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ANNEX

**2022 work programme for the Technical Support Instrument under Regulation (EU)
2021/240 of the European Parliament and of the Council**

Part I - The TSI outlook for 2022

1. Introduction

The COVID-19 pandemic has left its footprint on the world, leading it into a sudden and deep recession. Despite the strong, coordinated and innovative response at national and EU levels, not limited to the Recovery and Resilience Facility (RRF),¹ many uncertainties remain: in particular, how long will this crisis last and how exactly will it affect our lives and economies?

In its Annual Sustainable Growth Strategy for 2022² (ASGS 2022), the Commission emphasised that policy support at national and EU level will be crucial for the recovery and the immediate priority is for the Union to work with Member States to ensure decisive progress in putting together the right reform and investment priorities in line with European objectives, and then ensuring their effective implementation.

On 10 February 2021, a Technical Support Instrument (TSI) was established³ and became available to all Member States. Through the TSI, the Commission can provide tailor-made expertise on the ground so that Member States have the necessary institutional and administrative capacity to develop and implement growth-enhancing reforms and make European economies more resilient thanks to efficient and well-functioning administrative structures. The TSI can also support Member States in preparing, amending and implementing their recovery and resilience plans under the RRF, one of the main tools for economic recovery that provides large-scale financial support for public investments and reforms. Technical support in the form of general capacity building or support to thematic reforms or investments specifically linked to the implementation of the recovery and resilience plans can also be provided to Member States under the TSI.

Stronger and more efficient public institutions are crucial for building resilient and sustainable economic structures that foster job creation and inclusive growth. The overall successful implementation of reforms requires efficient and effective public administrations, as these administrations influence the performance of all public policy domains, including reform efforts. For this reason, addressing the structural challenges faced by public administrations (e.g. in terms of competences, mobility, incentives, changes to work processes, etc.), especially by developing adequate institutional and administrative capacity, is crucial for well-functioning and sustainable economies and the success of structural reforms. In addition, strengthening Member States' administrative capacity will be key in implementing the

¹ Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility, OJ L 57, 18.2.2021, p. 17–75.

² Communication from the Commission: Annual Sustainable Growth Strategy 2021, COM(2021) 740 final.

³ Regulation (EU) 2021/240 of the European Parliament and of the Council of 10 February 2021 establishing a Technical Support Instrument, OJ L 57, 18.2.2021, p. 1 – 16.

recovery and resilience plans that set out the reforms and investments that the RRF is to finance.

For the successful implementation of reforms, ownership by the Member State concerned is essential. The TSI offers interested Member States support to carry out reforms, but the final decision on the design, structure and implementation of the reforms in question lies with the Member States themselves. It is up to each Member States benefitting from technical support to make the best use of the support provided.

TSI objectives and process

Regulation (EU) 2021/240 sets up the TSI with the general objective to ‘promote the Union’s economic, social and territorial cohesion by supporting Member States’ efforts to implement reforms’.

This support is necessary to encourage investment, increase competitiveness and achieve sustainable economic and social convergence, resilience and recovery, as well as to back Member States’ efforts to strengthen their institutional and administrative capacity, including at regional and local level. It is also needed to facilitate socially inclusive, green and digital transitions, to address effectively the challenges identified in the country-specific recommendations and to implement Union law.

As set out in Article 4 of Regulation (EU) 2021/240, the TSI’s specific objectives are to assist national authorities in improving their capacity to: (i) design, develop and implement reforms; as well as (ii) prepare, amend, implement and revise recovery and resilience plans pursuant to Regulation (EU) 2021/241. These specific objectives are pursued in close cooperation with the Member States concerned, including through the exchange of good practices, processes and methodologies, stakeholder involvement, where appropriate, and a more effective and efficient management of human resources.

In accordance with Article 9 of the Regulation (EU) 2021/240, support under the TSI can be provided if a Member State so requests. Member States may submit requests for technical support for the following: ‘(a) the implementation of reforms by Member States, undertaken on their own initiative and in accordance with the general objective and specific objectives [of the TSI]; (b) the implementation of growth-sustaining and resilience-enhancing reforms in the context of economic governance processes, in particular the country-specific recommendations issued in the context of the European Semester or actions related to the implementation of Union law; (c) the implementation of economic adjustment programmes for Member States that receive Union financial assistance under existing instruments [...]; (d) the preparation, amendment and revision of recovery and resilience plans pursuant to Regulation (EU) 2021/241 and the implementation thereof undertaken by Member States’. The fifth paragraph of that Article requests the Commission to come to an agreement with the Member States concerned on the priority areas, the objectives, an indicative timeline, the scope of the support measures to be provided and the estimated global financial contribution for such technical support. These elements provide the basis for this annual work programme and will be reflected for each Member State concerned in a cooperation and support plan.

In response to specific emerging needs of Member States, the Commission shall organise additional dedicated calls, such as for the submission of requests linked to the preparation, amendment and revision of recovery and resilience plans pursuant to the Regulation (EU)

2021/241 and its implementation by Member States. Therefore, a limited proportion of the budget (not exceeding 10%) may be used for such additional dedicated calls.

In application of Article 9(1) of Regulation (EU) 2021/240, by 31 October 2021 all 27 Member States had submitted requests for technical support to the Directorate-General for Structural Reform Support. In total, 512 requests were submitted.

After receiving any necessary clarifications from the Member States concerned, the Commission analysed the requests to determine their eligibility and ensure their compliance with the criteria and principles set out in Article 9(5) of Regulation (EU) 2021/240. This assessment also took into account whether actions to be implemented under the TSI overlapped with those implemented under other Union instruments in the Member States concerned, in particular with measures financed by Union funds; this was done to avoid double funding and ensure complementarity.

The estimated cost of the support measures requested by the 27 Member States was approximately two times the budget allocation for 2022. This led the Commission to strongly prioritise when selecting which requests to fund. This prioritisation was based on the criteria defined in the Regulation, bearing in mind the prioritisation made by the Member States themselves and the main challenges faced by the Member States, as indicated in the recovery and resilience plans under the RRF, the past country-specific recommendations, the country reports, relevant infringement cases, etc. The Commission also considered the link between requests and strategic Union priorities. In application of the principle of sound financial management, the most mature requests having the highest potential impact on the ground were prioritised over others.

As a result of this need to prioritise, around half of the eligible requests were selected for funding under TSI 2022.

In the event of unforeseen and duly justified grounds of urgency requiring an immediate response, including a serious disturbance in the economy or significant circumstances seriously affecting the economic, social or health conditions pertaining in a Member State and going beyond its control, Article 12(7) of Regulation (EU) 2021/240 requires that a limited part of the maximum Union contribution be reserved for special measures. Such special measures must be linked to the circumstances laid down in Article 9(3) of that Regulation, be interim in nature, end within six months of their adoption and may be replaced by technical support. Therefore, to ensure the timely availability of resources in 2022, a limited proportion of the budget (not exceeding 10%) may be used for the adoption of special measures.

In accordance with Article 13(1) of Regulation (EU) 2021/240, the Commission and the beneficiary Member States, within their respective responsibilities, have to foster synergies and ensure effective coordination between actions under the TSI and actions under other Union programmes and instruments.

As the support measures ensuing from the selected requests are implemented, they may need to be adjusted together with the corresponding amounts initially allocated to them. This would be done through appropriate reprogramming in order to reflect the prevailing circumstances in relation to the relevant needs, including follow-up activities directly linked to the subject matter of the support measure and which are indispensable to ensure the reforms' effectiveness. In addition, should additional funding become available during the year due to

reprogramming, withdrawals of requests or cancellations of technical support, it may also be opportune and possible to select, later in the year, requests submitted by the Member States which could not be prioritised due to sufficient financial resources lacking when the initial selection was made.

Further to the above and in line with the needs expressed by the Member States, priority areas of intervention, objectives and expected results have been identified for TSI 2022 (see Section 2 below).

In line with Article 6(2) of Regulation (EU) 2021/240, DG REFORM will support the better coordination of policies on public administration and good governance. The objective will be to achieve a better synergy between Commission policy initiatives related to public administration and to develop the Commission methodology, country and thematic knowledge on the topic while ensuring that the respective initiatives are of good quality and that there is adequate capacity for their implementation. This support will help reinforce the capacity of the Commission in coordinating public administration and governance-related matters. It should stimulate more targeted dialogue on the topic with Member States in order to learn from one another and transfer knowledge, and it should also promote common principles, values and good practice for public administration and good governance.

In addition, in line with that Article, with the Commission decision “Corporate communication C(2020)9390 of 18 December 2020” and with the DG BUDG note “IT implementation Plan 2022 – Allocation of Resource and Allocation of IT corporate resources”, DG REFORM will help finance corporate IT and the corporate communication activities in 2022.

