journalists the 2020 results of the Safety Gate in particular the number of alerts circulated about unsafe products	Number of attendees	100 in Q1 2021	Took place 02/03/2021
Product Safety Award 2021	Number of applications	37 applications	Took place 28/09/2021
UNCTAD workshop	Number of participants	152	Took place 09/11/2021

<b>Other important outputs</b>			
<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Impact assessment supporting the proposal on distance marketing of financial services	Impact assessment ready	Q4 2021	Q4 2021
Impact assessment supporting the proposal on credit agreements for consumers	Impact assessment ready	Q2 2021	Q2 2021
Set-up of the EU E-Lab (online platform with state of the art etools) to support online investigations by national consumer protection and market surveillance authorities	Deployment of E-Lab	Q4 2021	Completed
E-enforcement Academy: training of Member States consumer protection and product safety officials on digital investigations	Start of training activities	Q2 2021	The training program has started in Q2 of 2021 with a first phase of 18 months.
Methodological study for the design of indicators to evaluate Member States capacities for enforcement of consumer and product safety legislation	Defining indicators for consumer protection and product safety enforcement	Q1 2021	Completed
Assessment of the national enforcement models for consumer protection and product safety	Applying defined indicators to assess Member States performance in consumer protection and product safety enforcement (a report or scoreboard)	Q4 2021	A new enforcement indicators questionnaire has been discussed with the relevant groups of authorities and consumer associations
Development of the e-enforcement webcrawler	Planned official release in production Test phase performed Number of users participating in test phase Number Member States participating in test phase Number of online offers of dangerous products verified and confirmed by the application users during the test phase	Q1 2022  Q2 2021 – Q1 2022 340  22  1152	

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
CASP2021	National authorities representing all Member States	Q2 2022	
Alternative Dispute Resolution (ADR) assembly event to bring together representatives of ADR entities, ADR competent authorities, ODR contact points, European Consumer Centres, consumer and business organisations to exchange best practices about the effective provision of alternative and online dispute resolution.	Number of attendees	Ca. 500 participants Q2 2021	Completed
Modernisation and extension of the ODR platform	Release of new ODR platform	Q4 2021	Paused as DIGIT gave a negative opinion on our plan to purchase a off the shelves solution. A new strategy has been proposed to the Commissioner and should be reviewed mid 2022
Consumer Law ready (training of SMEs in consumer law)	Number of trainings of lead trainers and local trainers, including online	54	51

**Specific objective 2. A human-centric legal framework for Artificial intelligence that protects citizens and promotes cross-border trade**

<b>General objective 2:</b> A Europe fit for the digital age			
<b>Impact indicator:</b> The share of companies adopting artificial intelligence			
<b>Source of the data:</b> European Commission Study on AI			
<b>Baseline (2021)</b>	<b>Interim Milestone (2022)</b>	<b>Target (2024 + explanation how the target was agreed)</b>	<b>Latest known results (2021)</b>
8%	Increase	Increase	N/A

**Specific objective 2:** A human-centric legal framework for Artificial intelligence that protects citizens and promotes cross-border trade

*Related to spending programme(s): Not applicable*

**Result indicator 2.1:** A high level of prevention of AI-related breaches of citizens' fundamental rights and effective enforcement of fundamental rights where AI is used

**Source of the data:** The target will be assessed based on Member States' application of new legislation with respect to the human and ethical dimensions of AI use

<b>Baseline</b> (2020)	<b>Interim Milestone</b> (2022)	<b>Target</b> (2024 + <b>explanation how the target was agreed</b> )	<b>Latest known results</b> (2021)
<p>Lack of coordinated approach to the human and ethical dimensions of AI use. [The EU has a comprehensive framework to protect fundamental rights and ensure a high level of consumer protection. However, it can be challenging to ascertain AI compliance with this framework, as AI applications can be difficult to understand (opacity) or foresee in their "behaviour". Further issues relating to effective enforcement need to be explored during the impact assessment.]</p>	<p>The Commission's proposal for a coordinated approach to the human and ethical dimensions of AI use</p>	<p>Application of new EU legislation with the aim that AI systems posing risks to fundamental rights are adequately documented and competent third parties can test the systems</p>	

**Result indicator 2.2:** Civil liability challenges posed by AI are addressed through harmonised rules.

**Source of data:** With respect to liability for AI, the baseline relies on the report from the Expert Group on Liability and New Technologies (New Technologies Formation) as well as the White Paper on AI and the Commission Report on the safety and liability implications of AI. The target will be assessed based on the transposition measures to be notified by Member States in accordance with a possible Directive.

<b>Baseline</b> (2020)	<b>Interim Milestone</b> (2023)	<b>Target</b> (2025 + <b>explanation how the target was agreed</b> )	<b>Latest known results</b> (2021)
Lack of AI-specific civil liability rules addressing the challenges posed by AI	Adoption of an EU-instrument with harmonised civil liability rules addressing the specific challenges posed by AI.	Implementation / transposition of harmonised civil liability rules addressing the specific challenges posed by AI.	Planned adoption Q3 2022.

## Main outputs in 2021:

### New policy initiatives

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results</b> (situation on 31/12/2021)
Proposal for a Directive on civil law liability for Artificial Intelligence applications (together with DG GROW work on the product liability directive) (PLAN/2020/9848)	Adoption by the Commission	Q4 2021	Q3 2022
 Proposal for a Data Act (DG CNECT in lead)	Adoption by the Commission	Q4 2021	Q1 2022
Proposal for a legislative initiative on artificial Intelligence, on safety, and fundamental rights (DG CNECT in lead)	Adoption by the Commission	Q1 2021	Completed.

*Specific objective 3. Company law improves conditions for companies, including SMEs, in particular to operate and expand cross-border and to use digital tools*

<b>General objective 2:</b> A Europe fit for the digital age			
<b>Impact indicator:</b> Enterprises selling online			
<b>Source of the data:</b> Eurostat (Eurostat online data code: isoc_ec_eseln2)			
<b>Baseline</b> (2019)	<b>Interim Milestone</b> (2022)	<b>Target</b> (2024 + <b>explanation how the target was agreed</b> )	<b>Latest known results</b> (2021)
17%	Increase	Increase	19%

**Specific objective 3:** Company law improves conditions for companies, including SMEs, in particular to operate and expand cross-border and to use digital tools.

*Related to spending programme(s): SMP as from 2021*

**Result indicator 3.1:** Number of cross-border operations of companies (mergers, conversions, divisions)

**Source of the data:** Business registers interconnection system (BRIS)

<b>Baseline</b>	<b>Interim Milestone</b>	<b>Target</b> (2024 + <b>explanation how the target was agreed</b> )	<b>Latest known results</b> (2021)
(2019) 499 Cross-border mergers (N.B. this figure includes cross-border mergers of UK companies)	... ...	(2024) Increase	2021
(2018) 162 Cross-border conversions (N.B. this figure includes cross-border conversions of UK companies)		(2024) Increase	394 Cross-border mergers (N.B. this figure does <u>not</u> include cross-border mergers of UK companies)
(2018) 235 Cross-border divisions (N.B. this figure includes cross-border divisions of UK companies)		(2024) Increase	Data not available on BRIS yet

**Result indicator 3.2:** Number of simple searches for company information in Business Registers Interconnection system (BRIS)

**Source of the data:** Business registers interconnection system (BRIS)

Baseline (2019)	Interim Milestone (2022)	Target (2024 + explanation how the target was agreed)	Latest known results (2021)
334,490 <sup>11</sup> of company simple searches, including UK companies	Increase	Increase	313,835 of company simple searches, <u>excluding</u> UK companies

**Main outputs in 2021:**

**New policy initiatives**

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
List of data for the exchange of information between Member States in company law procedures for cross-border operations PLAN/2020/8310	Adoption by the Commission	Q 2/3 2021	Implementing Regulation (EU) 2021/1042 of 18 June 2021

**Public consultations**

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Proposal for a Directive to further expand and upgrade the use of digital tools and processes in company law (PLAN/2021/11038)	Launch of public consultation	Q4 2021	Launched on 21 December 2021

**Other important outputs**

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Proposal for a Directive to further expand and upgrade the use of digital tools and processes in company law	Publish an inception impact assessment	Q3 2021	Published in July 2021

<sup>11</sup> The searches created by attempts to connect automatically to the system have been removed

(PLAN/2021/11038)			
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**General objective:**

**Promoting our European way of life**



*Specific objectives 1. Improved cross-border cooperation in civil and criminal matters*

**General objective 4:** Promoting our European way of life

**Specific objective 1:** Improved cross-border cooperation in civil and criminal matters

*Related to spending programme(s): Justice Programme, Digital Europe Programme*

**Result indicator 1.1:** Annual number of legal practitioners participating in training on EU law in the EU

**Source of the data:** DG Justice Annual report on European judicial training, based on data collected from the national training institutions for legal practitioners

<b>Baseline</b> (2018)	<b>Interim Milestone</b> (2022)	<b>Target</b> (2024 target deriving from the European judicial training strategy for 2021-2024 <sup>12</sup> )	<b>Latest known results</b> (2021 report – 2020 data)
190 000	245 000	300 000	318 000

<sup>12</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0713>

**Result indicator 1.2:** Number of hits on the e-Justice Portal / pages addressing the need for information on cross-border civil and criminal cases

**Source of the data:** European e-Justice Portal

<b>Baseline (2020)</b>	<b>Interim Milestone (2022)</b>	<b>Target (2024 + explanation how the target was agreed)</b>	<b>Latest known results (2021)</b>
5 million (projected)  N.B. The actual baseline for 2020 is 4.6 million visits.	7 million	9 million The target is based on previous historical trends.	4.4 million (due to a technical issue the Portal was not indexed for approximately 3 months, leading an estimated loss of traffic of ca. 650 000 visits). In view of the lower than expected growth trend, in early 2022 DG JUST will launch a major promotional campaign.

**Result indicator 1.3:** Number of exchanges via the European Criminal Records Information System (ECRIS)

**Source of the data:** Member State statistics

<b>Baseline (2020)</b>	<b>Interim Milestone (2022)</b>	<b>Target (2024 + explanation how the target was agreed)</b>	<b>Latest known results (2021)</b>
4.1 million	4.5 million	5 million The 2024 target was established in 2019 knowing that the UK would leave. Despite Brexit, we envisage yearly increases of circa 200k between 2019 and 2024, except in unusual (COVID) periods.	4.1 million No increase in the number of exchanges was noted in 2021 due to the Covid-19 pandemic and the United Kingdom's departure from ECRIS. (see AAR 2021, section B, KPIs). In 2020, the UK accounted for circa 10% of all exchanges.

**Result indicator 1.4:** Number of the hits on the guides and factsheets on the e-Justice Portal**Source of the data:** e-Justice Portal

<b>Baseline</b> (2019)	<b>Interim Milestone</b> (2022)	<b>Target</b> (2024 + explanation how the target was agreed)	<b>Latest known results</b> (2021)
963 428	Increase	Increase	1 040 203

**Result indicator 1.5:** The average time of the surrender procedure (number of days between the arrest and the decision on the surrender of the person sought) under the European Arrest 42 Warrant in cases where the person consents to the surrender**Source of the data:** : EAW annual statistics

<b>Baseline</b> (2018)	<b>Interim Milestone</b> (2022)	<b>Target</b> (2024 + explanation how the target was agreed)	<b>Latest known results</b> (statistics for 2019)
16,4	14	10	16,7 Increases in some MS were registered due to certain complex cases (particularly in smaller MS). It is expected that infringement procedures (22 LFNs issued so far) will improve the average time to take a decision (bringing it down to 10 days).

## Main outputs in 2021:

### New policy initiatives

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Proposal for a Council decision on EU accession to the Judgments Convention (PLAN/2019/5402)	Adoption by the Commission	Q2 2021	Adopted Q3 2021
 Proposal for a regulation (amendment of an existing regulation): digital information exchange on cross-border terrorism cases (PLAN/2020/8669)	Adoption by the Commission	Q4 2021	Adopted on 1 December 2021
Recommendation on cooperation agreements between the European Public Prosecutor's Office (EPPO) and selected third States	Adoption by the Commission	By end 2022	In 2021, the Commission had to assess the outcome of the discussions in the Council of Europe on a possible new legal instrument on the cooperation between the EPPO and the authorities of the States parties to the 1959 European Convention on Mutual Assistance in Criminal Matters. It is now clear that this instrument will not be adopted soon. The Commission will consider again the opportunity of recommending the opening of negotiations of international agreements with priority third countries on their cooperation with the EPPO, as initially foreseen.
Proposal for a Directive amending the European Investigation Order Directive (PLAN/2020/8851)	Adoption by the Commission	Q1 2021	Adopted on 20 January 2021.
Proposal for a Directive amending the JITS Framework decision (PLAN/2020/9339)	Adoption by the Commission	Q1 2021	Adopted on 20 January 2021.
Recommendation on amending the EU-Japan MLA Convention (PLAN/2020/9888)	Adoption by the Commission	Q1 2021	Adopted on 1 June 2021.

## Initiatives linked to regulatory simplification and burden reduction

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
 Revision of Directive 99/2008/EC on the protection of the environment through criminal law (PLAN/2020/8802)	Adoption by the Commission	Q4 2021	Adopted on 15 December 2021. The proposal is accompanied by a Commission Communication setting out the broader policy context of environmental protection in the Union. Discussions started in Council.

## Evaluations and fitness checks

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Evaluation of a European Enforcement Order for uncontested claims Regulation (PLAN/2019/6007)	Staff Working Document	Q2 2021	Postponed to Q1 2022.
Evaluation of the Victims' Rights Directive (PLAN/2020/9515)	Report	Q4 2021	The Staff Working Document on the evaluation of the Victims' Rights Directive will be published in Q1 2022.