2. Priority areas for intervention in 2022

In accordance with Article 5 of Regulation (EU) 2021/240, the technical support for structural reforms may relate to the following broad public policy areas, among other areas:

- (a) public financial and asset management, budget process, including green and gender budgeting, macro-fiscal framework, debt and cash management, expenditure and tax policy, tax compliance, revenue administration and customs union, as well as fighting aggressive tax planning, tax fraud, tax evasion and tax avoidance;
- (b) institutional reform and efficient and service-oriented functioning of public administration and e-government, simplification of rules and procedures, auditing, enhancing capacity to absorb Union funds, promotion of administrative cooperation, effective rule of law, reform of the justice systems, capacity building of competition and antitrust authorities, strengthening of financial supervision and reinforcement of the fight against fraud, corruption and money laundering;
- (c) business environment, including for small and medium-sized enterprises, the self-employed, entrepreneurs and social economy enterprises, the re-industrialisation and relocation of production to the Union, private sector development, product and service markets, public and private investments including into physical and virtual infrastructure, project promoters and nurseries, public participation in enterprises, privatisation processes, trade and foreign direct investment, competition, efficient and transparent public procurement, sustainable sectoral development, and support for research, innovation and digitisation;

- (d) education, lifelong learning and training, vocational education and training, youth policies, labour market policies, including social dialogue, for the creation of jobs, increased labour market participation of under-represented groups, upskilling and reskilling in particular digital and energy skills, media literacy, active citizenship, active ageing, gender equality, civil protection, border and migration policies, the promotion of social inclusion and the fight against poverty, income inequality and all forms of discrimination;
- (e) accessible, affordable and resilient public healthcare, social security systems, care and welfare, and childcare;
- (f) policies for the mitigation of climate change, the digital and just green transitions, e-government solutions, e-procurement, connectivity, data access and governance, data protection solutions, e-learning, use of Artificial Intelligence-based solutions, the environmental pillar of sustainable development and environmental protection, climate action, transport and mobility, promoting the circular economy, energy and resource efficiency and renewable energy sources, achieving energy diversification, tackling energy poverty and ensuring energy security, and for the agricultural sector, soil and biodiversity protection, fisheries and the sustainable development of rural, remote and insular areas;
- (g) financial sector policies and regulation, including financial literacy, financial stability, access to finance and lending to the real economy, in particular for small and medium-sized enterprises, the self-employed and entrepreneurs;
- (h) the production, provision and quality monitoring of data and statistics;
- (i) preparation for membership of the euro area; and
- (j) early detection of and a coordinated response to substantial public health or security risks, as well as ensuring business and service continuity for essential public and private institutions and sectors.

Against this background, the priorities for support measures under the TSI work programme for 2022 have been set on the basis of the Member State requests for support that were proposed for funding.

Of the requests selected, 98% concern support for implementing reforms that will help to achieve strategic policy priorities, as set out under the European Semester framework for policy coordination. This includes support for the preparation, amendment, implementation and revision of recovery and resilience plans under the RRF or under the EU-wide policy initiatives, such as the Green Deal, the Single Market Strategy, the Digital Single Market, the Energy Union, the Capital Markets Union, the European Pillar of Social Rights, or implementation of Union law and the Better Regulation Agenda. It also includes actions and activities in support of reforms that may help Members States prepare for joining the euro area.

The remaining requests refer to Member State reforms to achieve sustainable economic growth and job creation.

Climate and biodiversity mainstreaming

Under the work programme for 2022, the TSI will support the mainstreaming of climate and biodiversity objectives. Among others, it includes actions and activities to strengthen climate adaptation, promote climate mitigation and protect biodiversity; enhance policy coherence

and alignment of EU funds and programmes with the “do no significant harm” (DNSH) principle; support the integration of sustainability considerations in the budget processes of Member States; re-direct private and public capital flows towards climate and environmental action, also in support of other Commission’s instruments (e.g. Invest EU, Just Transition, RRF); integrate financial risks stemming for the climate transition and biodiversity losses; implement green taxation reforms; and design holistic strategies engaging the regional, local and wider community on the changes needed for a successful transition.

Overall, the TSI priorities for 2022 reflect all 10 areas set out in Article 5 of Regulation (EU) 2021/240 and are as described below (grouped by thematic area). The TSI will also support Member States in the preparation, amendment, implementation and revision of recovery and resilience plans under the RRF.

Public financial management and revenue administration

The TSI will support measures in 21 Member States, related to tax and customs administration, tax and expenditure policy, tax compliance, public investment management and budget process, including gender budgeting, budget implementation, budget oversight, the transition towards accrual accounting, as well as macro-fiscal frameworks and national statistics.

Governance and public administration

The TSI will support measures in 26 Member States, related to overall public administration, procurement, the management of Human Resources for civil services, eGovernment / digital public administration, the functioning of the justice system, ethics and the fight against corruption, crisis preparedness and response systems, strategic foresight and better regulation, as well as the increased cooperation among the different levels of governance and with the EU and other countries. Certain measures will help to better implement EU funds and programmes, especially in light of the RRF.

Sustainable growth and business environment

The TSI will support measures in 23 Member States, related to competitiveness, including business environment, digital transition and mobility, as well as sustainability, including the European Green Deal, management of natural resources, resource efficiency and the Energy Union.

Labour market, education, health and social services

The TSI will support measures in 20 Member States, related to health and care systems, education, training and research, labour markets and social policies, and social welfare systems.

Financial sector and access to finance

The TSI will support measures in 25 Member States, related to sustainable financial markets development, digital finance, anti-money laundering, financial literacy and reinforcing financial stability.

Border and migration policies and capacity building to absorb Union funds in relation to RRF

The TSI will support measures in 8 Member States, related to general capacity building support for the implementation of the recovery and resilience plans and migration management, including measures on integration and inclusion, fighting discrimination and attracting international talent.

These above priorities for intervention are detailed in the following sections.

2.1. Public financial management and revenue administration

a) Priorities for the year

The Annual Sustainable Growth Strategy (ASGS) 2022 emphasises that a **growth-friendly composition of public finances** will be instrumental to enhance investment and support a fair, sustainable and inclusive recovery. The quality, composition and sustainability of public finances is important for ensuring macroeconomic stability and is a crucial element of Member States' fiscal policy.

Reforms are particularly important in the context of recovery from the COVID-19 pandemic induced downturn. To this end, the RRF highlighted that improving macroeconomic stability and enhancing public investment are core priorities to be addressed. Accordingly, a majority of national recovery and resilience plans contain a number of reform commitments in the area of budgetary and taxation policy. While the RRF provides for substantial temporary support, the ASGS 2022 also calls on Member States' national budgets to play their role in promoting investment by improving the **composition and quality of their public finances**, on both the expenditure and revenue sides. A sustained effort towards this ensures a persistent and sizeable increase in private and public investment, proportionate to economic, social and environmental needs.

In this context, based on Member States' requests, the TSI will provide technical support in the field of **public financial management**. With a focus on improving the efficiency, effectiveness and sustainability of public spending to create further fiscal space for green investments and sustainable infrastructure, the technical support will contribute to the Union's digital and green transitions.

Support will focus on enhancing the institutional and technical capacities for management of **public investments**, as well as **budget processes** allowing for an improved composition and efficiency of public expenditure *inter alia* through the use of **spending reviews**. Support in this area will also facilitate the integration of the “**do no significant harm**” (DNSH) **principle** into public financial management practices and thereby contribute to green transition in Member States. Moreover, support measures will entail incorporating a **gender equality** perspective to **public policy and budget processes**. With that, the TSI 2022 provides capacity to work towards the Union's priority of facilitating a fair society and a Union of Equality. Further, measures will contribute to Member States' reforms to improve practices in subnational government finances, including **fiscal decentralisation** reforms, in line with national reform priorities.

Support for transitioning to **accrual accounting** in the context of IPSAS/EPAS⁴ is a priority, as it will increase the financial transparency and comparability of financial reporting between and within Member States. Furthermore, this transition contributes to the Union's priorities of enhanced digitalisation of accounting practices as well as improved efficiency and effectiveness of financial reporting. A further priority area is enhancing the quality of **macroeconomic statistics** and improving the capacity of the national statistical authorities in line with the Union priority 'A Europe fit for the digital age', thus strengthening the Member States' administrative capacity to make better use of digital tools.

Another priority area for support is improving **macro-fiscal modelling** and building analytical Member States' capacities for medium-term **forecasting and policy impact assessment**. This will contribute in devising evidence-based policies and building capacity for effective monitoring of economic and fiscal policies, including the implementation of national recovery and resilience plans. This support will *inter alia* assess the economic and fiscal impact of green policies in line with the Fit for 55 Package.