## Public consultations

Output	Indicator	Target	Latest known results (situation on 31/12/2021)
Public consultation on the evaluation of the Victims' Rights Directive	Summary report	Q4 2021	The summary report from the public consultation on the evaluation of the Victims' Rights Directive will be published in Q1 2022.
Public consultation on the initiative to increase the convergence of substantive corporate (non-bank) insolvency laws	Summary report	Q3 2021	Postponed to Q1 2022
Public consultation on the protection of the environment through criminal	Summary report	Q4 2021	The Commission evaluated Directive 2008/99/EC on the protection of the environment through criminal law in 2019/2020 and published its findings in October 2020.
Public consultation on recognition of parenthood (PLAN/2021/10134)	Summary report	Q4 2021	Published in Q4 2021

<b>Enforcement actions</b>			
<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
European Investigation Order Implementation Report (PLAN/2020/8574)	Adoption by the Commission	Q1 2021	Adopted on 20/07/2021
Presumption of Innocence Implementation Report (PLAN/2020/9749)	Adoption by the Commission	Q2 2021	Adopted on 31 March 2021 – COM(2021) 144 final
Report on the implementation of the Regulation (EU) No 606/2013 on mutual recognition of protection measures in civil matters (PLAN/2020/9389)	Adoption by the Commission	Q4 2021	The Report will be adopted in Q1 2022.
Implementation report of Directive (EU) 2017/1371 on the fight against fraud to the Union's financial interests by means of criminal law (PIF Directive)	Adoption by the Commission	Q3 2021	Adopted on 6 September 2021 (COM(2021) 536 final)
<b>External communication actions</b>			
<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Increased awareness of citizens related to victims' rights	Reach: number of contacts made during the campaign Terms of Reference will be finalised in Q1 2021 – additional indicators will be included.	15 mil	The contractor was not awarded in 2021 and a new competition is being launch in Q1 2022.
Increased awareness of citizens about the the e-Justice portal	Reach: number of contacts made during the campaign	3 mil Q2 2021	The campaign started later than expected (late Q4 2021), and will continue in 2022. For December 2021 it attracted 50 688 visitors.
<b>Other important outputs</b>			
<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Supporting negotiations on the proposal on the appointment of legal representatives for the purpose of gathering evidence in criminal proceedings	Adoption	Q4 2021	Trilogues still ongoing. Revised target: Q4 2022.

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Supporting negotiations on the proposal on European Production and Preservation Orders for electronic evidence in criminal matters	Adoption	Q4 2021	Trilogues ongoing. Revised target: Q4 2022.
Supporting negotiations on the proposal on the law applicable to the third-party effects of assignment of claims	Adoption	Q2 2021 General Approach Q4 2021 Adoption after trilogues	General approach 7 June 2021 Trilogues ongoing; adoption due in 2022
DG Justice and consumers Annual report on European judicial training	Annual number of justice professionals participating in training on EU law in the EU	201 000 (2021 report-2020 data) 278 000 (2025 report-2024 data)	Target surpassed: 318 000 (2020 data) Report adopted by DG JUST on 20 December 2021.
Commission Implementing Decision on the assumption of the investigative and prosecutorial tasks by the European Public Prosecutor's Office	EPPO's start of activities	Q1 2021	Adopted on 26 May 2021 (Commission Implementing Decision (EU) 2021/856)
Commission proposal for a negotiation mandate from the Council on judicial sale of ships	Adoption	Q1 2021	Postponed Q1 2022
Commission proposal for a Council Decision to sign the MAC Protocol	Adoption	Q3 2021	Adopted Q4 2021
Impact assessment supporting the proposal for a Council decision on EU accession to the Judgments Convention	Impact assessment ready	Q2 2021	COM proposal with IA adopted on 16 July .2021
Impact assessment supporting the proposal for a revised directive on the protection of the environment through criminal law	Impact assessment ready	Q4 2021	Impact Assessment received a positive opinion of the Regulatory Scrutiny Board in September 2021. Its final version was published together with the Commission's legislative proposal on 15 December 2021.

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Impact assessments supporting the proposals on digital information exchange on cross-border terrorism cases and the JITs collaboration platform	Impact assessment ready	Q2 2021	In the context of the ongoing procedure, it showed that no impact assessment was needed.
Actions in the area of judicial cooperation and judicial training	Number of action grants Number of operating grants	Action grants: 38 Operating grants: 7	Action grants: 28  Operating grants: 8 JUST-2021-JCOO-JACC-OG-FPA Framework Partnership Agreements in the area of facilitating and supporting judicial cooperation in civil and/or criminal matters:
Commission communication on UK's application to accede the 2007 Lugano Convention	Adoption	Q2 2021	Adopted Q2 2021
Proposals authorizing EU Member States to accept the accession of five third countries (Tunisia, Jamaica, Bolivia, Pakistan and Philippines) to the Hague 1980 Convention on international child abduction	Adoption	Q3 2021	Adopted Q3 2021

***Specific objective 2. Improved access to justice for citizens and facilitated cross-border cooperation for judicial authorities through better use of digital technologies***

**General objective 4:** Promoting our European way of life

**Specific objective 2:** Improved access to justice for citizens and facilitated crossborder cooperation for judicial authorities through better use of digital technologies

*Related to spending programme(s): Digital Europe Programme, Justice Programme, other relevant MFF 2021-2027 funding instruments.*

**Result indicator 2.1:** Availability of electronic means in courts

**Source of the data:** EU Justice Scoreboard

<b>Baseline<sup>13</sup> (2021)</b>	<b>Interim Milestone (2022)</b>	<b>Target (2024 + explanation how the target was agreed)</b>	<b>Latest known results (2021)</b>
Baseline redefined, following the review of the Justice Scoreboard's indicators: Availability of digital solutions to initiate and follow proceedings in civil/commercial and administrative cases in at least 75% of the explored use cases <sup>14</sup> - 10 Member States	Interim Milestone defined, following the review of the Justice Scoreboard's indicators: Availability of electronic means covering at least 75% of the explored use cases in more MS	Target redefined, following the review of the Justice Scoreboard's indicators: Availability of electronic means covering at least 75% of the explored use cases in most MS	Availability of electronic means covering at least 75% of the explored use cases in 10 Member States (based on the EU Justice Scoreboard 2021, developed with data collected in 2020)

<sup>13</sup> This indicator was re-baselined in 2021 owing to the major extension and revision of the indicators related to digitalisation of justice in the EU Justice Scoreboard for 2021. In the civil law area the indicator now tracks nine use cases in the civil/commercial and administrative area, and six in the criminal area.

<sup>14</sup> See Figure 44 of the EU Justice Scoreboard 2021.

<b>Baseline<sup>13</sup></b> <b>(2021)</b>	<b>Interim Milestone</b> <b>(2022)</b>	<b>Target</b> <b>(2024 +</b> <b>explanation how</b> <b>the target was</b> <b>agreed)</b>	<b>Latest known results</b> <b>(2021)</b>
Baseline redefined, following the review of the Justice Scoreboard's indicators: Availability of digital solutions to conduct and follow court proceedings in criminal cases in at least 75% of the explored used cases <sup>15</sup> - 3 Member States	Interim milestone redefined, following the review of the Justice Scoreboard's indicators: Availability of electronic means covering at least 75% of the explored use cases in more Member States	Target redefined, following the review of the Justice Scoreboard's indicators: Availability of electronic means covering at least 75% of the explored use cases in most MS	Availability of electronic means covering at least 75% of the explored use cases in 3 Member States (based on the EU Justice Scoreboard 2021, developed with data collected in 2020)

## Main outputs in 2021:

### New policy initiatives

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results</b> <b>(situation on 31/12/2021)</b>
 Legislative proposal on the Digitalisation of cross-border judicial cooperation" (PLAN/2020/8681)	Adoption by the Commission	Q4 2021	Adopted on 1 December 2021.
 Proposal for a regulation establishing a collaboration platform to support the functioning of Joint Investigation Teams and amending Regulation (EU) 2018/1726 (PLAN/2020/8673)	Adoption by the Commission	Q4 2021	Adopted on 1 December 2021.

<sup>15</sup> See Figure 45 of the EU Justice Scoreboard 2021.

<b>Public consultations</b>			
<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Public consultation on digitalisation of cross-border judicial cooperation	Summary report	Q4 2021	The public consultation was closed on 11 May 2021. The summary report was incorporated in the impact assessment of the initiative (25 August 2021).
Public consultation on transfer of criminal proceedings	Summary report/ Impact assessment	Q1 2022	Ongoing
<b>Other important outputs</b>			
<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results (situation on 31/12/2021)</b>
Impact assessment supporting the proposal on the digitalisation of cross-border judicial cooperation	Impact assessment ready	Q4 2021	Completed and submitted to the RSB on 25 August 2021.  The RSB issued a positive opinion on 27 September 2021.
Impact assessment supporting the proposal on the Joint Investigation Teams platform	Impact assessment ready	Q4 2021	In the context of the ongoing procedure, it showed that no impact assessment was needed.
Actions improving access to justice including e-justice	Number of action grants Number of operating grants	Action grants: 14 Operating grants: 7	Action grants: 17 JuST-2021-JACC: 12 JUST-2021-EJUSTICE: 5  Operating grants 7  JUST-2021-JCOO-JACC-OG-FPA Framework Partnership Agreements in the area of access to justice: 7

## **ANNEX 3: Draft annual accounts and financial reports**

AAR 2021 Version 2

### **Annex 3 Financial Reports - DG JUST - Financial Year 2021**

**Table 1 : Commitments**

**Table 2 : Payments**

**Table 3 : Commitments to be settled**

**Table 4 : Balance Sheet**

**Table 5 : Statement of Financial Performance**

**Table 5 Bis: Off Balance Sheet**

**Table 6 : Average Payment Times**

**Table 7 : Income**

**Table 8 : Recovery of undue Payments**

**Table 9 : Ageing Balance of Recovery Orders**

**Table 10 : Waivers of Recovery Orders**

**Table 11 : Negotiated Procedures**

**Table 12 : Summary of Procedures**

**Table 13 : Building Contracts**

**Table 14 : Contracts declared Secret**

**Table 15 : FPA duration exceeds 4 years**

## Additional comments

### 1. Financial Reports

#### Commitments (Table 1)

In terms of the use of commitment appropriations, 97% (EUR 228,45.97 million out of EUR 235.96 million) of the budget available was implemented, including the use of global commitments, which is in line with previous years' implementation rates (98%).

#### Payments (Table 2)

As far as payment appropriations are concerned 95% (EUR 195.11 million out of EUR 204.6 million) have been implemented during the year 2021.

#### Breakdown of commitments to be settled (Table 3)

The total amount of open commitments to be settled increased by 17% as compared to 2020 and a rate of settled commitments which reached 37.12%

#### Income (Table 7)

The DG JUST income increased by five times comparing with 2020 (EUR 30,9 million vs EUR 2,69 million). This increase is mainly due to two infringement cases.

### 2. Draft Annual Accounts

#### Methodology

The annual accounts of DG Justice have been prepared in accordance with the general accounting principles. Estimations have been made where necessary as laid out by the Accountant of the European Commission.

It should be noted that the balance sheet and economic outturn account presented in Annex 3 to this Annual Activity Report, represent only the (contingent) assets, (contingent) 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 economic outturn account 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.

#### Balance Sheet (Table 4)

The accounting situation presented in the Balance Sheet and Statement of Financial Performance does not include the accruals and deferrals calculated centrally by the services of the Accounting Officer. Non-current assets show the long-term share of pre-financings. In 2021, there is an increase of 46% of current assets compared to 2020 explained by the increase in current pre-financing

#### Economic outturn account (Table 5)

#### Operating Revenues

Operating revenues increased in respect with last year mainly due to the increase in the exchange revenues

It should be noted that the expenses (EUR 2,2 million) related the file "EACEA 2019 opening of the programme "European Citizenship » transferred from DG HOME this year were recognized in 2020

### 3. Management reporting

#### Payment times (Table 6)

Very good performance in registering payments , with only 1% late payment during 2021. Due to sustained efforts that were put in place and actions taken to closely monitor the payments

#### Recovery Context (Table 8)

This table shows recovery orders and invoices recorded in the financial system 2021 with a mentioning of error or irregularity as reason for issuing the recovery or reducing the invoice.

Most of the undue payments recovered in 2021 are referring to old transaction awarded between 2012 and 2018 (EUR 0.167 million)

#### Ageing Balance of Recovery Orders (Table 9)

It should be noted that during 2020, 3 (new) recovery orders have been issued for a total amount of EUR 0.07 million

#### Negotiated Procedures (Tables 11 and 12)

2 open procedure contracts with a total value of EUR 3,4 million were awarded by the relevant Authorising Officer

2 Negotiated procedure middle value contract (Annex 1 - 14.2) with a value of EUR 1,02 million

**TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2021 (in Mio €) for DG JUST**

			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
<b>Title 02 European Strategic Investments</b>					
02	02 03	Connecting Europe Facility (CEF)	0,00	0,00	0,00 %
	02 04	Digital Europe programme	5,09	5,09	100,00 %
	02 20	Pilot projects, preparatory actions, prerogatives and other actions	0,35	0,35	100,00 %
<b>Total Title 02</b>			<b>5,44</b>	<b>5,44</b>	<b>100,00 %</b>
<b>Title 03 Single Market</b>					
03	03 01	Support administrative expenditure of the "Single Market" cluster	0,59	0,51	86,18 %
	03 02	Single Market Programme	7,20	7,20	100,00 %
	03 20	Pilot projects, preparatory actions, prerogatives and other actions	0,00	0,00	0,00 %
<b>Total Title 03</b>			<b>7,79</b>	<b>7,71</b>	<b>98,95 %</b>
<b>Title 07 Investing in People, Social Cohesion and Values</b>					
07	07 01	Support administrative expenditure of the "Investing in People, Social Cohesion and Values" cluster	6,04	5,97	98,74 %
	07 06	Rights and Values	47,55	46,52	97,84 %
	07 07	Justice	51,59	45,86	88,90 %
	07 10	Decentralised agencies and European Public Prosecutor's Office (EPPO)	114,66	114,09	99,50 %
	07 20	Pilot projects, preparatory actions, prerogatives and other actions	0,89	0,87	98,19 %
<b>Total Title 07</b>			<b>220,73</b>	<b>213,31</b>	<b>96,64 %</b>
<b>Title 10 Migration</b>					
10	10 02	Asylum, Migration and Integration Fund (AMIF)	1,91	1,91	100,00 %
<b>Total Title 10</b>			<b>1,91</b>	<b>1,91</b>	<b>100,00 %</b>
<b>Title 12 Security</b>					
12	12 02	Internal Security Fund (ISF)	0,01	0,01	100,00 %
<b>Total Title 12</b>			<b>0,01</b>	<b>0,01</b>	<b>100,00 %</b>
<b>Title 20 Administrative expenditure of the European Commission</b>					
20	20 02	Other staff and expenditure relating to persons	0,08	0,07	80,66 %
<b>Total Title 20</b>			<b>0,08</b>	<b>0,07</b>	<b>80,66 %</b>
<b>Total Excluding NGEU</b>			<b>235,96</b>	<b>228,45</b>	<b>96,82 %</b>
<b>Total DG JUST</b>			<b>235,96</b>	<b>228,45</b>	<b>96,82 %</b>

\* 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.

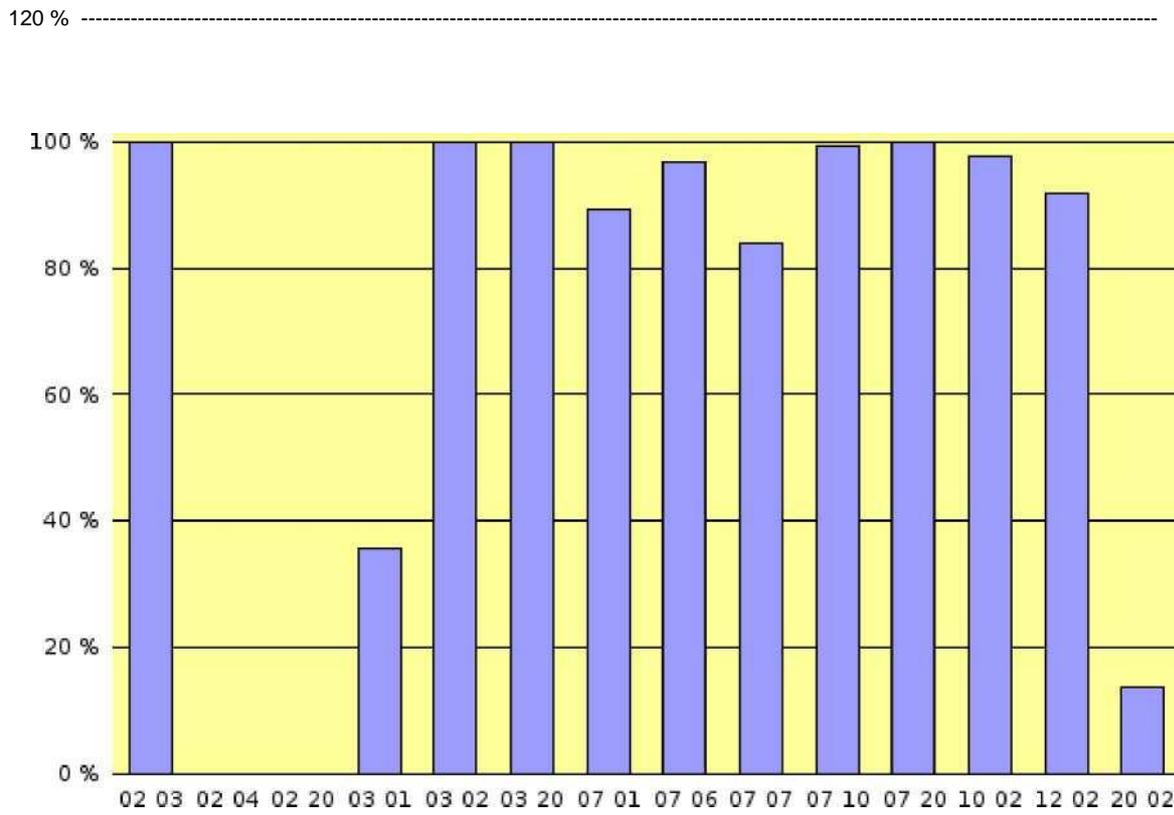


**TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS in 2021 (in Mio €) for DG JUST**

			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
<b>Title 02 European Strategic Investments</b>					
02	02 03	Connecting Europe Facility (CEF)	2,84	2,84	100,00 %
	02 04	Digital Europe programme	0,00	0,00	0,00 %
	02 20	Pilot projects, preparatory actions, prerogatives and other actions	0,00	0,00	0,00 %
<b>Total Title 02</b>			<b>2,84</b>	<b>2,84</b>	<b>100,00%</b>
<b>Title 03 Single Market</b>					
03	03 01	Support administrative expenditure of the 'Single Market' cluster	1,04	0,37	35,73 %
	03 02	Single Market Programme	6,91	6,90	99,92 %
	03 20	Pilot projects, preparatory actions, prerogatives and other actions	0,58	0,58	100,00 %
<b>Total Title 03</b>			<b>8,53</b>	<b>7,85</b>	<b>92,12%</b>
<b>Title 07 Investing in People, Social Cohesion and Values</b>					
07	07 01	Support administrative expenditure of the "Investing in People, Social Cohesion and Values" cluster	6,44	5,75	89,31 %
	07 06	Rights and Values	36,34	35,17	96,77 %
	07 07	Justice	39,18	32,94	84,07 %
	07 10	Decentralised agencies and European Public Prosecutor's Office (EPPO)	108,46	107,89	99,48 %
	07 20	Pilot projects, preparatory actions, prerogatives and other actions	1,83	1,83	100,00 %
<b>Total Title 07</b>			<b>192,25</b>	<b>183,57</b>	<b>95,49%</b>
<b>Title 10 Migration</b>					
10	10 02	Asylum, Migration and Integration Fund (AMIF)	0,65	0,64	97,87 %
<b>Total Title 10</b>			<b>0,65</b>	<b>0,64</b>	<b>97,87%</b>
<b>Title 12 Security</b>					
12	12 02	Internal Security Fund (ISF)	0,21	0,19	91,92 %
<b>Total Title 12</b>			<b>0,21</b>	<b>0,19</b>	<b>91,92%</b>
<b>Title 20 Administrative expenditure of the European Commission</b>					
20	20 02	Other staff and expenditure relating to persons	0,14	0,02	13,86 %
<b>Total Title 20</b>			<b>0,14</b>	<b>0,02</b>	<b>13,86%</b>
<b>Total Excluding NGEU</b>			<b>204,60</b>	<b>195,11</b>	<b>95,36%</b>
<b>Total DG JUST</b>			<b>204,60</b>	<b>195,11</b>	<b>95,36 %</b>

\* 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).

**% Outturn on Payment Appropriations in 2021 for DG JUST**



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

			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1			
02	02 03	Connecting Europe Facility (CEF)	0,00	0,00	0,00	0,00%	4,78	4,78	7,65
	02 04	Digital Europe programme	5,09		5,09	100,00%	0,00	5,09	0,00
	02 20	Pilot projects, preparatory actions, prerogatives and other actions	0,35		0,35	100,00%	0,00	0,35	0,00
<b>Total Title 02</b>			<b>5,44</b>	<b>0,00</b>	<b>5,44</b>	<b>100,00%</b>	<b>4,78</b>	<b>10,22</b>	<b>7,65</b>

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

			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1			
03	03 01	Support administrative expenditure of the 'Single Market' cluster	0,51	0,01	0,50	97,08%	0,00	0,50	0,44
	03 02	Single Market Programme	7,20	0,01	7,19	99,87%	6,02	13,21	13,01
	03 20	Pilot projects, preparatory actions, prerogatives and other actions	0,00	0,00	0,00	0,00%	0,63	0,63	1,21
<b>Total Title 03</b>			<b>7,71</b>	<b>0,02</b>	<b>7,68</b>	<b>99,68%</b>	<b>6,65</b>	<b>14,33</b>	<b>14,67</b>

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

			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
Chapter			Commitments	Payments	RAL	% to be settled			

			1	2	3=1-2	4=1-2/1	5	6=3+5	7
07	07 01	Support administrative expenditure of the "Investing in People, Social Cohesion and Values" cluster	5,97	5,46	0,51	8,56%	0,00	0,51	0,40
	07 06	Rights and Values	46,52	12,54	33,98	73,04%	46,10	80,08	71,23
	07 07	Justice	45,86	20,71	25,15	54,84%	46,60	71,76	59,67
	07 10	Decentralised agencies and European Public Prosecutor's Office (EPPO)	114,09	104,91	9,18	8,05%	1,66	10,85	4,76
	07 20	Pilot projects, preparatory actions, prerogatives and other actions	0,87	0,00	0,87	100,00%	3,29	4,17	5,12
<b>Total Title 07</b>			<b>213,31</b>	<b>143,62</b>	<b>69,70</b>	<b>32,67%</b>	<b>97,66</b>	<b>167,36</b>	<b>141,17</b>

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

			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
10	10 02	Asylum, Migration and Integration Fund (AMIF)	1,91	0,00	1,91	100,00%	0,85	2,76	1,50
<b>Total Title 10</b>			<b>1,91</b>	<b>0,00</b>	<b>1,91</b>	<b>100,00%</b>	<b>0,85</b>	<b>2,76</b>	<b>1,50</b>

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

			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
12	12 02	Internal Security Fund (ISF)	0,01	0,00	0,01	100,00%	0,17	0,18	0,36
<b>Total Title 12</b>			<b>0,01</b>	<b>0,00</b>	<b>0,01</b>	<b>100,00%</b>	<b>0,17</b>	<b>0,18</b>	<b>0,36</b>

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

Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
20	20 02	Other staff and expenditure relating to persons	0,07	0,01	0,06	91,16%	0,00	0,06	0,05
<b>Total Title 20</b>			<b>0,07</b>	<b>0,01</b>	<b>0,06</b>	<b>91,16%</b>	<b>0,00</b>	<b>0,06</b>	<b>0,05</b>
<b>Total Excluding NGEU</b>			<b>228,45</b>	<b>143,65</b>	<b>84,80</b>	<b>37,12%</b>	<b>110,12</b>	<b>194,92</b>	<b>165,41</b>
<b>Total for DG JUST</b>			<b>228,44868</b>	<b>143,65</b>	<b>84,80</b>	<b>37,12 %</b>	<b>110,12</b>	<b>194,92</b>	<b>165,41</b>

<b>BALANCE SHEET</b>	<b>2021</b>	<b>2020</b>
<b>A.I. NON CURRENT ASSETS</b>	9.768.182,08	10.425.053,22
A.H. <sup>Intangible</sup> Assets	9.768.182,08	10.425.053,22
<b>A.II. CURRENT ASSETS</b>	288.280.808,24	198.638.508,19
A.II.2. Current Pre-Financing	286.443.292,94	196.643.267,22
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	1.837.515,30	1.995.240,97
<b>ASSETS</b>	<b>298.048.990,32</b>	<b>209.063.561,41</b>
<b>P.II. CURRENT LIABILITIES</b>	- 877.507,81 -	27.051,58
kHA <sup>Current Payables</sup>	- 877.507,81 -	27.051,58
P.II.5. Current Accrued Charges & Defrd Income	-	-
<b>LIABILITIES</b>	<b>- 877.507,81 -</b>	<b>27.051,58</b>
<b>NET ASSETS (ASSETS less LIABILITIES)</b>	<b>297.171.482,51</b>	<b>209.036.509,83</b>

P.III.2. Accumulated Surplus/Deficit	1.145.557.970,38	963.579.743,71
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Non-allocated central (surplus)/deficit*	1.442.729.452,89	-	1.172.616.253,54
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<b>TOTAL DG JUST</b>	-	-
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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

**TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE for DG JUST**

<b>STATEMENT OF FINANCIAL PERFORMANCE</b>	<b>2021</b>	<b>2020</b>
II.1 REVENUES	- 20.426.935,51	351.535,76
II.1.1. NON-EXCHANGE REVENUES	- 23.744.449,39	- 1.190.808,80
II.1.1.5. FINES	- 23.099.000,00	
II.1.1.6. RECOVERY OF EXPENSES	- 96.116,39	472.915,80
II.1.1.8. OTHER NON-EXCHANGE REVENUES	- 549.333,00	717.893,00
II.1.2. EXCHANGE REVENUES	3.317.513,88	1.542.344,56
II.1.2.2. OTHER EXCHANGE REVENUE	3.317.513,88	1.542.344,56
II.2. EXPENSES	95.661.694,65	181.626.690,91
II.2. EXPENSES	95.661.694,65	181.626.690,91
II.2.10. OTHER EXPENSES	10.548.241,19	12.253.216,52
II.2.2. EXP IMPL BY COMMISS&EX.AGENC. (DM)	85.903.604,31	97.673.492,65
II.2.3. EXP IMPL BY OTH EU AGENC&BODIES (IM)	- 810.000,00	72.419.026,34
II.2.6. STAFF AND PENSION COSTS	19.546,02	720.733,37
II.2.8. FINANCE COSTS	303,13	1.688,77
<b>STATEMENT OF FINANCIAL PERFORMANCE</b>	<b>75.234.759,14</b>	<b>181.978.226,67</b>

*Explanatory Notes (facultative):*

*Please enter the text directly (no copy/paste of formatted text which would then disappear when saving the document in pdf), use `\\\"ctrl+enter\\\"` to go to the next line and `\\\"enter\\\"` to validate your typing.*

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

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**TABLE 5bis : OFF BALANCE SHEET for DG JUST**

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<b>OFF BALANCE</b>	<b>2021</b>	<b>2020</b>
OB.1. Contingent Assets	99.957,10	-
GR for performance GR for pre-financing	99.957,10	-
OB.4. Balancing Accounts	- 99.957,10	-
OB.4. Balancing Accounts	- 99.957,10	-
<b>OFF BALANCE</b>	<b>-</b>	<b>-</b>

*Explanatory Notes (facultative):*

*Please enter the text directly (no copy/paste of formatted text which would then disappear when saving the document in pdf), use \\\"ctrl+enter\\\" to go to the next line and \\\"enter\\\" to validate your typing.*

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 2021 for JUST**

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
7	5	3	60,00 %	5,33333333	2	40,00 %	10,5	7400	40, %
30	718	699	97,35 %	12,238913	19	2,65 %	45,473684	389997,72	0, %
45	14	14	100,00 %	13,285714				0	0, %
60	168	167	99,40 %	23,233533	1	0,60 %	74	98786,69	1, %
90	181	174	96,13 %	61,574713	7	3,87 %	118,28571	475002,59	4, %

Total Number of Payments	1086	1057	97,33 %		29	2,67 %		971187	1, %
Average Net Payment Time	23,14732965			22,091769			61,62069		
Average Gross Payment Time	32,30478821			30,971618			80,896552		

**Suspensions**

Average Report Approval Suspension	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
0	55	181	16,67 %	1086	12.276.680,47	6,33 %	193.965.141,49

**Late Interest paid in 2021**

DG	GL Account	Description	Amount (Eur)
JUST	65010100	Interest on late payment of charges New FR	303,13
			<b>303,13</b>

**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](https://myintracomm.ec.europa.eu/budgweb/EN/abac/dwh/Pages/its-030-10-20_documentation.aspx)).