The ASGS also emphasises the important role of **fair and efficient taxation** in a sustainable and inclusive recovery. Furthermore, the RRF calls for strengthening the administration of revenue, enhancing tax compliance and improving tax systems, including tackling aggressive tax planning. At a time when national administrations are striving to deliver more with less and need to meet the costs of the pandemic fairly and without harming the recovery, increasing tax compliance and pursuing a shift to socially fair environmental taxation is essential. Envisaged technical support is in line with the Union priorities 'Protecting our European way of life', 'An economy that works for people', 'A Europe fit for the digital age' and 'A European Green Deal'. It is furthermore in line with the Commission's 'Package for fair and simple taxation' and the new action plan for the EU Customs Union.

In this context, based on Member States' requests, the TSI will support measures to improve and rationalise **tax policy**, in particular through new or enhanced tax frameworks to ensure fair, efficient and sustainable taxation, and through improved policy instruments to assess the impact of existing tax policies and possible tax reforms, including environmental tax reforms.

The TSI will support measures to enhance **tax compliance**. This will assist tax authorities and taxpayers, more precisely through new approaches, methods and strategies aimed at increasing voluntary compliance, managing non-compliance, minimising tax compliance costs and contributing to a level playing field for businesses.

A further area of support relates to measures aimed at tackling **tax fraud and evasion** in line with Commission communications, such as "An action plan for fair and simple taxation supporting the recovery strategy"⁵ and "Business Taxation for the 21st Century"⁶. In this context, the TSI will continue to provide support to limit tax abuse, make better use of e-services, lower collection costs and administrative burden, and increase tax collection.

⁴ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52013DC0114&from=EN>.

⁵ https://ec.europa.eu/eurostat/documents/9101903/9823491/EPAS_Progress_Report_2019.pdf.

Communication from the Commission: Action Plan for Fair and Simple Taxation Supporting the Recovery Strategy, COM/2020/312 final.

⁶ Communication from the Commission: Business Taxation for the 21st Century, COM/2021/251 final.

The TSI will also support measures addressing **aggressive tax planning** in order to increase the effectiveness, efficiency and fairness of the tax system. The focus is on building the capacity of the administration in the field of international taxation, as well as on ensuring an effective and efficient exchange and usage of the tax information communicated between countries in the context of *inter alia* the Directives on Administrative Cooperation, which have a direct impact on the revenues.

The TSI will also support revenue administrations to design, develop and implement **reform strategies**. This will improve the efficiency and effectiveness of the national tax and customs authorities' core and supportive business functions. In particular, support for simplification, modernization, and green and digital transformation measures aim to improve compliance and induce higher revenue. Technical support will help to strengthen the EU Customs Union, by supporting the Commission policy initiatives that enhance the capacity and capabilities of the customs administrations in the EU Member States.

Technical support will also be provided in the field of **digitalisation of revenue authorities** in line with the European priorities related to digital transformation, such as 'Path to the Digital Decade'. Measures allow providing future-proof digital solutions, which ensure a long-lasting impact on state services and society.

b) Objectives pursued

The overarching objective is to improve the efficiency, effectiveness and sustainability of public spending and increase the quality of public finances, with a view to facilitate the digital and green transitions, and to contribute to the achievement of the targets proposed in the national recovery and resilience plans.

The measures provided under the TSI to support public financial management will aim at supporting **fiscal policies** towards the achievement of prudent medium-term fiscal positions and ensuring fiscal sustainability, including financial sustainability of the healthcare systems. Member States will be supported in improving the composition and quality of their public finances as well as for their budget preparation processes, particularly through measures aimed at enhancing **spending efficiency and allocation** between different layers of government, also ensuring transition towards **fiscal decentralisation** and better local financial management where needed, with the aim to ensure a more balanced territorial development, facilitate the implementation of bottom-up investment strategies designed at local level and increase cost-effectiveness also in a sectoral context.

In order to ensure sustainability in public spending, support will also be aimed at improving **public investment management**, in line with the RRF-related principle of "DNSH". This will contribute to climate mitigation supporting the green transition while contributing to the implementation of the RRF Regulation, as well as fulfilling the objectives of the Taxonomy Regulation. Moreover, fiscal sustainability will be achieved through measures taken to strengthen **macroeconomic and fiscal analysis and forecasting** by improving **economic modelling** capacities, also through enhancing the capacities of **independent fiscal institutions**. This will ultimately facilitate more informed decisions in the policy-making process. This goal will also be achieved through support for improving the quality and digitalisation of **national accounts**, with public accounting transitioning towards accrual accounting systems, in line with internationally accepted accounting practices and standards. Actions in this area will not only aim at improving accountability, transparency and decision-making processes, but also at ensuring the application of national budgetary laws.

Furthermore, digitalisation of processes in national accounts will also be pursued through measures for enhancing the quality and timely availability of **macroeconomic statistics**, which play a key role for the monitoring of macroeconomic and fiscal policies.

Finally, **mainstreaming gender** in public policy and budget processes, is another key objective. This objective will contribute to harmonization and effectiveness of gender-related policies across Member States.

The overarching objectives in the areas of **revenue administration and tax policy** are to boost tax collection, increase tax compliance and administrative cooperation across Member States while fighting tax fraud and evasion, ensure fair, simple and sustainable taxation, facilitate modernisation and digitalisation, and improve taxpayer services.

The **tax policy** support measures under the TSI will aim at designing tax reforms, including in the areas of **property and green taxation**, with the objectives to **tackle regional and local disparities** and **promote tax fairness**. Green tax reforms will be supported with the objective to introduce environmental considerations into the tax systems, with the aim to encourage the green transition, boost green investments and economic growth.

In the field of **revenue administration**, support will aim at simplifying, modernising and digitally transforming the way in which national and local authorities operate, also by strengthening analytics and developing data management in the field of tax administration and customs. Measures will be taken to improve **tax compliance**, with the objective to reduce compliance costs and administrative burden for both individual taxpayers and businesses through administrative simplification and digital transformation, whilst increasing performance of **tax audits**. At the same time, actions will be taken to tackle **tax evasion, tax avoidance and fraud**, particularly by building capacity of tax administrations to curb **aggressive tax planning**. To this end, support will also aim at fostering **information exchanges** between Member States, also to assess cross-border spill-over effects and profit-shifting. Finally, in the field of **customs**, actions will be taken to enhance customs capabilities, improve data management, enhance IT collaboration and step up customs innovation with the objective of advancing the green transition.

c) Expected results

The expected results in the field of **public financial management** are higher efficiency and quality of public spending, supported by an optimised reallocation of resources and impact of public investment, also taking into account goals related to recovery and resilience plans. In this context, the support will result in improved **fiscal sustainability** in the medium and long term, both at national and decentralised levels of public administration. The quality of public finances will also benefit from greater capacity of Member States to make better-informed decisions, based on enhanced **macroeconomic and fiscal analysis and forecasting** capacities. This will promote fiscal transparency and fiscal monitoring, as well as enhance the role of **independent fiscal institutions** to inform economic and budgetary decision-making processes. More informed spending decisions and evidence-based formulation of policies, e.g. informing climate mitigation actions, will also be the result of enhanced **macroeconomic modelling** capabilities. Moreover, support in the area of **public sector accounting** is expected to lead to an alignment with international good practices on accrual accounting, with a view to also improving accountability, transparency and decision-making processes, and paving the way for a transition to digital accounting and **government finance statistics**. Furthermore, the support will also benefit the budget preparation through **public investment**

management, which will be optimised also through the harmonisation with environmental principles directly linked to recovery and resilience plans. Finally, introducing support on **gender mainstreaming**, will result in more informed decision making and budget processes taking into account the “equality” dimension, a concept well integrated in the implementation of recovery and resilience plans and the European Semester dialogue.

The TSI support for **tax policy** is expected to result in well-designed tax reforms that will contribute to more coherent, environmentally friendly and fairer taxation. Support in the field of **revenue administration** is expected to result in less burdensome and less costly **tax compliance** mechanisms and higher revenues, improved effectiveness of tax and customs administrations and processes also through digitalization, and increased transparency for taxpayers. In addition, benefits include enhanced **information and data exchange** mechanisms, including cross-border, which is also expected to reduce **tax avoidance, evasion and fraud**, as well as curb **aggressive tax planning**. Finally, in the field of **Customs**, actions are expected to result in enhanced customs-specific IT capabilities, notably advancing the green transition.