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

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	7=3-6
33	Other administrative revenue	25.238,84	-	25.238,84	25.238,84	-	25.238,84	-
40	Revenue from investments and accounts	-	272,19	272,19	-	-	-	272,19
42	Fines and penalties	23.099.000,00	15.327,26	23.114.327,26	23.099.000,00	-	23.099.000,00	15.327,26
60	Single market, innovation and digital	-	-	-	-	-	-	-
61	Cohesion, resilience and values	7.277.376,86	-	7.277.376,86	7.200.024,65	-	7.200.024,65	77.352,21
65	Neighbourhood and the world	549.333,00	-	549.333,00	549.333,00	-	549.333,00	-
67	Completion for outstanding recovery orders prior to 2021	43.490,58	2.306.469,32	2.349.959,90	43.490,58	235.077,88	278.568,46	2.071.391,44
<b>Total DG JUST</b>		<b>30.994.439,28</b>	<b>2.322.068,77</b>	<b>33.316.508,05</b>	<b>30.917.087,07</b>	<b>235.077,88</b>	<b>31.152.164,95</b>	<b>2.164.343,10</b>

**TABLE 8 : RECOVERY OF PAYMENTS in 2021 for DG JUST  
(Number of Recovery Contexts and corresponding Transaction Amount)**

INCOME BUDGET RECOVERY ORDERS ISSUED IN 2021	Irregularity		Total undue payments recovered		Total transactions in recovery contex(itncl. non- qualified)		% Qualified/Total RC	
	Year of Origin (commitment)	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr
2012	1	25.132,69	1,00	25.132,69	1,00	25.132,69	100,00%	100,00%
2015	4	19.287,94	4,00	19.287,94	4,00	19.287,94	100,00%	100,00%
2016	7	42.556,52	7,00	42.556,52	7,00	42.556,52	100,00%	100,00%
2017	1	645,74	1,00	645,74	4,00	84.797,46	25,00%	0,76%
2018	2	79.530,12	2,00	79.530,12	18,00	487.893,63	11,11%	16,30%
2019	4	-	4,00	-	20,00	5.995.804,47	20,00%	0,00%
2020					7,00	665.394,73		
No Link					1,00	25.238,84		
<b>Sub-Total</b>	<b>19</b>	<b>167.153,01</b>	<b>19,00</b>	<b>167.153,01</b>	<b>62,00</b>	<b>7.346.106,28</b>	<b>30,65%</b>	<b>2,28%</b>

EXPENSES BUDGET	Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery contex(itncl. non-qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES										
NON ELIGIBLE IN COST CLAIMS	24	115.669,15			24,00	115.669,15	58	1.004.798,42	41,38%	11,51%
CREDIT NOTES	13	396.002,58			13,00	396.002,58	31	587.850,94	41,94%	67,36%
<b>Sub-Total</b>	<b>37</b>	<b>511.671,73</b>			<b>37,00</b>	<b>511.671,73</b>	<b>89</b>	<b>1.592.649,36</b>	<b>41,57%</b>	<b>32,13%</b>
<b>GRAND TOTAL</b>	<b>56</b>	<b>678.824,74</b>			<b>56,00</b>	<b>678.824,74</b>	<b>151</b>	<b>8.938.755,64</b>	<b>37,09%</b>	<b>7,59%</b>

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

	<b>Number at 01/01/2021</b>	<b>Number at 31/12/2021</b>	<b>Evolution</b>	<b>Open Amount (Eur) at 01/01/2021</b>	<b>Open Amount (Eur) at 31/12/2021</b>	<b>Evolution</b>
2002	1	1	0,00 %	326.827,80	326.827,80	0,00 %
2012	2	2	0,00 %	334.205,58	334.205,58	0,00 %
2013	1	1	0,00 %	48.317,71	8.894,55	-81,59 %
2014	2	2	0,00 %	432.637,97	432.637,97	0,00 %
2015	1	1	0,00 %	953.059,68	953.059,68	0,00 %
2017	2	2	0,00 %	79.024,77	79.024,77	0,00 %
2019	1		-100,00 %	59.635,71		-100,00 %
2020	7	2	-71,43 %	256.321,10	81.147,06	-68,34 %
2021		3			77.352,21	
	<b>17</b>	<b>14</b>	<b>-17,65 %</b>	<b>2.490.030,32</b>	<b>2.293.149,62</b>	<b>-7,91 %</b>

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

	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
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<b>Total DG JUST</b>	
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<b>Number of RO waivers</b>	
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*Justifications:*

*Please enter the text directly (no copy/paste of formatted text which would then disappear when saving the document in pdf), use "ctrl+enter" to go to the next line and "enter" to validate your typing.*

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**TABLE 11 : Negotiated Procedures in 2021 for DG JUST**

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**Internal Procedures > € 60,000**

<b>Negotiated Procedure Legal base</b>	<b>Number of Procedures</b>	<b>Amount (€)</b>
Annex 1 - 11.1 (b) - Artistic/technical reasons or exclusive rights or technical monopoly/captive market	1	880.000,00
<b>Total</b>	<b>1</b>	<b>880.000,00</b>

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**TABLE 12 : Summary of Procedures in 2021 for DG JUST**

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**Internal Procedures > € 60,000**

<b>Procedure Legal base</b>	<b>Number of Procedures</b>	<b>Amount (€)</b>
Negotiated procedure middle value contract (Annex 1 - 14.2)	1	139.000,00
Negotiated procedure without prior publication (Annex 1 - 11.1)	1	880.000,00
Open procedure (FR 164 (1)(a))	2	3.404.142,00
<b>Total</b>	<b>4</b>	<b>4.423.142,00</b>

**Additional Comments:**

**TABLE 13 : BUILDING CONTRACTS in 2021 for DG JUST**

<b>Legal Base</b>	<b>Procedure subject</b>	<b>Contract Number</b>	<b>Contractor Name</b>	<b>Contract Subject</b>	<b>Contracted Amount (€)</b>

**TABLE 14 : CONTRACTS DECLARED SECRET in 2021 for DG JUST**

<b>Legal Base</b>	<b>LC Date</b>	<b>Contract Number</b>	<b>Contract Subject</b>	<b>Contracted Amount (€)</b>

**TABLE 15 : FPA duration exceeds 4 years - DG JUST**

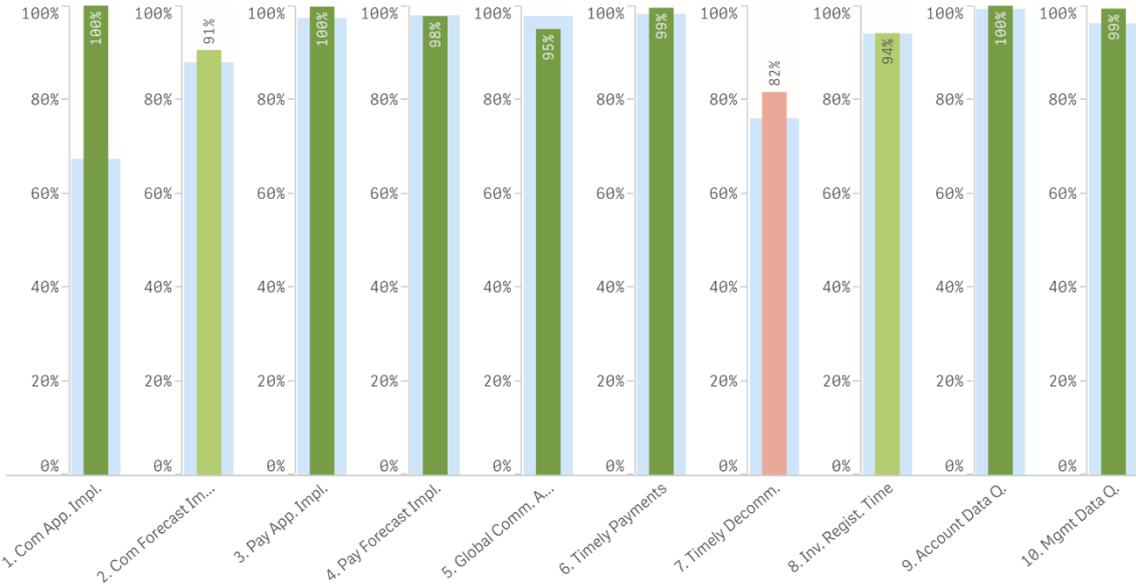
*None of your FPA (if any) exceeds 4 years*

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

# ANNEX 4: Financial Scorecard

DG JUST

JUST Indicator Scores 2021



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

<b>Indicator</b>	<b>Objective</b>	<b>Comment<sup>16</sup></b>	<b>JUST Score</b>	<b>EC Score</b>
1. Commitment Appropriations Implementation	Ensure efficient use of commitment appropriations expiring at the end of Financial Year		100%	67%
2. Commitment Forecast Implementation	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year		91%	88%
3. Payment Appropriations Implementation	Ensure efficient use of payment appropriations expiring at the end of Financial Year		100%	97%
4. Payment Forecast Implementation	Ensure the cumulative alignment of the payment implementation with the payment forecast in a financial year		98%	98%
5. Global Commitment Absorption <sup>17</sup>	Ensure efficient use of already earmarked commitment appropriations (at L1		95%	98%

<sup>16</sup> 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%.

<sup>17</sup> Due to technical limitation, the indicator does not take into account the Com L1 Consumption between the FDC ILC date and the FA FDI allowed as an exception in the external actions for Com L1 of type GF, i.e. with Financing Agreement, under the FR2018 Article 114.2. As a result, the actual Indicator score may be slightly higher than the one reported for DGs using the GF commitments.

	level)			
6. Timely Payments	Ensure efficient processing of payments within the legal deadlines	The good performance for the rate of late payments is kept from the beginning of the year. In average only 1% of payments were made late (vs. 2% at Commission level). The overall improvement in control efficiency indicators was mainly due to actions that were taken to closely monitor the payments and to increase awareness among staff directly involved in the process. Moreover, the phasing in of the new and complex grant management H2020 IT system was finalised and the immediate effect was seen in the decrease in the numbers of days of time-to-grant indicator.	99%	98%
7. Timely Decommitments	Ensure efficient decommitment of outstanding RAL at the end of commitment life cycle	The files contributing to this result are being closely followed by DG JUST with half of them already identified to BUDG colleagues in the PAR (potential abnormal RAL) exercise	82%	76%
8. Invoice Registration Time	Monitor the accounting risk stemming from late registration of invoices in the central accounting system ABAC		94%	94%
9. Accounting Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the accounts		100%	99%
10. Management Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the management decisions		99%	96%

## ANNEX 5: Materiality criteria

### INTRODUCTION

Deciding whether a weakness is significant is a **matter of judgement** by the Authorizing Officer by Delegation, who remains responsible for the declaration of assurance, including any reservations to it. In doing so, he should **identify the overall impact of a weakness** and **judge whether it is material** enough so that the non-disclosure of the weakness is likely to have an influence on the decisions or conclusions of the users of the declaration. The benchmark for this judgement is the materiality criteria which the AOD sets at the moment of designing the internal control system under his/her responsibility.

For DG JUST, the materiality of residual weaknesses identified (i.e. after mitigating and corrective measures) is assessed on the basis of qualitative and/or quantitative criteria, in line with the instructions for the preparation of the Annual Activity Report.

**Since 2019 <sup>(18)</sup>, 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.**

The **qualitative assessment** includes an analysis of the causes and the types of error (including whether they are repetitive) to conclude on the nature, context and/or scope of the weaknesses identified. This may refer to significant control system weaknesses or critical issues reported by the Authorizing Officers by Sub-Delegation (or as part of the IcaT exercise), the European Court of Auditors (ECA), the Internal Audit Service (IAS), DG BUDG or OLAF. Also, the duration and any mitigating controls or corrective actions are taken into consideration.

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<sup>18</sup> Agreement of the Corporate Management Board of 30/4/2019

The **quantitative assessment** aims at estimating any financial impact ("amount at risk") resulting from the errors detected. In line with the standard materiality threshold proposed by the instructions for the preparation of Annual Activity Reports, DG JUST has set the materiality level for each distinct control system with coherent risk characteristics for the amount at risk resulting from the *residual* errors at 2% of relevant payments made in the reporting year, or in case of multi-annual approach over the programming period.