2.2. Governance and public administration

a) Priorities for the year

Based on the requests from Member States, TSI support for **governance** will focus on better coordinating the work across ministries, in particular work related to the monitoring, coordination and implementation of reforms, as well as the supervision and implementation of EU-related priorities. Support funded under the TSI will focus on helping the Member States to improve the quality of public administrations at all levels of government (central, regional and local) and strengthen the coordination of competencies within the different levels and with other government institutions and other countries. Additionally, the support will also focus on setting up governance platforms for delivering the sustainable development goals and increasing absorption rates of EU funds.

The support further includes work on evidence-informed policymaking, strategic foresight and better regulation, strategic policymaking, the modernisation of organisational structures, a focus on results and on client-oriented services, inclusiveness and transparency as well as work on organisational changes as well as the quality of human resources and their improved management. Additionally, it also includes support for civil protection and crisis preparedness, specifically addressing lessons from the COVID-19 pandemic, and general capacity-building actions.

Actions to improve the fight against **fraud and corruption** will address in particular:

- support for the design, improvement - where relevant - and implementation of national anti-corruption strategies and action plans;
- the development of monitoring methodologies to assess implementation of anti-corruption actions;
- the design or improvement of integrity frameworks including review of integrity legislation;
- the setting up of integrity standards;
- improved supervision and auditing of the work performed by State entities; and
- closer coordination and cooperation among national authorities.

The professionalisation of **public procurement** is one of the key priorities of the EU Directives on public contracts and concessions⁷. Support is to be provided to identify areas for improvement, enhance national administrative capacities, introduce innovative procurement practices, such as digital tools and innovation for public procurement. In addition, support will be provided to improve the efficiency, transparency, and competitiveness of public procurement markets, as well as to increase controls frameworks.

A large number of the requests received from Member States include a **digital** or ICT component to enable the transformation of public administrations. Funding for eGovernment / digital public administration will therefore support enabling actions for the successful implementation of national digital strategies, including the Member States' strategies to consolidate ICT systems and processes. Support will also help national administrations to

⁷ Directive 2014/23/EU of the European Parliament and of the Council of 26 February 2014 on the award of concession contracts, OJ L 94, p. 1; Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC, OJ L 94, p. 65; Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC, OJ L 94, p. 243.

assess the operational benefits of adopting new technologies in the administration. The EU eGovernment action plan 2016-2020⁸ refers to guiding principles and a number of actions to accelerate the digital transformation of public administrations and, supported by the new European interoperability framework⁹, provides important guidance to live up to the vision of the eGovernment Action Plan 2016-2020 to become open, efficient and inclusive, providing borderless interoperable, personalised, user-friendly, end-to-end digital public services to all citizens and businesses in the EU. In the Tallinn Declaration on eGovernment¹⁰ and the Berlin Declaration on Digital Society and Value-based Digital Government¹¹ Member States have endorsed the vision and principles of the eGovernment Action Plan 2016-2020 and have emphasized the importance of digital public services that are user-centric, inclusive and that respect the rights, needs and preferences of citizens. Support will develop digital administration as a vehicle for recovery from the COVID-19 crisis. Member States will be supported in the implementation of specific components of the recovery and resilience plans, and particularly the flagship ‘Modernise’, which addresses the digitalisation of public administration and services. Also, Member States will be supported in the implementation of European principles and reaching targets for the digitalisation of digital public services for the coming years.

Effective justice systems support economic growth and safeguard fundamental rights. Support for **justice systems** will focus on four strands: 1) enhancing the efficiency of national justice systems, including for the development and provision of e-justice systems and services; 2) improving the quality of national justice systems with a focus on inclusion, the development of friendly justice systems, as well as improving the fight against trafficking in human beings; 3) enhancing the independence of the judiciary; and 4) improve access to information.

Support will be provided for the **implementation of Union funds and programmes**, with a focus on national authorities’ administrative capacity to make the best and timely use of the programmes and funds. In addition, support will also be given to national authorities to improve their management and control systems related to the use of EU funds, for example through the use of new technologies such as AI.

Coordination in the area of public administration and good governance will be enhanced and further developed. Support will increase and consolidate the knowledge on public administrations in the Member States and will develop assessment tools to identify areas of improvement. This work will be completed with analysis, studies and the development of communication while building European stakeholders’ greater awareness in this domain. Support will also cover the development of networks to foster mutual learning.

b) Objectives pursued

8 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: EU eGovernment Action Plan 2016-2020 Accelerating the digital transformation of government, COM(2016) 179 final.

9 Communication from the Commission to the European Parliament, the Council, the European Economic Social Committee and the Committee of the Regions: European Interoperability Framework - Implementation Strategy, COM(2017) 134 final.

10 <https://ec.europa.eu/digital-single-market/en/news/ministerial-declaration-egovernment-tallinn-declaration>.

11 <https://ec.europa.eu/digital-single-market/en/news/berlin-declaration-digital-society-and-value-based-digital-government>.

On **governance**, the Commission aims to help Member States improve the functioning of their administrations in terms of the value-for-money and quality of public services, including the achievement of sustainable development goals and their specific national agendas in line with the European Semester process and country-specific recommendations (CSR). The objectives pursued include:

- development of user-centric and efficient administrative processes;
- improvement of the quality of policymaking and better regulation;
- enhanced strategic, evidence-informed and data-driven policymaking as well as monitoring, and results and outcomes orientation;
- enhanced capacity to foster innovation, capacity building and improvement in the quality of human resources and their management;
- development and standardisation of internal audit and internal control (including performance-based audit);
- enhancement of effective coordination mechanisms in and between different government institutions and levels of government (central, regional and local); better management and control of public sector organisations;
- enhanced civil protection and crisis preparedness, including in the context of the ongoing COVID-19 pandemic;
- improvement of the supervision and monitoring of administrative processes, policies as well as the efficiency and performance of structures; and
- effective communication on the overall objectives and design of reforms and the supervision of their implementation.

The objectives of support measures for **anti-corruption** strategies include better implementation of anti-corruption action plans, closer national coordination and cooperation, and improved risk-assessment processes, as well as financial control and auditing.

The measures supporting **the fight against fraud** aim to help relevant stakeholders increase their capacity to manage risks and find operational solutions.

Support for **procurement** aims to map the current situation in terms of resources and processes, identifying weaknesses, exchanging best practices and providing recommendations for the improvement, efficiency, transparency, and competitiveness of national public procurement systems, with a focus on the use of digital tools, social and green procurement.

Support measures for **eGovernment and digital public administration** aim to enhance Member States' capacity to accelerate the digital transformation of public administrations by building on the expertise of more developed public administrations and institutions. In particular, this will be done by implementing the vision¹² and guiding principles¹³ of the eGovernment Action Plan 2016-2020 and taking advantage of solutions developed by the Connecting Europe Facility (CEF) programme¹⁴ and the Interoperability solutions for public

12 Public administrations and public institutions in the European Union should be open, efficient and inclusive, providing borderless, personalised, user-friendly, end-to-end digital public services to all citizens and businesses in the EU. Innovative approaches are used to design and deliver better services in line with the needs and demands of citizens and businesses. Public administrations use the opportunities offered by the new digital environment to facilitate their interactions with stakeholders and with each other.

13 Digital by Default; Once only principle; Inclusiveness and accessibility; Openness & transparency; Cross-border by default; Interoperability by default; Trustworthiness & Security.

14 <https://ec.europa.eu/digital-single-market/en/connecting-europe-facility>.

administrations (ISA²) programme¹⁵, as well as by helping Member States introduce advanced digital technologies (for example, artificial intelligence and blockchain) and digital policies (data sharing¹⁶, data protection, cybercrime etc.). Measures should furthermore support Member States' efforts to implement the once-only principle across sectors and at all levels of administration, including the implementation of the once-only principle across borders following article 14 of the Single Digital Gateway Regulation¹⁷. This should help Member States to reduce the administrative burden on citizens/businesses and to better deliver on public administration modernisation efforts, by offering a responsive and high quality ICT function. The consolidation of an ICT function and ICT infrastructure can lead not only to lower operating costs but, more importantly, to better ICT systems for civil servants and ultimately, better services for citizens, responding to their needs and preferences. To achieve this, support could be given to Member States to provide more human-centric digital public services, respecting the rights, preferences and needs of citizens. Digital public services should be personalised or proactive if possible. Support could also be given to Member States to provide more inclusive digital public services, responding to the needs of vulnerable groups, such as individuals with disabilities. Building on the Annex of the Tallinn Declaration on eGovernment, support could also help Member States to provide more user-centric digital public services, including by engaging citizens in the creation of digital public services, or by providing mobile digital public services. A consolidated ICT function in the public administration also paves the way for taking advantage of technological innovations. Support could also be given to help public administrations use novel technologies (e.g. cloud, AI) to improve digital public services and decision-making in public sector.

Furthermore, the support will aim to help advance the design and provision of digital services to individuals and businesses in accordance with the vision, principles and actions of the eGovernment action plan 2016-2020¹⁸, as well as the objectives and user-centricity principles of the Tallinn Declaration on eGovernment¹⁹, the Berlin Declaration on Digital Society and Value-based Digital Government²⁰ and the Lisbon Declaration on Digital Democracy with a Purpose²¹.

Support will also help achieve the vision and targets of the Digital Decade²², in line with the Communication '2030 Digital Compass: the European way for the Digital Decade'.

Moreover, Member States could be supported in the development and implementation of (cross-border) eIDs and trust services, in line with the revised European framework.

Support measures for **justice systems** aim in particular at: a) enhancing the efficiency and transparency of the justice systems of Member States, e.g. by reducing the backlogs of cases,

15 It supports the development of digital solutions that enable public administrations, businesses and citizens in Europe to benefit from interoperable cross-border and cross-sector public services. Further information is available at: https://ec.europa.eu/isa2/home_en.

16 In particular with reference to the provisions of Directive (EU) 2019/1024 of the European Parliament and of the Council of 20 June 2019 on open data and the re-use of public sector information and its implementing Regulation on High Value Datasets.

17 Single Digital Gateway Regulation,
<https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32018R1724&from=EN>.

18 <https://ec.europa.eu/digital-single-market/en/european-egovernment-action-plan-2016-2020>.

19 <https://ec.europa.eu/digital-single-market/en/news/ministerial-declaration-egovernment-tallinn-declaration>.

20 <https://ec.europa.eu/digital-single-market/en/news/berlin-declaration-digital-society-and-value-based-digital-government>.

21 <https://www.lisbondeclaration.eu/>

22 <https://digital-strategy.ec.europa.eu/en/policies/europes-digital-decade>

improving the administration of courts, harmonising the sentencing of criminal proceedings; b) increasing the quality of justice systems, notably by improving the implementation of e-justice systems²³ and the operational capacity of judges and court staff through training and professional development schemes and by improving the quality of treatment of victims and the creation of adapted structures and services; and c) strengthening the independence of justice systems, e.g. by putting in place performance assessment tools, integrity checks and better selection procedures for court staff and judges. In addition, support also aims at accommodating the needs of vulnerable individuals so they can better access the justice system.

The support measures for the **implementation of Union funds and programmes** aim to help the relevant national authorities improve the way in which they manage the funds and programmes – this also includes the management and control systems related to the use of EU funds.

The support for public administration and better governance will aim at achieving a better synergy between the various initiatives in this domain. It will also consolidate and further develop country and thematic knowledge on the topic and ensure that the respective initiatives are of good quality. The support should also stimulate a more targeted dialogue with and between Member States on public administration and good governance so they can learn from one another and transfer knowledge and promote common principles, values and good practice.

c) Expected results

The technical support is expected to help improve the quality of the work on **public administration**, focusing, for example, on a modernised human resources policy, greater efficiency, sustainability, better accountability and innovation of public management, as well as a reduced administrative burden for citizens and business, and a better impact of public policies and investment. Better coordination of public-sector entities, better quality legislation and a focus on better accessibility should, in turn, result in providing better services for citizens and businesses. Overall, the support is expected to contribute to better management at all levels of government and in the wider public sector.

In the **fight against corruption**, the support measures are expected to raise awareness among public and private sector organisations and increase the capacity to prevent, investigate and prosecute corruption. The measures are also expected to support the development of strategic frameworks, rules, methodologies and systems to instil greater integrity, detect and limit cases of corruption and fraud and improve the quality²⁴ of cooperation between the relevant entities at national and European levels.

The support for **procurement** is expected to increase the capacity of national contracting authorities to prepare, launch and monitor sound, transparent and competitive tendering

23 Also by taking advantage of solutions developed by the CEF programme in accordance with the strategy on European e-Justice and the multiannual European e-Justice action plan, such as the interconnection of national registers/databases towards increased transparency and efficient access to justice, or digitisation of certain judicial proceedings via e-CODEX, the e-Evidence Digital Exchange System. For further details see: <https://ec.europa.eu/cefdigital/wiki/display/CEFDIGITAL/European+e-Justice+Portal>.

24 Regulation (EU) 2021/694 of the European Parliament and of the Council of 29 April 2021 establishing the Digital Europe Programme and repealing Decision (EU) 2015/2240, OJ L 166.

procedures, possibly leading to better implementation of the relevant EU legislative framework. In particular, national public procurement experts should be in a position to design tendering procedures in a more strategic, but also sound and transparent, way. In addition to the above, they should be able to better deliver more specific and relevant dimensions of procurement, such as R&D, green or social procurement. National public procurement experts are invited to take advantage of the eProcurement infrastructure developed by the CEF programme²⁵ that provides for alignment with the Public Procurement Directives.

The support measures for **e-Government/digital public administration** are expected to help improve the ICT maturity of Member States, enabling them to deliver better digital public services to citizens and businesses²⁶ and to deploy suitable back-office solutions supporting a transformed and efficient public service. The support measures will also contribute to Member States' readiness to provide services on the EU Single Digital Gateway and prepare the implementation of the Once-Only Principle. The support measures for eID/trust services will contribute to timely implementation of the Wallet and its integration with existing Identity means, schemes and trust frameworks. This will support the adoption of citizen-centric identity schemes that put citizen in control of their data through privacy-by-design (promoting European values). Furthermore, the measures will help achieve the Digital Decade target of 80% of European citizens using a digital identity by 2030, allowing the public and private sector take advantage of the exchange of digital identity attributes across borders, such as proof of age and ushering in a new wave of digital services.

The support measures for **justice systems** are expected to help improve the functioning of justice systems, e.g. through measures that make justice systems more efficient and transparent, in particular by helping to build the capacity of judicial institutions and better implement e-justice systems and services. The support is also expected to help improve the quality of the work of the judges and court staff and strengthen the independence of justice systems. Finally, support should also help in achieving specific goals, in particular the protection of victims, and of vulnerable individuals and populations.

Some measures in these areas could contribute to a better implementation and performance of **EU funds and programmes**.

The support provided for public administration and good governance should help improve the quality of public administration in Member States and strengthen the capacity for coordination between ministries and the various levels of administration. This work should contribute to better quality both in the design and implementation of public policies in Member States.

2.3. Sustainable growth and business environment

a. Priorities for the year

The EU has put forward an ambitious policy agenda to steer a sustainable, fair and inclusive recovery and to make the EU's economy more resilient to future shocks, while transforming our economies and societies in line with the ambition of the twin transitions. The Annual

²⁵ <https://ec.europa.eu/cefdigital/wiki/display/CEFDIGITAL/eProcurement>.

²⁶ For example, e-services that are open, efficient and inclusive, borderless, interoperable, personalised, user-friendly and end-to-end.

Sustainable Growth Survey (ASGS) 2022 continues to focus on the four complementary dimensions of the EU's competitive sustainability's agenda, i.e. on reforms that increase environmental sustainability, productivity growth, fairness and macro-economic stability while mitigating the socio-economic impact of the pandemic and laying the ground for a sustained recovery. These dimensions, which are closely interrelated and should be mutually reinforcing, have guided the Member States' reform and investment agendas over the past years and feature prominently among the objectives of the RRF.

In the area of **competitiveness**, Member States have prioritised in their requests structural reforms aimed at sustainable recovery, improving the business environment, increasing productivity and stimulating innovation.

A major priority is building a more sustainable, resilient and digital tourism ecosystem in the EU. The COVID-19 pandemic had a severe impact on the tourism economy and the need for action has been recognised by the Member States.²⁷

Member States have also prioritised the need to promote future-proof clean and smart mobility technologies, in line with the European flagship Recharge and Refuel and the Sustainable and Smart Mobility Strategy,²⁸ including through the development of railway solutions for public and freight transport and optimising ports governance.

Furthermore, the priorities for technical support focus on strengthening national productivity, digitalising processes to the benefit of businesses, improving the functioning of the goods and services markets, building public-private partnerships and better governance of state-owned enterprises. Other priorities include addressing supply chain disruptions, circular economy challenges, strengthening of the industrial clusters, increasing the efficiency of the research and innovation ecosystems, including for agro-food industry, as well as promoting gender mainstreaming in businesses. These requests are also in line with strategic EU policy priorities, such as the RRF, the Single Market Strategy,²⁹ the Digital Compass³⁰ and the Better Regulation agenda,³¹ the new European Industrial Strategy,³² as well as with the country-specific recommendations under the European Semester.