This analysis and the conclusions are presented concisely in the body of the Annual Activity Report where the information reported under each building block is summarised and **which logically supports the five statements** included in the Declaration of Assurance (true and fair view, resources used for the intended purpose, sound financial management, legality and regularity, and non-omission of significant information) **for all significant expenditure categories and control systems**.

DG JUST implements its operational budget through two main different methods of implementation: direct management (grants, procurement, sometimes cross-subdelegated to other DGs) and indirect management (payments to traditional agencies). As these methods of implementation have a different risk profile and its own control and supervision arrangements, the observed quantified weaknesses should be assessed per each distinct control system grouped as follows:

- 1) Direct management – grants
- 2) Indirect management – subsidies to EU Agencies
- 3) Direct management - Procurement and other expenditure

In addition to and separately from the materiality assessment as described below, DG JUST calculates the weighted *average error rate* for its total annual payments and the resulting "overall amount at risk" by applying the relevant (cumulative) *detected* error rate to the relevant annual payments, for each management mode and type of activity. This weighted average error rate is disclosed along the *average recoveries and financial corrections* implemented within the last five years to reach a conclusion on the risk exposure and "estimated future corrective capacity" of the DG, which is presented in the AAR Chapter 2.1.

## **CHAPTER A – QUALITATIVE CRITERIA FOR DEFINING SIGNIFICANT WEAKNESSES**

For all methods of implementation under its operational budget, the different parameters relevant in DG JUST for determining significant weaknesses are the following ones:

- ✓ Significant control system weaknesses: significant control system weakness detected during the period, in reports made by Authorizing Officers by Sub-delegation and/or by the ex-post audits carried out.

As far as traditional agencies are concerned, and in the framework of the single audit model, the DG's assurance is mainly based on supervisory and monitoring activities, and a verification of the functioning of the control system performed by the Internal Audit Service of the Commission and the European Court of Auditors (DAS), and the outcome of the discharge procedure

- ✓ Significant shortcoming in internal control standards appearing in the yearly survey on internal control standards implementation by management.
- ✓ Insufficient audit coverage and/or inadequate information from the internal control systems.
- ✓ Critical issues outlined by the European Court of Auditors, the Internal Audit Service, DG BUDG and OLAF.

When assessing the significance of any weaknesses, the following factors are taken into account:

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

When significant weaknesses are identified, a quantification of the amount at risk should be carried out when possible (See Chapter B).

In addition, **events** or weaknesses which have a significant *reputational* impact on DG JUST, or indirectly on the Commission, will be reported irrespective of the amount of

damage to the DG JUST' administrative and operational budget and will be considered for issuing a reservation on a reputational basis.

## **CHAPTER B – QUANTITATIVE CRITERIA FOR DEFINING RESERVATIONS**

To quantify the potential financial impact of errors detected, it is necessary:

- ✓ **STEP 1: To determine the residual error rate** by
  - Determining the percentage of error in the audited sample of the population;
  - Determining the level of exposure across the entire population (by applying the detected error rates to the whole value of the population and to deduct the amounts corresponding to any corrective actions taken that have already effectively reduced the exposure);
- ✓ **STEP 2: To determine the "amount at risk";**
- ✓ **STEP 3: To determine the (financial) materiality**, compared to the relevant payments for a given control system

Steps 1, 2 and 3 differ from one control system to another, and are presented in this Chapter.

In addition, considering the multi-annual aspects of the programmes managed for grants under direct management, for this type of expenditure DG JUST favours a *multi-annual approach* by evaluating the *cumulative* budgetary impact of the *residual* errors over the whole programming period. As a consequence, the calculation of errors, corrections and materiality of the residual amount at risk are done on a "cumulative basis". For other activities, the materiality and risk are assessed on an annual basis.

### **1. DIRECT MANAGEMENT – GRANTS**

For the direct management of grants, the assessment of the residual error rate and amount at risk not detected by the supervision and ex-ante elements of the internal control system is carried out through an analysis of the accumulated results of the ex-post audits.

#### **STEP 1 – Cumulative Residual Error Rate**

## A. Adequacy of the audit scope

**Auditable population (scope of the analysis)** = value of all relevant payments (i.e. interim and final payments, plus related cleared pre-financing) relating to the programming period for which the payment was made and/or the pre-financing cleared before 31<sup>st</sup> December of the reporting year (= "closed" grants)

**Audited population** = value of "closed" grants audited, relating to the programming period, and for which the audit report was finalised before 31 December of the reporting year

Unit F.1 of DG HOME performs audits for (a) direct management for DG HOME and DG JUST and for (b) shared management audits for DG HOME. Both Director Generals, therefore, decided to invest the scarce ex-post resources into a maximum-return & maximum-assurance ex-post strategy. As a consequence, the "targeted" sampling strategy is *not risk-based* but rather "maximum-assurance"-based. It aims at detecting and correcting a maximum of anomalies in the DG's operational expenditure and maximising the deterrent effect, by auditing recurrent beneficiaries and/or high-value grants, regardless of their either low, medium or high expected error rates in %.

Over the years, such an approach is considered representative enough if a sufficient coverage, set at 10% of the auditable population, is reached. Indeed, even with "annual" programmes, a cumulative approach is possible, per (fairly homogeneous) "generation" of programmes.

The selection of the grants to be audited is based on a statistical selection method - the Monetary Unit Sampling (MUS). If necessary, a complementary sample (non-statistical risk-based) may be selected with a view to address specific risks of a programme, coverage issues, project area and/or a specific project.

### Statistical sample selection – MUS

Statistical sampling methods provide for the selection of a sample that represents the population and therefore allow to project (extrapolate or estimate) to the population the value of a parameter (the "variable") observed in the sample. On this basis, statistical sampling methods allow to conclude whether a population is materially misstated or not, and if so, by how much (error amount).

The Monetary Unit Sampling [MUS] is a statistically representative method in line with DG BUDG AAR Instructions - Guidance on the calculation of error rates, the financial exposure as amount at risk, the materiality for a potential reservation and the impact on the AOD's declaration – 2015 version

The MUS technique presents the following advantages:

- the selected samples have a good level of representativeness of the whole population. The conclusions of the audited sample of grants (i.e. as presented in the respective audit reports) can therefore provide useful indicators for the evaluation of the granting activity of the DG that has to be reported in the Annual Activity Report (AAR);
- all the grants that are present in the population can be selected, irrespective of the level of risk they present.

#### Complementary sample

When deemed appropriate, a complementary sample may be selected on a non-statistical basis (e.g. risk-based) in order to address specific areas of concern. This selection of the complementary sample may take into account specific risk indicators as (i) the presence of grants governed by regulations/conditions that are particularly complex or that have been object of recent significant changes, (ii) operating Grants referring to recurrent beneficiaries that have not been audited during the last 3 years; (iii) 'first year' Operating Grant, (iv) the presence of several grants referring to the same beneficiary; (v) the beneficiary has been recently audited and the errors/irregularities detected by the auditors could be present also in other grants etc.

Each detailed list of grants to be audited per programme is subsequently presented to the AOSD in charge, which could identify other grants with a high risk profile which were not included in the annual draft audit plan.

## B. Results of the audits finalised since the start of the programming period

**(Cumulative) detected error (amount)** = For audited grants, total grant value as initially paid after the ex-ante controls minus grant value as calculated after the ex-post control<sup>19</sup>

**(Cumulative) detected error rate (%)** = Detected error divided by the grant value as initially paid after the ex-ante controls

Following ECA observation on the error rates for the Research family, the error rates was recalculated. As per instructions, the detected error rate is to be calculated based on the following methodology: final errors detected/audited amount of the grant (as amount declared by the beneficiary \* percentage of audit coverage as indicated in the final audit reports).

The European Court of Auditors in its 2018 Annual Report and its review of the Commission's ex-post audits observed that the Commission's methodology for calculating the error rate leads to an understatement of the error rate the extent of which cannot be quantified. As a result, the Commission will adapt its methodology for the calculation of the grants in the Rights, Equality and Citizenship and Justice programme error rate in line to the Court's observations starting with the implementation of the 2020 ex-post audit campaign

### C. Determination of the residual error rate

**Uncorrected detected errors (amount)** = All detected errors pending recovery

**Cumulative residual error rate in the audited population (%)** = Uncorrected amount divided by the audited population

**Residual error rate in the entire population (%)** = Uncorrected errors detected in the audited population plus detected error rate multiplied by the non-audited population divided by the auditable population

### STEP 2: Financial exposure from errors in terms of cumulative "amount at risk"

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<sup>19</sup> Positive amounts only. In case, following this calculation, the result would be a negative amount, it should be brought back to zero.

**Cumulative Amount at risk (net amount)** = uncorrected errors detected plus non-audited population multiplied by (cumulative) detected error rate

### **STEP 3: Materiality and potential reservation**

**Since 2019 (<sup>20</sup>), 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.**

When the residual error rate is not to below 2% set as a multiannual target, a reservation should be considered.

In the present case this multi-annual analysis leads to a reservation. The related actual financial exposure on the authorised payments of the reporting year is calculated by multiplying the cumulative residual error rate by the sum of direct grants payments based on cost statements actually processed and pre-financings cleared in the reporting year.

## **2. INDIRECT MANAGEMENT: PAYMENTS TO TRADITIONAL AGENCIES**

### **STEP 1 –Residual Error Rate**

The Community subsidy is paid to the Agencies through maximum four payments a year, on the basis of an analysis of the real cash flow needs of the Agencies. Once an admissible payment request is registered by DG JUST, payments are made within 30 calendar days. If information comes to the notice of DG JUST which puts in doubt the eligibility of expenditure appearing in a payment request, DG JUST may suspend the time limit for payment for further verifications and/or take any appropriate measures in accordance with the principles of sound financial management. This above mentioned information includes suspicion of irregularity committed by the Agency in the implementation of the subsidy and

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<sup>20</sup> Agreement of the Corporate Management Board of 30/4/2019

suspected or established irregularity committed by the Agency in the implementation of a contract or another grant agreement or grant decision funded by the General Budget of the European Union or by any other budget managed by the Agency. If the balance of the budgetary outturn account is positive, it shall be repaid by the Agency to the Commission during the first semester of year N+1 on the basis of a debit note issued by the Commission.

The controls operated on the use of these payments, i.e. either management's supervision of audits carried out by the Internal Audit Service (IAS) or the European Court of Auditors (ECA) may result in the detection of compliance errors or irregularities. These are mainly **payment or recovery (amount) errors**: i.e. cases where, without the error, the amount paid to or recovered from beneficiary would have been different. In this case, as long as it remains uncorrected, the difference in amount is to be treated as an error with its consequences on the (cumulative) error rate.

## **STEP 2: Financial exposure from errors in terms of "amount at risk"**

The real actual 'net'<sup>21</sup> financial impact of the errors defined under step 1 is considered as amount at risk, and (if very significant) its 'quantitative' materiality is considered for a potential financial reservation.

## **Step 3: Materiality and potential reservation**

To determine the materiality of the amount at risk the total amount at risk is divided by the total value of payments made in a given year for each Agency. If the amount at risk exceeds 2%, a reservation should be considered.

Besides a financial risk, other elements are considered for issuing a reservation due to a reputational risk in relation to Agencies' activities. Such information may stem, for example, from critical issues raised by the Internal Audit Service or Court of Auditors on the Agencies'

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<sup>21</sup> Any correction actually made by the Commission should be deducted from the detected error.

management and control systems. In view of the seriousness of the findings, a reputational reservation is considered e.g. when affecting a significant part of the related activity, when being systemic, when causing a (risk of) fall-out in press and/or public, etc.

Following ECA observation on the error rates for the Research family, the error rates was recalculated. As per instructions, the detected error rate is to be calculated based on the following methodology: final errors detected/audited amount of the grant (as amount declared by the beneficiary \* percentage of audit coverage as indicated in the final audit reports).

The European Court of Auditors in its 2018 Annual Report and its review of the Commission's ex-post audits observed that the Commission's methodology for calculating the error rate leads to an understatement of the error rate the extent of which cannot be quantified. As a result, the Commission will adapt its methodology for the calculation of the grants in the Rights, Equality and Citizenship and Justice programme error rate in line to the Court's observations starting with the implementation of the 2020 ex-post audit campaign.

### **3. PROCUREMENT AND OTHER EXPENDITURE**

#### **STEP 1 –Residual Error Rate**

Procurement-related errors can occur both in contracts awarded by the Commission and in contracts awarded by grant beneficiaries who subsequently submit the expenditure for reimbursement.

Errors incurred by grant beneficiaries are covered under the section related to grants, whereas this section covers the errors potentially occurring in contracts awarded by DG JUST.

The DG's own controls and/or internal and external audits (Internal Audit Service or the European Court of Auditors) carried out on these operations, may result in the detection of compliance errors or irregularities. These can be classified in two categories for the purpose of assessing their impact on the assurance:

- ✓ **Payment (amount) errors:** i.e. cases where, without the error, the amount paid would have been different. In this case, as long as it remains uncorrected, the difference in amount is to be treated as an error with its consequences on the error rate;
- ✓ **Procedural (contract selection and award) errors** are those which seriously impair the application of the principles of “open, fair, transparent competition” and “award to the best qualified bidder”, i.e. cases where the contractor selected might have been different if the procedure would have been correct. In these cases, the size of the error is, by default, set at 100% of the transaction amount and included into the calculation of DG JUST's error rate. This is in line with ECA's new approach and is necessary to comply with the principle of transparency and allow stakeholders to compare the Commission's error rate with the one published by the ECA.