The agenda of the European Green Deal³³ continues to be at the forefront of EU priorities. This agenda is essential to reach the EU objective of climate neutrality by 2050, and implement a green transition. The 2022 ASGS emphasises the need to support the policy agenda with action: *"The Commission has put forward an ambitious green reform agenda, which now needs to be implemented swiftly. We should use the period ahead to enable the necessary reforms and investments to decarbonise the EU economy and to ensure a socially fair green transition. The European Green Deal, and in particular the Fit for 55 package, is laying the building blocks for the EU economy of tomorrow."* Key issues highlighted in the

²⁷ Council conclusions on "Tourism in Europe for the next decade: sustainable, resilient, digital, global and social", 27 May 2021.

²⁸ Communication from the Commission on Sustainable and Smart Mobility Strategy – putting European transport on track for the future, COM(2020)789.

²⁹ Communication from the Commission on upgrading the Single Market: more opportunities for people and business COM(2015/0550) and Long term action plan for better implementation and enforcement of single market rules COM(2020)94.

³⁰ Commission Communication, 2030 Digital Compass: the European way for the Digital Decade, COM(2021)118.

³¹ Communication from the European Commission on Better Regulation: Joining forces to make better laws, COM(2021)219 final.

³² Communication from the Commission on the European Industrial Strategy, COM(2021)350.

³³ Communication from the Commission on the European Green Deal, COM(2019)640.

ASGS include climate and energy, the renovation wave, offshore renewable energy and circular economy. Reforms and investments related to the implementation of the national recovery and resilience plans will play a key role in delivering this transition.

In line with these EU priorities, and based on the requests from the Member States, in the area of **sustainability**, the TSI 2022 will focus on delivering the agenda of the European Green Deal. This will include support to climate and energy policies, such as the implementation of the renovation wave, the development of renewable energy and decentralised energy production (including offshore renewable energy). The focus will be also on well-functioning energy markets and support to achieving carbon neutrality. Major priorities include just transition, climate adaptation and response to climate disasters, climate mitigation, biodiversity and blue economy. Other priorities cover sustainable development policies, including the implementation of the Sustainable Development Goals, as well as improving the security of supply of critical raw materials, adopting a circular approach, better and more sustainable water, waste and chemicals management.

b. Objectives pursued

In the area of competitiveness, the technical support will address the sustainable recovery of tourism and build economic resilience of businesses, particularly SMEs, e.g. by promoting better data governance, development of tools for greening and digitalising of tourism and improved destination management. Technical support aims to help Member States in their reform efforts to accelerate the deployment of sustainable, accessible and smart transport, with zero and low emission vehicles, charging and refuelling stations, stronger, more extensive and better-interconnected public transport, including rail and active mobility options.

Furthermore, the measures put in place under the TSI 2022 aim to help Member States in their efforts to understand and improve business environment and economic productivity, boost long-term competitiveness and ensure sustained economic growth while also promoting gender balance in businesses. Measures are foreseen to support Member States towards developing capacities to gather reliable and comparable data for the elaboration of evidence informed productivity enhancing reforms as well as prepare and launch sound public-private partnerships. The technical support will target national reform policies to accelerate the digital transition in various sectors, including digital innovation, the efficiency of strategic research and innovation, including agro-food research. Other objectives comprise: simplifying licensing procedures and building resilient supply chains, improve the safety and security of ports and strengthening risk management in state-owned enterprises.

In the area of **sustainability**, the overarching objective is to enable Member States to put in place reforms supporting the European Green Deal agenda and contributing to our objective of climate neutrality by 2050 and to sustainable development in general.

This includes in particular supporting reforms in the climate and energy sector: the support will aim at removing barriers to the implementation of the renovation wave, including on public buildings and the reduction of energy poverty; supporting the development of renewable energy and decentralised energy production (including offshore renewable energy). The objective is to define strategies to achieve carbon neutrality by 2050, to improve the functioning of the energy markets, to define climate adaptation policies, including as a response to climate related disasters. Another objective is to help with the implementation of a just transition in Member States, through a smooth implementation of the Just Transition Mechanism and support to regions and sectors not covered by this mechanism.

In addition, technical support will aim to promote the security of supply of critical raw materials, developing circular economy, waste management, twin (green and digital) transition for the blue economy (maritime, fisheries and aquaculture sectors), digitalisation of the environment permitting, efficient and sustainable water supply, and the implementation of Sustainable Development Goals. It will also aim to help improve biodiversity protection, and implement a framework for a safe and sustainable use of chemicals.

c. Expected results

In the area of **competitiveness**, the support measures are expected to contribute to the efforts of the national authorities towards building sustainable, resilient and digital tourism ecosystem. It is expected that the TSI 2022 will contribute towards promoting the use of digital tools and processes and building capacity to launch and manage public private partnerships as well as towards the management of state owned enterprises and improving the efficiency of public spending. In addition, the different support measures are expected to, inter alia, underpin the reform efforts in the Member States, namely to promote research and innovation, including in the area of agro food, to improve the business environment, through the reduction of red tape for setting up and operating of businesses, as well as better management of product data. Furthermore, the support measures are expected to help Member States develop data-based policy making and productivity strategies, help promote (social and inclusive) entrepreneurship, through concrete measures to ensure gender equality in businesses, foster the development of resilient supply chains and safer infrastructures, as well as encourage clean mobility and smart/shared transport solutions, thus contributing towards making cities and regions cleaner and reaching the 2050 climate neutrality objective.

In the area of **sustainability**, it is expected that technical support will help improve Member States' preparedness to reach climate and energy objectives, in particular climate neutrality by 2050. This will include, for example, improved implementation and effectiveness in climate and energy policies, resulting in an increased building renovation rate, an increased deployment of renewable energy and decentralised energy production (including offshore renewable energy), better functioning energy markets, decarbonisation and an increased capacity to adapt to climate change and provide civil protection. It is expected, that the Member States will make advances towards a fairer climate transition, both in territories covered by the Just Transition Mechanism, as well as in other territories and sectors. The support measures are expected to help Member States be better prepared to implement the Sustainable Development Goals, protect biodiversity, develop a secure and sustainable supply of resource, including raw materials, as well as waste management, provide a framework for a safe and sustainable use of chemicals. They will also contribute to improved water management and will support the twin (green and digital) transition for the blue economy, while digitalising licencing environmental permitting and protecting biodiversity.

2.4. Labour market, education, health and social services

a) Priorities for the year

In order to better support Member States priorities while also advancing the Commission priorities, two Flagship technical support projects will provide support to various Member States for the implementation of the Council Recommendation on the European Child Guarantee and on Digital skills for the health and care sector respectively. In addition, several

support measures will support Member States with the implementation of specific milestones and targets included in their recovery and resilience plans.

Based on the requests from Member States, the TSI will support structural reforms in the **area of health**. In the context of the ongoing COVID-19 pandemic, the Commission has continued to take steps to reinforce an EU-coordinated response to the pandemic. The 2021 European Semester Annual Sustainable Growth Strategy (ASGS) emphasized the need to strengthen the preparedness and resilience of national health systems and the equal access to affordable and quality health care and long-term care. The 2021 Country Health Profiles focus on three aspects of relevance to assess European health systems' resilience in the face of the COVID-19 pandemic: i) understanding the far-reaching health impacts of the COVID-19 pandemic, ii) locking in the advantages of digital innovation in healthcare delivery and public health and iii) rethinking health workforce strategies and planning after the COVID-19 pandemic.

The health sector is in the midst of a digital transformation. The COVID-19 pandemic has more than ever demonstrated the value of digital tools and services. Digital health is a quickly growing sector and a highly skilled health and care workforce is needed to support the digital transformation. Digital skills in the health sector touch upon competences e.g. in the fields of health, education, employment, research, data security, ethics. It is therefore essential to support Member States' efforts to upskill the health workforce in order to prepare health professionals for a wide spread use of digital infrastructure. The TSI will assist Member States in setting and implementing national and/or regional strategies on digital skills for the health workforce.

The EU4Health programme³⁴ and the RRF contribute significantly to increasing the resilience of healthcare systems. However, given the demographic trends in the Union and the rising of multi-morbidity and chronic diseases, health-care costs are rising across the Union. The Council conclusions on strengthening the European Health Union of December 2021 invite the Commission to explore the provision of an advisory service with a single point of access to assist Member States in making a better use of EU funds. The TSI will support exploring more sustainable public investments, including through capacity building, and the establishment of a health resource hub, which would enable a more strategic use of EU and national funds to foster innovative large-scale health system transformation.

In addition, the Commission is focusing on priorities such as improving the quality of health services and access to primary care, and a better coordination of health authorities and health facilities between the national and regional/local level.