## STEP 2: Financial exposure from errors in terms of "amount at risk"

The financial exposure differs depending on the type of errors:

- ✓ For **payment (amount) errors:** the amount at risk is the real actual 'net'<sup>22</sup> financial impact of the errors and its 'quantitative' materiality is considered for a potential financial reservation. These financial procurement errors are taken into consideration for the application of the quantitative materiality criteria
- ✓ For **procedural (contract selection and award) errors,** DG JUST considers that even when the contractor should/could have been different, this does not always mean that the full (100%) value of the contract is 'at risk' (or that the taxpayer's money would be entirely 'lost'). Consequently, these kinds of errors cannot be considered for making a financial reservation (given that in terms of materiality the actual financial impact cannot be quantified in a consistent way with the payment errors) and are therefore not included in the calculation of the actual financial exposure (amount at risk). However, given that DG JUST acknowledges the seriousness of breaching any of the key principles of public procurement, these types of procurement errors are considered for making a potential *reputational* reservation, rather than a financial one (*e.g. when affecting a significant part of the*

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<sup>22</sup> Any correction actually made by the Commission should be deducted from the detected error.

*related activity, when being systemic and affecting more/all of DG JUST's procurement processes, when causing a fall-out in press and/or public, etc. – see below).*

### **Step 3: Materiality and potential reservation**

**For payment (amount) errors:** The materiality of the amount at risk is obtained by dividing the total amount at risk by the total value of payments made in a given year for procurement and other expenditure. If the amount at risk exceeds 2%, a *financial* reservation should be considered.

For **procedural (contract selection and award) errors**, in view of the seriousness of the (type) of procurement error, a *reputational* reservation is considered e.g. when affecting a significant part of the related activity, when being systemic and affecting more/all of DG JUST's procurement processes, when causing a fall-out in press and/or public, etc.

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

The main distinct internal control systems are (a) direct management – grants, (b) direct management - procurement and (c) indirect management (EU subsidies to Union Agencies). These layers are determined by the differences in the ex-ante and ex-post control approach put in place in DG Justice and Consumers to control and obtain assurance for each type of expenditure

### RCS 1: Grants direct management

#### Stage 1: Programming, evaluation and selection of proposals

##### *A - Preparation, adoption and publication of the Annual Work Programme 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 & regularity); Prevention of fraud (anti-fraud strategy) provide a brief description of the main control objectives.

<b>Main risks It may happen (again) that ...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's)</b>
Delays occur in adopting the Financing Decision or AWP. The AWP is published later than 31 March of the year of implementation. The AWP/Call does not	Communication between the financial and policy units on objectives/instruments (regular meetings) Hierarchical validation within the	<b>Coverage:</b> 100% of all AWP/calls <b>Frequency:</b> during the preparation of each AWP/call	<b>Effectiveness:</b> Awarded budget over available budget Average points elected over average total eligible Number of litigation

<b>Main risks It may happen (again) that ...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's)</b>
<p>adequately reflect the objectives pursued and/or the eligibility, selection and award criteria are not adequate to ensure the evaluation of the proposals</p> <p>The AWP/Call overlaps or is incompatible with other programmes (by own DG or other DGs)</p> <p>The AWP/Call does not contain the information required in the regulatory framework (FR 84, 128; RAP 94, 188, 189)</p> <p>Calls for proposals and AWPs are not adequately published.</p>	<p>authorising department</p> <p>Inter-service consultation, including all relevant DGs</p> <p>Adoption by the Commission</p> <p>Use of templates based on DG BUDG templates</p> <p>Templates-based verification; comitology procedure</p> <p>Publication procedure</p>	<p><b>Depth:</b></p> <p>Templates includes a list of the requirements of the regulatory provisions identified.</p>	<p>cases over redress procedures</p> <p><b>Efficiency:</b></p> <p>Time to publication</p> <p><b>Cost-effectiveness:</b></p> <p>Total costs for Stage 1 over number of projects evaluated</p> <p>Total costs for Stage 1 over value of projects evaluated</p> <p><b>Costs:</b> estimation of cost of staff involved in the preparation and validation of the annual work programme and calls.</p> <p><b>Benefits:</b></p> <p>higher performance of reaching the objectives/better quality results of the call</p>

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

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

<p><b>Main risks It may happen (again) that...</b></p>	<p><b>Mitigating controls</b></p>	<p><b>How to determine coverage, frequency and depth</b></p>	<p><b>Cost-Effectiveness indicators (three E's)</b></p>
<p>Delays due to request of missing documents (the grant application does not contain all information and supporting documents required for its evaluation)</p> <p>A beneficiary is awarded several grants from the EU budget for a single action (Risk of double financing/ risk of non-cumulative award)</p> <p>The pre-announced selection and award criteria are not adequately and consistently applied for the evaluation of proposals</p> <p>The action is not clearly defined in the grant application</p> <p>A grant is awarded for an action which has already begun but the applicant cannot demonstrate the need</p>	<p>Detailed procedures for calls foresee time to gather missing documents</p> <p>Where relevant, crossed checks with other DGs on possible double-financing if grants have been awarded to the same beneficiary from by other DG (ABAC/LEF)</p> <p>The Guide for applicant and the kick-off meetings ensure a common understanding of the requirements.</p> <p>Very detailed application forms have been developed and used since 2013 calls.</p> <p>Since 2013, we make clear that the actions starts after the signature of the grant agreement. In case an action must</p>	<p><b>Coverage:</b> All proposals checked (checked at least by 2-3 independent evaluators) and double checked by internal committee.</p> <p>Where relevant, proposals are crossed checked with other DGs, checks made depending on programme</p> <p><b>Depth:</b> cross checking where appropriate for specific cases (FTS)</p>	<p>Please refer to the indicators above for stages 1A and 1B</p> <p><b>Costs:</b> estimation of cost of staff involved in the evaluation and selection of proposals. Cost of the appointment of experts and of the logistics of the evaluation.</p> <p><b>Benefits:</b> best quality projects selected;</p>

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's)</b>
for starting the action prior to signature of the grant agreement or notification of the grant decision	start before the grant agreement signature date the need of this prior starting date must be clearly explained by the beneficiary and is reflected in the grant preparation report.		

**Stage 2: Contracting and monitoring:** Transformation of selected proposals into legally binding grant agreements and monitoring the operational, financial and reporting aspects related to the project and grant agreement

**Main control objectives:**

- Ensuring that the actions and funds allocation is optimal (best value for public money; effectiveness, economy, efficiency); Compliance (legality & regularity); Prevention of fraud (anti-fraud strategy).
- ensuring that the operational results (deliverables) from the projects are of good value and meet the objectives and conditions (effectiveness & efficiency); ensuring that the related financial operations comply with regulatory and contractual provisions (legality & regularity); prevention of fraud (anti-fraud strategy); ensuring appropriate accounting of the operations (reliability of reporting, safeguarding of assets and information)

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's)</b>
<p>The beneficiary lacks operational and/or financial capacity to carry out the actions. Budget resources are not sufficiently available (on time) The grant agreement is signed late; the time to grant is not respected. The grant agreement does not contain all applicable provisions Complexity due to</p>	<p>Review and checks during the contracting phase of technical action plan and budget for consistency and plausibility; in-depth financial verification and taking appropriate measures for high risk beneficiaries. Project Officers implement evaluators' recommendations in discussion with selected applicants.</p>	<p><b>Coverage</b> - 100% of the selected proposals and beneficiaries are scrutinised. - 100% of drafts grant agreements. <b>Depth</b> may be determined after considering the type or nature of the beneficiary and/or of the</p>	<p><b>Effectiveness:</b> Value of grant agreements signed over grant amounts requested in applications (%) <b>Efficiency Indicators:</b> Time-to-Contract <b>Cost effectiveness:</b> Total cost of staff for Stage 2 over total value of grant agreements signed</p>

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's)</b>
<p>the obligation to have multi partners structure for each project</p> <p>The estimated budget of the grant application significantly overestimates the amounts necessary to carry out the action or WP and this is not identified in the recommendations of the evaluation committee</p>	<p>Strict follow up of budget appropriations; the payment clause is customized if the payment appropriations are not available on time.</p> <p>Internal reporting</p> <p>Hierarchical validation within the authorising department. Use of Commission contractual templates.</p> <p>The budget is checked before the award decision, which increases the economy and efficiency of the distributions of funds.</p>	<p>modalities (e.g. substantial subcontracting) and/or the total value of the grant.</p>	<p>Total cost of staff for Stage 2 over total number of grant agreements signed</p> <p><b>Costs:</b></p> <p>Estimation of cost of staff involved in the contracting process.</p> <p><b>Benefits:</b></p> <p>Difference between the budget value of the proposals and that of the corresponding grant agreements.</p> <p>No/value of awards decisions transformed into grant agreements</p> <p>Maximize the use of available commitments</p>

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's)</b>
<p>Risk of poor financial management by</p>	<p>Programme website, guidance notes, ex-ante sector guidance,</p>	<p><b>Coverage:</b> 100% of files</p> <p><b>Depth:</b></p>	<p><b>Effectiveness:</b></p> <p>Budget amount of the cost items rejected</p>

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's)</b>
<p>beneficiaries and intermediaries</p> <p>The Commission reimburses non eligible costs; risk of irregular transactions to be proceed</p> <p>The beneficiary unduly obtain financial profit as a result from systemic or recurrent errors, irregularities, fraud, etc.</p> <p>Changes to contracts are not properly documented or authorised</p> <p>Payments are made late (interest claims)</p>	<p>information meetings with beneficiaries, helpdesk at COM</p> <p>Controls carried out by project officers on technical implementation and on the basis of the continuous reporting module in order to deliver the “conforme aux faits”</p> <p>Controls carried out by project officers on financial and legal matters in order to deliver the “bon à payer”</p> <p>New checklists have been developed in 2012 to better reflect the roles of the parties involved in the financial circuits</p> <p>Clarifying procedure on verifying the non-profit rule</p> <p>Procedure for registration of exceptions</p>	<p>- for desk checks of expenditure: control with reference to corroborative documents (progress reports and final technical implementation report but no reference to underlying documents in case of desks checks-</p> <p>- for controls carried out for “conforme aux faits”: control with reference to corroborative documents (technical implementation report) and eventually corroborative information incorporating an element of</p>	<p>(ineligible costs in cost claims) over total value of cost claims</p> <p><b>Efficiency indicators:</b> Time-to-payment</p> <p><b>Cost-effectiveness:</b> Total costs for Stage 3 over total number of claims processed Total costs for stage 3 over total value of claims processed</p> <p><b>Costs:</b> estimation of cost of staff involved in the actual management of running projects.</p> <p><b>Benefits:</b> budget value of the costs claimed by the beneficiary, but rejected by the project officers. (ineligible amounts in cost claims)</p>

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's)</b>
	<p>Monthly reporting to management on late payments</p>	<p>independent oversight (e.g. audit certificate or other verification) but no reference to underlying documents</p> <p>- for controls carried out for "bon à payer": control without reference to underlying documents, but with reference to and including access to the underlying documentation (e.g. timesheets, invoices, physical verification, etc) corroborative documents (technical implementation report) and eventually corroborative information incorporating an element of</p>	

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's)</b>
		independent oversight (e.g. audit certificate or other verification)	

### Stage 3: - Ex-Post control

#### 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 & 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)

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's)</b>
<p>Risk of irregular expenditure co-financed remaining undetected</p> <p>Risk of fraudulent activities remaining untracked</p>	<p>At any time during the implementation period and for 5 years after partial or final payment, the Commission can carry out on the spot controls and/or audits with substantive testing of a sample of transactions.</p> <p>Ex-post controls are performed by the DG HOME F1 in accordance with MoU for DG Justice. The</p>	<p><b>Coverage:</b> As a general rule, between 15 and 25% of the expenditure of an annual programme checked over the 5 years period.</p> <p>Ex-post controls are made based on a risk assessment</p> <p><b>Depth:</b> Control with reference to and including access to the underlying documentation that is available at the stage of the process in question, for all inputs and outputs (e.g. timesheets, invoices, physical verification,</p>	<p><b>Effectiveness:</b></p> <p>Residual error rate</p> <p>Number of projects with errors;</p> <p>Follow-up ratio: Number of files followed up by AOSD within 3 months (target 90%)</p> <p><b>Efficiency indicators:</b></p> <p>Success ratio;</p> <p>Recovery Implementation ratio: N° of recovery orders (RO) issued after ex-post audit (target set as 75% by end-March N+1)</p> <p><b>Cost effectiveness</b></p> <p>Total (average) annual cost of audits compared with benefits (%)</p>

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's)</b>
	auditable population is represented by files where final payment was made in year N to N-4.	etc). Possibly, the auditors will also perform controls with reference to fully independent corroborative information (e.g., database which justifies certain elements of the claim, 3 <sup>rd</sup> party or Commission assessment of milestones achieved, etc.)	<p><b>Costs:</b> Estimation of cost of staff involved in the coordination and execution of the audit strategy. Cost of the appointment of audit firms for the outsourced audits.</p> <p><b>Benefits:</b> Prevented amount (deterrent effect), not quantifiable Detected amount</p>

**B - Implementing results from ex-post audits/controls**

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

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's</b>
<p>The errors, irregularities and cases of fraud detected are not addressed or not addressed timely</p>	<p>Systematic registration of audit/control results to be implemented by the operational units.</p> <p>Financial and operational validation of recovery in accordance with financial circuits.</p> <p>Authorisation by Authorising Officer</p> <p>Working Group on the coherence of ex-post/ex-ante controls in DG JUST/DG HOME F1</p> <p>Through a regular analysis, the audit team ensures that the recommendations (issue of recovery orders or supplementary payments) were implemented.</p>	<p>Coverage: 100% of final audit results <i>with a financial impact.</i></p>	<p>Please refer to the indicators above for stages 4A and 4B</p> <p><b>Costs:</b> estimation of cost of staff involved in the implementation of the audit results.</p> <p><b>Benefits:</b> corrected amount.</p>

## RCS 2 - Procurement direct management

### Stage 1: Procurement procedure

#### *A - Planning Needs assessment & definition of needs*

**Main control objectives:** Effectiveness, efficiency and economy. Compliance (legality and regularity).

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's)</b>
<p>Precise procurement needs not clearly defined</p> <p>Inappropriate choice of procurement procedure and calculation of threshold due to the in-depth knowledge necessary.</p> <p>Procurement is highly regulated. Detailed rules exist with even more in depth guidance based on experience and jurisprudence of court judgements</p> <p>The best offer/s are not submitted due to</p>	<p>Procurement needs are clearly defined and justified from an economic or operational point of view and approved by the Authorising Officer.</p> <p>Technical training in procurement. Ex-ante sector ensures continuous support in procedural matters</p> <p>Financial circuits involving ex-ante verifications with procedural expertise still in place even after 2017 reorganisation.</p> <p>Financial checklists have been updated in 2017 to</p>	<p><b>Coverage:</b> 100% of calls for tender</p> <p><b>Frequency:</b> every time necessary, during the preparation of a call</p>	<p><b>Effectiveness:</b> Number of projected tender cancelled; Numbers of “valid” complaints or litigations cases filed</p> <p><b>Efficiency/cost-effectiveness:</b> average cost per tender</p> <p><b>Costs:</b> estimation of cost of staff involved</p> <p><b>Benefits:</b> Enough and good quality offers received, <b>(partly quantifiable)</b></p>

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's)</b>
<p>the poor definition of the tender specifications</p> <p>Technical options can be influenced by political considerations (large scale IT systems)</p>	<p>better reflect the roles of the parties involved in the financial circuits (OIA in policy units and AOSD are Directors/DDG for commitments)</p> <p>Selection criteria clearly defined and approved by the Authorising officer</p>		

**B – Evaluation and selection of the offers**

**Main control objectives:** Effectiveness, efficiency and economy. Compliance (legality and regularity). Fraud prevention and detection

<p><b>Main risks It may happen (again) that...</b></p>	<p><b>Mitigating controls</b></p>	<p><b>How to determine coverage, frequency and depth</b></p>	<p><b>Cost-Effectiveness indicators (three E's)</b></p>
<p>Risk of delay and lengthy evaluation process;</p> <p>Insufficient quality of the evaluation report, which may have impact on the award decision; errors or mismanagement risk costing substantial resources (human and financial), if they are contested, even unsuccessfully, especially if they reach the courts;</p> <p>Conflict of interests</p> <p>Non-compliance with legal and regulatory formalities (publication, transparency, time limits, opening of</p>	<p>Evaluation committees are set up to prepare the selection of the contractors, except for low value contracts; Until June 2017, an advisory body (Joint Procurement Committee) is consulted with regard to procurement files above the Directive thresholds. After June 2017, an internal control process (2<sup>nd</sup> analysis of files within Unit 04) is put in place as a replacement of the JPC. s (JPC). Adequate communication to unsuccessful tenderers is systematically guaranteed.</p> <p>Declaration of lack of</p>	<p><b>Coverage:</b> 100% of the offers analysed.</p> <p><b>Depth:</b> all documents transmitted; in terms of justification of the draft award decision</p> <p>100% of the members of the opening committee and the evaluation committee 100% checked.</p>	<p>Please refer to indicators above for stages 1A and 1B</p> <p><b>Costs:</b> estimation of staff costs involved</p> <p><b>Benefits:</b> Compliance with Financial Regulation (rejected files HPC) Number of litigations/complaints to courts/ Ombudsman. The best offer is selected (Quantified benefit).</p>

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's)</b>
<p>tenders, etc.)</p> <p>The risk of over-dependency of contractors is high due to the limited number of economic providers/need for specialist</p>	<p>conflict of interest (required for each member of committee but also for the manager); Every member of staff with significant financial responsibility may be defined as occupying a "sensitive post". Staff should not occupy a sensitive post for more than five years.</p> <p>Transparency measures: calls for tender are published in the Official Journal and on the Europa website. Updated information and FAQ are posted regularly on the website; e-submission now used.</p> <p>Procedures are set up to analyse the risk of over-dependency of contractors. Sound competition among providers together with quality and affordability</p>		

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's)</b>
	of services of providers is ensured by periodic reviews (development of prices, business trends, main players, market shares, any barriers to entrants, etc)		

## Stage 2: Financial transactions monitoring

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

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's)</b>
<p>Non-compliance with the legal and regulatory requirements</p> <p>Lack of necessary experience and skills or inadequate arrangements for monitoring the contractor's performance and for verifying the final services/supplies work</p> <p>Delayed payments causing late interests</p>	<p>Standards contracts of DG BUDG are used. Computerized systems (Excel, ABAC, Ares) are used to record the contracts and related transactions.</p> <p>Financial circuits put in place in DG Justice are organised as follows: OIA in policy units, OVA, FIA and FVA in Just04, AOSD in policy directorates for commitments and in 04 for payments</p> <p>Monthly follow-up of time to pay through reporting (monitoring of invoices due to avoid late interest)</p>	<p><b>Coverage:</b> 100% of the contracts are controlled.</p> <p><b>Depth:</b> all documents transmitted</p>	<p><b>Effectiveness:</b> Amount of penalties Amount of errors and regularities averted over total payments (credit notes/recovery context)</p> <p><b>Efficiency:</b> Time-to-pay Late interest payment</p> <p><b>Cost-efficiency</b> % of costs over annual amount disbursed</p> <p><b>Costs:</b> estimation of cost of staff involved</p> <p><b>Benefits:</b> Amount of irregularities, errors and overpayments prevented by the controls (credit notes) Partly non-quantifiable</p>

### Stage 3: Supervisory measures

**Main control objectives:** Ensuring that any weakness in the procedures (tender and financial transactions) is detected and corrected

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
<p>An error or non-compliance with regulatory and contractual provisions, including technical specifications, or a fraud is not prevented, detected or corrected by ex-ante control, prior to payment</p>	<p>Verification that processes are working as designed:</p> <ul style="list-style-type: none"> <li>Risks are assessed at the programme level within the yearly risk analysis exercise. A follow-up of critical risks for DG Justice is ensured every 6 months. For important risks corrective measures are taken to mitigate the risks</li> <li>Internal control standards are complied with. Exceptions and non-compliance events are recorded in a monitoring table and communicated to the Internal Control Coordinator.</li> </ul>	<p><b>Coverage:</b> Court of Auditors' audit based on MUS sample on all payments in a year and the IAS audit plan</p> <p><b>Depth:</b> review of the procedures implemented (procurement and financial transactions)</p>	<p>Results of the assessment of implementation of Internal Control Standard 8 "Processes and procedures"</p> <p><b>Costs:</b> estimation of cost of staff involved.</p> <p><b>Benefits:</b> Amounts detected associated with fraud &amp; error. Deterrents &amp; systematic weaknesses corrected.</p>

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's)</b>
	All audit instances are entitled to perform audits on procurement (Court of Auditors, Internal Audit Service, or Budg).		

**RCS 3 – Expenditure in indirect management- Entrusted entities/ decentralised agencies**

**Stage 1: - Operations: monitoring, supervision, reporting Ex-Post controls**

**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 & regularity, sound financial management, true and fair view reporting, anti-fraud strategy).

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's)</b>
<p>The agency does not respect the provisions of Article 60.2 of FR, Art. 38 of RAP</p> <p>The agency does not respect the provisions of Article 60.3 of the FR</p>	<p>The agencies are audited by IAS of the Commission (as internal auditor) and by the Court of Auditors (as external audit)</p> <p>The COM is member in the Management Board of the agency</p> <p>The Memoranda of Understanding signed with agencies regulate financial relations between</p>	<p>Coverage: 100% of agencies are supervised</p> <p>Frequency: management board meetings, yearly CoA report; IAS audits</p>	<p><b>Effectiveness:</b></p> <p>Number of serious IAS and CoA findings of control failures; budget amount of the errors concerned;</p> <p><b>Efficiency/cost-efficiency indicators:</b></p> <p>Cost over amount entrusted to agency</p> <p><b>Costs:</b> estimation of cost of staff involved in the actual monitoring of the agency</p> <p><b>Benefits:</b> the (average annual) total budget amount</p>

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>How to determine coverage, frequency and depth</b>	<b>Cost-Effectiveness indicators (three E's)</b>
	the parent DG and the agency		entrusted to agency

**Stage 2: Commission contribution: payment or suspension/interruption**

**Main control objectives:** Ensuring that the Commission fully assesses the management situation 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 & regularity, sound financial management, anti-fraud strategy).

<p><b>Main risks It may happen (again) that...</b></p>	<p><b>Mitigating controls</b></p>	<p><b>How to determine coverage, frequency and depth</b></p>	<p><b>Cost-Effectiveness indicators (three E's)</b></p>
<p>The Commission does not suspend/interrupt payments despite the detection of systemic errors which call into question the reliability of the ICS of the agency, the L&amp;R of transactions.</p>	<p>Memoranda of Understanding signed with each agency specify the conditions for interruptions/suspension of payments</p>	<p><b>Coverage:</b> 100% of the payments made to agencies <b>Frequency:</b> quarterly. <b>Depth:</b> information provided by internal/external auditors</p>	<p><b>Effectiveness:</b> Budget amount of the suspended/interrupted payments <b>Efficiency indicators:</b> Time-to-pay <b>Cost effectiveness:</b> Average cost per agency <b>Costs:</b> estimation of cost of staff involved in the OV and FV of the contribution payments/recoveries <b>Benefits:</b> the (average annual) total budget amount entrusted to the agency; budget recovered or not paid out;</p>

## ANNEX 7: Specific annexes related to "Financial Management"

- **Commitment implementation 2021 credits** – the implementation rate reached **97%** which amounts to EUR 228.5 million out of EUR 235.96 million including both decentralised and executive agencies **and excluding the co-delegations amounts**
  - The full implementation of the operational credits in 2021 is an outstanding accomplishment considering that the 2021 represents the transitional year between two Multiannual Financial Frameworks (MFFs). DG JUST succeeded in overcoming delays in the start of implementation due to the late adoption of funding regulations and the persistence of Covid-19 pandemic.
  - Furthermore, before proceeding with the global commitments to fully consume 2021 credits, **the implementation rate stood at the 20 December at 82% (vs 78% in 2020) which is another notable achievement**
- **Payment implementation 2021 credits** – payment appropriations are implemented by 95%, which amounts to EUR 195,11 out of EUR 204.6 million including both decentralised and executive agencies **and excluding the co-delegations amounts**
  - The high rate of implementation of payment appropriations was achieved thanks to close monitoring and follow-up as well as the extra effort put into making additional grants' payments at the end of the year in order to ensure full payments absorption in spite of the delays caused by the on-going Covid-19 pandemic

2021 has been an extremely challenging year, in particular due to the transition between two Multiannual Financial Frameworks, the very late adoption of the CERV and Justice Regulations (28 April 2021), and the continuation of the COVID-19 pandemic. In order to avoid delays in implementation, a number of mitigation measures were put in place. First of all, the development/finalisation of the work programme and of the call documents was done in parallel to finalisation of the MFF and the Regulations.

Secondly, as soon as the CERV Regulation was adopted, targeted communication activities were launched starting with the first CERV Civil Dialogue week organised on 25-28 May 2021 to present the programme and the upcoming calls for proposals to the stakeholders and potential beneficiaries. Around 1000 participants attended the different sessions of the event, which along with a high-level panel with Commissioner Reynders, also included technical hands-on sessions.

In 2021, due to the COVID-19 crisis, the Commission found solutions to accommodate REC (Right, equality and citizenship ) beneficiaries on a case-by-case basis to ensure, via individual grant agreement amendments, that their grant would continue despite the lockdown-related difficulty or impossibility to execute the work programmes as defined in the grant agreements. In procurement, there was also a need to extend the duration of some actions or to postpone the organisation of policy meetings due to the COVID-19 pandemic.

### **Additional comments on Indirect management -Union agencies/ decentralised agencies – Part 2.1.1. legality and regularity of the transactions**

"The Internal Control Template (ICT) on indirect management-Union agencies in Annex 6 details the applicable supervision and reporting activities, details of which are reported below.

Stage 1: Operations: monitoring, supervision and reporting

The overall control objective of this stage is to ensure that DG Justice and Consumers is timely and fully informed of any relevant management issues encountered by the agencies, in order to possibly mitigate any potential financial and/or reputational impacts.

DG Justice and Consumers takes part in the governance of the agencies by participating as a member in the Management Boards with one voting right, when the governing rules allow for this. Membership rules are laid down by the founding regulations of each agency.

However, the Commission's representation on the Management Board is not the only way to reflect the particular responsibility that the Commission holds in implementing EU legislation. DG Justice and Consumers ensures the following monitoring activities:

- Monitoring of the agencies' policy activities:

The monitoring of the agencies' activities is the main responsibility of the relevant policy units. They are involved in numerous contacts at working level, coordination meetings, providing opinions on annual work programme, draft budget, Establishment plan and monitoring of their implementation.

- Budgetary monitoring:

The agencies have full responsibility for the implementation of their budget, DG Justice and Consumers being responsible for the regular payment of the contributions established by the Budgetary Authority. Memoranda of Understanding have been signed with each agency, clarifying the conditions for the payment of the EU subsidy by the Commission and allowing the partner DG to access ABAC data of agencies for budget implementation purposes.

The programme management unit of DG Justice and Consumers and the programming, planning and legal advice sector in Unit.01 are involved in the analysis of the annual budgets proposed by agencies and also participated in the programming of the agencies' budgets for 2017-2021.

Unit JUST/04 is involved in the revision of the annual budget proposed by agencies and also participates in the programming of the agencies' budgets for 2014-2021.

The AOS ensures that the requests for appropriations from the agencies are in line with their needs for their current cash-flow. To this end, unit JUST/04 validates the cash-flow requests from the agencies on the basis of their needs for the forthcoming months in close collaboration with the agencies' staff. Commitment and payment appropriations are 100% implemented.

#### Stage 2: Commission's contribution

The control objective is to ensure that all elements of the payment request is fully assessed before paying the subsidy or decide to suspend or interrupt payments.