Based on the Member State requests, the TSI will support reforms in **skills, education and training (including VET and adult learning)**. Access to quality and inclusive education, training and lifelong learning is a right for all citizens, as enshrined within the European Pillar of Social Rights. The COVID-19 pandemic has highlighted the need to improve continuous learning and enhancing skills, in particular digital skills, in order to improve citizens' employment prospects in the context of recovery from the pandemic, and to enable access to online services, as well as participation in society and the cultural life. The European Education Area³⁵ sets several strategic priorities: 1) improving quality, equity, inclusion and success for all in education and training; 2) making lifelong learning and mobility a reality for

³⁴ [EU4Health 2021-2027 – a vision for a healthier European Union \(europa.eu\)](#).

³⁵ Council Resolution on a strategic framework for European cooperation in education and training towards the European Education Area and beyond (2021-2030) 2021/C 66/01.

all; 3) enhancing competences and motivation in the education profession; 4) reinforcing European higher education; and 5) supporting the green and digital transitions in and through education and training. The European Skills Agenda and the Digital Education action plan (2021-2027) also reiterate the crucial role that skills, including digital and green skills, play in building competitiveness, cohesion and innovation. The 2030 Digital Compass³⁶ aims at 80% of the population being able to use digital ID solutions by 2030. The European Pillar of Social Rights Action Plan³⁷ indicates that, by 2030, at least 60% of all adults should participate in learning activities every year.

In line with these political priorities, the TSI will provide support to Member States to: (i) increase the effectiveness, efficiency and the relevance of education and lifelong learning system for the labour market, including by setting up systems for the validation of non-formal and informal learning for adults education; (ii) design, implement, monitor and evaluate national education and skills strategies and action plans, including governance and funding mechanisms; (iii) support the implementation of legal frameworks and reforms on inclusive education and on continuous teachers training through programmes at national and regional/local level, including mechanisms for quality assurance, governance and monitoring; (iv) support the design of forecasting tools for teacher recruitment; (v) promote cooperation on digital and cybersecurity education; (vi) enhance the digital capabilities of elderly; and (vii) design and implement individual learning accounts.

The ongoing COVID-19 pandemic had a profound and measurable impact on employment and social outcomes, though this impact was mitigated by decisive policies taken by Member States. As the recovery sets in, it is important for Member States to continue implementing policies that enhance the resilience of European labour markets and the adequacy of social protection systems, with a particular focus on people in vulnerable labour market and social situations, while facilitating labour market transitions to the digital and sustainable economy. This need to step up efforts in the area of labour market and social protection is reflected prominently in the national recovery and resilience plans.

Technical support requests from Member States in the field of **labour market reforms** are directly linked to these challenges. Most prominently, over the next financial year, the TSI will support reforms aimed at strengthening the effectiveness and efficiency of public employment services; and implementing more targeted active labour market policies.

In the field of **social security and social welfare**, the European Pillar of Social Rights calls for measures to strengthen the adequacy and coverage of social protection systems in order to ensure access to essential services and benefits to all.

In March 2021, the Commission adopted the EU Strategy on the Rights of the Child and a proposal on the European Child Guarantee.³⁸ These initiatives aim to better protect all children, to help them fulfil their rights and to place them right at the centre of EU policy making. In June 2021, the Council adopted a Recommendation on a European Child Guarantee, which proposes the creation of a policy framework to combat the social exclusion of children and guarantee access to essential services.

The TSI will support reforms aimed at: (i) implementing the European Child Guarantee; (ii) enhancing the administrative capacity of social security and social welfare organisations at

³⁶ [Europe's Digital Decade: digital targets for 2030 | European Commission \(europa.eu\).](#)

³⁷ [The European Pillar of Social Rights Action Plan | European Commission \(europa.eu\).](#)

³⁸ [The EU Strategy on the Rights of the Child and the European Child Guarantee | European Commission \(europa.eu\).](#)

national and sub-national level; and (iii) improving the adequacy of social protection systems, including pension systems. In line with the European Disability Rights Strategy for 2021-2030,³⁹ technical support will be provided to de-institutionalise care provision for people with disabilities, including children, in favour of home-care and community-based care alternatives.

The actions for supporting the **implementation of the European Child Guarantee** in the Member States will focus on:

- combatting disparities in access to inclusive education, including fighting school segregation;
- assistance for the implementation of specific digital tools aimed at supporting children with special needs;
- early childhood education and care;
- designing of monitoring mechanisms for poverty and social inclusion and strengthening the capacity of the national and regional/local authorities for planning and implementation of social protection policies that target child poverty and exclusion, and enhancing the quality of delivery of social services;
- designing and implementing data collection mechanisms on children's rights situation, and the establishment of Child Consultation mechanisms;
- designing assessment tools to determine the impact of existing measures on children and young people and support for refining the current policy framework and its implementation;
- preventing child obesity; and
- developing legislative and non-legislative measures for assuring a "child-first" approach for inclusion of children with disabilities in substitute care.

Overall, the measures selected for funding will therefore provide support across different social and labour market policy areas, in accordance with Union priorities and in view of addressing the most pressing societal issues faced by Member States.

b) Objectives pursued

The support measures for **health** aim to improve the ability of Member States to improve the crisis preparedness and resilience of their health systems, and to support more effective and more integrated ways of delivering healthcare services. The specific objectives of support measures are to:

- enhance the digital skills of the various categories of professionals from the health and care sectors,
- enhance the governance, planning, monitoring and evaluation capacity of health systems of the Ministries of Health and associated public entities in the areas of eHealth, emergency medicine, health system performance assessment, health technology assessment and long-term care,
- improve the efficiency of health systems through more effective clinical governance, costing and payment models, and use of human resources,
- improve access to and the quality of eHealth, medicines, long-term care services, personalised medicine, cancer prevention and care, and

³⁹ Communication from the Commission Union of Equality: Strategy for the Rights of Persons with Disabilities 2021-2030, COM/2021/101 final.

- ensure sustainable public investments in health systems through designing a concept for a Health Hub.

The envisaged support measures for **skills, education and training** will help Member States improve the quality, relevance, inclusiveness, efficiency and sustainability of their skills (including digital ones), education and training systems, in line with national objectives and EU targets. More specifically, they aim to:

- increase the effectiveness, efficiency and relevance of education and lifelong learning systems for the labour market,
- facilitate the introduction of Individual learning accounts (ILAs),
- set up systems for the validation of non-formal and informal learning for adults education,
- provide support in designing, implementing, monitoring and evaluating national skills and education strategies and action plans, including governance and funding mechanisms (such as, for example, in the area of upskilling and reskilling the workforce, harmonizing the framework conditions for staff in early childhood education and care),
- support the review and implementation of legal frameworks and reforms on inclusive education, quality assurance, governance and monitoring (including at regional level),
- efficient implementation of programmes for the continuous training of teachers at national and regional level, as well as the design of forecasting tools for teacher recruitment, and
- promote cooperation on digital and cybersecurity education, support the implementation of digital tools in support of children with disabilities and enhance the digital capabilities of elderly.

The support measures under the TSI for **labour market policies** aim at fostering Member States' labour market resilience by providing relevant and adequate active labour market policies as well as complementary support services to unemployed and inactive people, including by taking the regional and local context into account. The TSI support measures also aim at contributing to improving the administrative and analytical capacities of labour market administrations.

The support measures in the area of **social protection and social welfare** aim at helping Member States to:

- address the social and/or labour market exclusion of vulnerable populations, including children, the elderly, ethnic minorities, people with a migrant background, people living in informal settlements, as well as people with disabilities and long-term care needs,
- design of benefits, services and other social protection schemes, and review the effectiveness and efficiency of existing ones,
- modernise their administration and provision, and
- support the implementation of the European Child Guarantee.

Across the different labour market and social policy fields, support measures will focus on the review and integration of IT systems and databases and the provision of e-services to citizens and the collection and processing of administrative data as well as the strengthening of analytical capacities to design, implement, monitor and evaluate policies.

c) Expected results

In the area of **health**, the measures are expected to contribute to: (i) the provision of strategic and operational tools for the governance, planning, monitoring and evaluation of health system resources in the areas of eHealth, emergency medicine, health system performance assessment, health technology assessment, cancer prevention and long-term care; (ii) the development and implementation of tools for improving the skills and expertise of the health workforce; (iii) recommendations and tools for improving the accessibility of healthcare and public health, and the effectiveness of payment models; (iv) the design and implementation of effective and efficient care delivery models, including recommendation on the reorganisation of primary health care; (v) the development and implementation of tools for improving the skills and expertise of the health workforce; and (vi) the design of a concept for an EU Health Resources Hub, which would be a one-stop-shop for linking all available EU resources and expertise to foster innovative large-scale health system transformation.