DG Justice and Consumers ensures that the requests for appropriations from the agencies are in line with their needs for current cash flow. To this end, the financial unit validates the cash-flow requests from the agencies on the basis of their needs for the forthcoming months in close collaboration with the agencies staff.

#### Stage 3: Audit, evaluations and discharge

The IAS acts as the internal auditor for the agencies, while the European Court of Auditors gives yearly a statement of assurance as to the reliability of the annual accounts of the agency and the legality and regularity of the transactions underlying them. Based on these, the European Parliament grants discharge directly to the agencies.

#### Court of Auditors' reports for 2021

In the Court of Auditors opinion, the accounts of EUROJUST, FRA and EIGE for the year ended 31 December 2020 present fairly, in all material respects, the financial position at 31 December 2020, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its Financial Regulation and with accounting rules adopted by the Commission's accounting officer.

Audits performed by Internal Audit Service (IAS) DG JUST's representatives in the management Boards of the Agencies have not been informed of any critical issues arising from audits performed by the IAS or other assurance providers that would be very significant from a reputational perspective.

The relevant information provided by the agencies in relation to the issues identified as a result of the Commission's involvement in the Management Boards of the agencies and the results of DG JUST's supervision arrangements are deemed reliable and assessed as sufficient to draw the reasonable assurance conclusion.

## Fraud prevention, detection and correction – Part 2.1.1.

**Objective:** The risk of fraud is minimised through the application of effective anti-fraud measures and the implementation of the Commission Anti-Fraud Strategy (CASF)<sup>23</sup> aimed at the prevention, detection and correction<sup>24</sup> of fraud

### Main outputs in 2020:

Output	Indicator	Target	Latest known results (situation at 31/12/2020)
Implementation of the anti-fraud strategy	% of implementation of actions planned for 2021 in the anti-fraud strategy	100%	Almost 100% (see below output)
Training sessions on anti-fraud	Number of participants from the DG in training sessions on anti-fraud	40	0 (the organisation of the dedicated trainings on anti-fraud to DG staff has been delayed because of the added pressure and workload created by the COVID-19 crisis. However, during the year the staff has been constantly informed and encouraged to participate in online trainings and events on anti-fraud matters organized at corporate level. The dedicated trainings at DG level are to be resumed in 2022.)

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

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

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

It should be noted that allocating the staff by programme would create an unnecessary workload and would not bring proportionate advantage since the activities are same (same percentage) and **same** actions.

Consequently, DG JUST chose to calculate the estimated cost of control by type of activity: direct management with grant and procurement and indirect management for the agencies. Other costs are mainly represented by service legal agreement and sub-delegations and executive agencies for which a cost will not be relevant since only a couple of payments were done .

**Table Y - Overview of JUST's estimated cost of controls at Commission (EC) level**

*The absolute values are presented in EUR*

**EXPENDITURE**

JUST	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)
<b>Grant - direct management</b>	4.495.915,90 €	52.060.429,92 €	8,64%	719.908,50 €	6.438.887,24 €	11,18%	5.215.824,40 €	10,02%
<b>Procurement - direct management</b>	3.721.569,66 €	30.098.376,07 €	12,36%	- €	- €	0,00%	3.721.569,66 €	12,36%
<b>Entrusted Entities Decentralised Agencies- indirect management</b>	554.700,00 €	104.128.837,35 €	0,53%	- €	- €	0,00%	554.700,00 €	0,53%
<b>Other: DG-horizontal control tasks not attributable to a single RCS</b>	N/A	8.819.243,86 €	0,00%	- €	- €	0,00%		0,00%
<b>OVERALL total estimated cost of control at EC level for expenditure</b>	<b>8.772.185,56 €</b>	<b>195.106.887,20 €</b>	<b>4,50%</b>	<b>719.908,50 €</b>	<b>6.438.887,24 €</b>	<b>11,18%</b>	<b>9.492.094,06 €</b>	<b>4,87%</b>

## **ANNEX 8: Specific annexes related to "Assessment of the effectiveness of the internal control systems"**

"not applicable"

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

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

Model table X for parent DGs:

DG JUST	'payments made' (2021;MEUR)	minus new prefinancing [plus retentions made] (in 2021;MEUR)	plus cleared prefinancing [minus retentions released and deductions of expenditure made by MS] (in 2021;MEUR)	'relevant expenditure' (for 2021;MEUR)	Detected error rate or equivalent estimates	estimated risk at payment (2021;MEUR)	Adjusted Average Recoveries and Corrections (adjusted ARC; %)	estimated future corrections [and deductions] (for 2021;MEUR)	estimated risk at Closure (2021;MEUR)
-1	-2	-3	-4	-5	-6	-7	-8	-9	-10
Grants	52,06	- 42,01	55,45	65,50	2,24% - 2,24%	1,47 - 1,47	0,98% - 0,98%	0,64 - 0,64	0,82 - 0,82
Procurement	30,10	- 0,59	0,33	29,83	0,50% - 0,50%	0,15 - 0,15	0,00% - 0,00%	0,00 - 0,00	0,15 - 0,15
Subdelegations & service level agrmnts.	3,55	0,00	0,00	3,55	0,00% - 0,00%	0,00 - 0,00	0,00% - 0,00%	0,00 - 0,00	0,00 - 0,00
Indirect Management- Entrusted Entities	104,13	- 104,13	72,47	72,47	0,00% - 0,00%	0,00 - 0,00	0,00% - 0,00%	0,00 - 0,00	0,00 - 0,00
				0,00					
				0,00					
<b>Total without contribution to EA's operating budget</b>	<b>189,83</b>	<b>- 146,73</b>	<b>128,25</b>	<b>171,35</b>		<b>1,62 - 1,62</b>	<b>0,38% 0,38%</b>	<b>0,64 - 0,64</b>	<b>0,97 - 0,97</b>
					<b>Overall risk at payment in %</b>	<b>0,94% - 0,94%</b>		<b>Overall risk at closure in %</b>	<b>0,57% - 0,57%</b>
						<i>(7) / (5)</i>			<i>(10) / (5)</i>
EACEA	5,27	- 5,27	2,23	2,23	0,00% - 0,00%	0,00 - 0,00	0,00% - 0,00%	0,00 - 0,00	0,00 - 0,00
					0,00% - 0,00%	0,00 - 0,00	0,00% - 0,00%	0,00 - 0,00	0,00 - 0,00
Sub-total contributions (if more than one)	5,27	- 5,27	2,23	2,23		0,00 0,00		0,00 0,00	0,00 0,00
<b>Total DG (with contributions to EAs)</b>	<b>195,11</b>	<b>- 152,00</b>	<b>130,48</b>	<b>173,59</b>					

## Notes to the table X

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

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

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

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

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

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

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

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

(6) In this column, we disclose the detected error rates or equivalent estimates. [*Equivalentents might be e.g. the "adjusted error rates", AGRI, or the "residual total error rates", REGIO, EMPL, MARE. In other cases, e.g. DEVCO and NEAR, they are derived by a backwards calculation based on results from the residual error rate studies; i.e. by adding the estimated future corrections (if not assumed to be zero) to the risk at closure.*]

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

(8) The adjusted average recovery and corrections percentage is [mostly / to some extent] based on the 7 years historic Average of Recoveries and financial Corrections (ARC), which is the best available indication of the corrective capacity of the ex-post control systems implemented by the DG over the past years. The AOD [*has adjusted or replaced*] this historic average [*from ... to ...*] to take into account any ex-ante elements, one-off events, (partially) cancelled or waived Recovery Orders, and other factors from the past years that would no longer be relevant for the current programmes (e.g. higher ex-post corrections of previously higher errors in earlier generations of grant programmes, current programmes with entirely ex-ante control systems) or that corresponded to exceptional situations in order to come to the best and most conservative estimate of the ex-post future corrections to be applied to the reporting year's relevant expenditure for the current programmes. [+ *summarize here the approach taken by the DG*]. [*This may include considering less and more recent years than the full 7-years-period [e.g. AGRI, MARE, DEVCO, NEAR], using an alternative estimation basis [e.g. AGRI, REGIO, EMPL, Research family], or even assuming that the ex-post future corrections would be 0.0% [e.g. DGs with entirely ex-ante control systems].*]

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

## 2) Reservations

DG JUST decided to change the basis for the calculation of the error rate, to take into account the programming period 2014-2020 only and not anymore the period 2007-2013.

The justification for the changes of the basis for the calculation of the error rate is based on the following analysis:

- Out of the 24 audits implemented in 2021, only 1 audited project is linked to the 2007-2013 MFF
- Out of the 234 payments closed that composed the auditable population for the AWP 2021, only 2 relate to the 2007-2013 MFF.

The residual error rate decrease from 2,69% in 2020 to 1,83% in 2021 and consequently the reservation is lifted.

### Reservation issue for grant programmes in in last year's AAR and lifted in 2021

N°	Country code	Ref	Title	Type	Reasons for Reservation	Financial impact (M€) in 2020	Reason for lifting the reservation
1	NA	Rights, Equality and Citizenship and Justice Programme	Financial risk corresponding to the residual error rate in the non-audited population of grants in the programmes managed by DG JUST	Financial risk	At the end of 2020, the residual error rate is above the materiality threshold of 2% and the segment involved, grants, represent more than 5% of the DG JUST total payments.	1,87	change of the basis for the calculation of the error rate where only 2014-2020 programming period was taking into consideration

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

### Human Resource management

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

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

**Source of data:** SEC(2020)146

Baseline (2019)	Target (2022) + (2024)	Baseline 021)
10 out of 21 (48 %)	+1 2022: 1 first female appointment 2024: still to be defined	+1 1 first female appointment in 2021 3 in total since target set

**Indicator 2:** DG JUST staff engagement index

**Source of data:** Commission staff surveys 2018 and 2021

Baseline (2018)	Target (2024)	Baseline (2021)
68 %	At least commission average (72% in 2021)	70% as compared to commission average of 72%

#### Main outputs in 2021:

Description	Indicator	Target	Latest known results
Targeted actions under the DG JUST HR policy, oriented towards staff well-being and L&D offers	Number of activities	5 actions	8 newcomer sessions were organised At least two conferences organised
HR strategy for DG JUST	Delivery	Start implementation in 2021	2021 HR Plan implemented (few, physical actions had to be postponed)

### Digital Transformation and information management

**Objective: DG JUST 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 three most expensive IT solutions<sup>30</sup>

**Source of data:** DG JUST Information Resources Manager

eEvidence Digital Exchange System		
Baseline (2020)	Target (2024)	Latest known results (31/12/2021)
75 %	90 %	80 %
Online Dispute Resolution System		

Baseline (2020)	Target (2024)	Latest known results (31/12/2021)
80 %	90 %	81 %

#### Safety Gate

Baseline (2020)	Target (2024)	Latest known results (31/12/2021)
85 %	95 %	89 %

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

**Source of data:** DG JUST Local Data Correspondent

Baseline (2020)	Target (2024)	Latest known results (31/12/2021)
0 %	80 %	72%

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

**Source of data:** Statistics on attendance at awareness raising events

Baseline (2020)	Target (2024)	Latest known results (31/12/2021)
0 %	100 %	20 %

### Main outputs in 2021:

Description	Indicator	Target	Latest known results
	Percentage of implementation of the corporate principles for data governance for [the service's] key data assets	80% (2024)	72% (2021)
Technical migration of Drupal 7 systems/websites to Drupal 8 (Consular Protection, European Training Platform, Roma Integration Measures)	Degree of migration completed	60% of the technical upgrade done	60%
New e-Justice Portal user front-end	Degree of completion	100%	100%
Coldfusion Transformation: Technical migration from Coldfusion to other technologies	Degree of migration completion	100% of the technical upgrade done (ODR platform is excluded from this indicator, as its phase-out depends on a future decision)	100%
Security plans creation or transposition on the new methodology, for DG JUST systems	Degree of implementation	100%	100%
Internal collaboration network	Set-up of the network	End 2020	Established and active since April

			2020, formally launched in November
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## Sound environmental management

### Main outputs in 2021:

Description	Indicator	Target	Latest known results
Staff's contribution to limiting the DG's environmental impact	Awareness raising activities	Awareness raising activities	It was considered more appropriate to organise awareness raising regarding environmental management once colleagues are fully back in the office. The planned activity was therefore postponed until 2022.

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

"not applicable"

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

"not applicable"

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

### Decentralised agencies

DG JUST acts as partner DG for three agencies that received budget implementation tasks from the legislative authorities: the Institute for Gender Equality (EIGE), the Fundamental Rights Agency (FRA), the European Agency for Judicial Co-operation (EUROJUST).

#### EIGE

The European Institute for Gender Equality (EIGE) is an autonomous body of the European Union, established to contribute to and strengthen the promotion of gender equality, including gender mainstreaming in all EU policies and the resulting national policies, and the fight against discrimination based on sex, as well as to raise EU citizens' awareness of gender equality.

#### FRA

The Fundamental Rights Agency is an independent centre of reference and excellence for promoting and protecting human rights in the EU. We help make Europe a better place to live and work. We help defend the fundamental rights of all people living in the EU

#### EUROJUST

The European Union Agency for Criminal Justice Cooperation, is a unique hub based in The Hague, the Netherlands, where national judicial authorities work closely together to fight serious organised cross-border crime. The role of EUROJUST is to help make Europe a safer

place by coordinating the work of national authorities – from the EU Member States as well as third States – in investigating and prosecuting transnational crime.

The agencies have full responsibility for the implementation of their budget, DG Justice and Consumers being responsible for the regular payment of the contributions established by the Budgetary Authority.

An overview of payments made in 2020 by DG JUST to the agencies is presented in the table below:

Decentralised Agency	Contribution to the Operating (administrative and operational) budget
European Institute for Gender Equality (EIGE)	8.692.878
Fundamental Rights Agency (FRA)	24.470.031
European Union agency for Criminal Justice Cooperation (EUROJUST)	43.797.699