The support measures in the areas of **skills, education and training** are expected to contribute to increasing the quality, relevance and inclusiveness of education and training in the context of the recovery from the COVID-19 pandemic and the green and digital transition.

Support measures should contribute to: (i) enhanced effectiveness, efficiency and relevance of education and lifelong learning systems for the labour market, including validation systems of non-formal and informal learning for adult education; (ii) improved design and implementation of education and skills strategies and action plans, including governance and funding arrangements; (iii) improved legal frameworks and more effective measures on inclusive education and continuous training for teachers; (iv) efficient forecasting tools for teachers recruitment; (v) enhanced cooperation on digital and cybersecurity education, a widespread use of digital tools to support children with disabilities, and enhanced digital capabilities of elderly; (vi) design and implementation of individual learning accounts.

The support measures related to the implementation of the **European Child Guarantee** will improve educational, social and health outcomes for children experiencing specific disadvantages such as minority ethnic origin children, children with disabilities, children in institutional, care, and children in precarious family situation.

The different measures supporting **labour market policies** are expected to help improve the quality of and better target ALMP measures, including through innovative, digital solutions. The support measures should help increase the competent authorities' administrative and analytical capacity in this area, including through: (i) the systematic collection of data needed for policy design purposes; (ii) new IT systems and platforms; and (iii) analytical tools to assess and anticipate labour market developments and profiling of job seekers.

The support measures for **social protection and social welfare** should increase the competent authorities' capacity to prepare, monitor, and evaluate reforms of social policies and programmes. They should contribute to more integrated data collection, stronger analytical capacities and a more integrated administration and provision of benefits and services across various levels of government. The support measures are also expected to strengthen the capacity of the competent authorities to deliver social protection benefits and services, especially to the most vulnerable populations such as, for example, children, the unemployed, the elderly, ethnic minorities, people with a migrant background, people living in informal settlements, as well as people with disabilities and long-term care needs. By developing digital skills and the digital mindset of the providers of social services, the support measures should enable a swifter and better access of citizens to social services.

2.5 Financial sector and access to finance

a) Priorities for the year

The **digitalisation of financial markets** provides sustainable growth opportunities for the future. The importance of ICT solutions in daily functions and operations of the financial sector means that there is an increasing reliance on their continued availability and integrity. Member States across the EU are seeking to make financial services more digital-friendly and to stimulate responsible innovation and safe and competitive financial services within the EU, in line with the objectives of the Commission's **Digital Finance Strategy**,⁴⁰ adopted in 2020. Given the high number of Member State requests received in this area, a significant amount of funding will be utilised to support the supervisory capacity in the area of financial innovation.

Additionally, in accordance with the **EU's sustainable finance strategy**,⁴¹ which sets out the operational strategies for achieving a climate-neutral EU economy by 2050, funding will be devoted to support Member States in their objective of **reorienting capital flows towards sustainable activities** and addressing **climate-related risks** faced by the financial sector. The likely estimated cost of decarbonising will require both public and private investment. While sustainable financial products will help reaching these targets, Member States will have to define national frameworks that can promote the safe development such sustainable financial products and to monitor the compliance of market participants with several requirements laid down in the EU Taxonomy Regulation⁴² and Sustainability-related disclosure in the financial services sector Regulation.⁴³ These efforts also contribute to the objectives of the **Capital Markets Union**⁴⁴ and helps to achieve a single market in financial services.

Based on the requests of Member States, a portion of the funding will be used to support Member States in their **anti-money laundering** efforts. Risks of money laundering and the financing of terrorism (AML/CFT) remain a major concern for the integrity of the Union's financial system and the security of its citizens. Combating money laundering remains a strong priority for the Union, as evidenced by 2021 package of legislative proposals aiming at strengthening the EU's anti-money laundering and countering the financing of terrorism (AML/CFT) rules⁴⁵. Funding will be used to support Member State efforts to identify risks in this area as well as to strengthen the capacity of supervisors to monitor and address such risks.

Based on the requests from Member States, funding for **financial literacy** in 2022 will be used to support Member State efforts to define strategies and to implement them through setting up comprehensive and innovative tools to further increase the level of financial education of citizens and SME owners.

⁴⁰ https://ec.europa.eu/info/publications/200924-digital-finance-proposals_en

⁴¹ https://ec.europa.eu/info/publications/210706-sustainable-finance-strategy_en.

⁴² Regulation (EU) 2020/852 of the European Parliament and of the Council of 18.6.2020 on the establishment of a framework to facilitate sustainable investment. OJ 22.6.2020 L198/13.

⁴³ Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27.11.2019 on the sustainability-related disclosures in the financial services sector. OJ 9.12.2019 L317/1

⁴⁴ https://ec.europa.eu/info/business-economy-euro/growth-and-investment/capital-markets-union/capital-markets-union-2020-action-plan_en.

⁴⁵ https://ec.europa.eu/info/publications/210720-anti-money-laundering-countering-financing-terrorism_en.

Given the significant steps taken over the last years to introduce EU legislation to support financial stability and correct business practices, a number of Member States have sought support for implementing specific actions to **reinforce financial stability, improve consumer protection and business practices** within their jurisdiction. An important area that funding will support is helping Member States to implement efficiently EU legislation and guidance in this area and to improve supervisory capacity.

In the area of **insolvency**, the Commission will assist Member States to put in place fair and efficient insolvency procedures and building administrative capacity in this area. Based on the requests received from Member States, a portion of funding in 2022 will be utilised for support to the area of insolvency with a focus on financial institutions.

b) Objectives pursued

In recent years, an increasing number of innovative technologies and digital applications have changed the landscape of finance by giving rise to new business models, applications, processes and products. The unprecedented Covid-19 pandemic further amplified such advances, prompting citizens and businesses to increasingly manage their money and fulfil their financial needs through remote applications or online tools and stimulating the financial industry to invest further in innovation and digitalisation. As a result, regulators and supervisors face the challenge to keep pace with these developments. The objective of the support in the area of **digitalisation of financial markets** is to create a favourable environment for financial innovation, while ensuring appropriate supervisory capacity to identify and manage efficiently arising risks linked with these developments, through dissemination of knowledge on innovative applications of technology and spreading of efficient supervisory tools and practices.

To achieve the ambition of the European Green Deal, significant investments are needed. In the area of **sustainable finance**, the objective of the support is to assist national authorities with introducing concrete legislative or regulatory reforms that will remove impediments to the identification of sustainable investment opportunities in order to increase the level of green financing and increase access to finance. Furthermore, where requested, measures will be targeted towards increasing the administrative capacity of the national authorities to monitor Environmental, Social and Governance (ESG) risks and compliance of market participants' reporting obligations.

Support measures addressing **anti-money laundering** will aim to help Member States to identify and address material risks. Furthermore, where requested, support measures will be targeted at increasing the national authorities' administrative capacity to supervise anti-money laundering activities, implement the EU's legal AML framework in line with their national needs and to comply with international standards set by the Financial Action Task Force.

The objective of the support for **financial literacy** is to enable Member States to better communicate financial literacy concepts to the general public and achieving broad reach. The ultimate aim is for citizens to have a greater understanding of financial choices and of their consequences.

The support measures to be put in place for **reinforcing financial stability** will aim at enhancing the Member States' capacity to maintain financial stability, in particular by increasing the authorities' capacity to identify, assess and handle financial stability risks, including new risks such as ESG and cyber-security risks, faced by the financial sector, and

monitor. In particular, this will focus on improving the administrative capacity of national supervisors.

Measures put in place in the area of **insolvency** will have as their objective supporting Member States in their efforts to improve the functioning of their insolvency system and consistency with the relevant financial stability legal framework, for effective liquidation and resolution of financial institutions, on case of need.

c) Expected results

With the fast development of **digital finance**, support actions will help the Member States to increase awareness on digital developments within the financial sector, and to support their effort to contribute to develop innovative, efficient and inclusive financial products for consumers and businesses across the EU, while enhancing financial market integration within the common market. In addition, the support provided through the EU Supervisory Digital Finance Academy, where requested, is expected to allow the creation of a community of digital experts within supervisory authorities across the EU.

In the area **sustainable finance**, support to Member States will be aimed at the definition of comprehensive strategies to bridge the climate financing gap with public policy instruments in order to identify barriers that hinder sustainable investment, provide incentives in support of the green transition and design and implement Sovereign Green Bonds frameworks in line with the best international and European standards. Moreover, support measures will be also targeted at increasing the national authorities' administrative capacity to supervise capital market entities, identify sustainable activities, climate and environment-related risks and social criteria.

Supporting Member States in addressing **money laundering** is expected to lead to an identification and reduction of such risks within national economies. This should ultimately lead to national authorities having a greater capacity to recognise and handle such risks in the future and to ensure effective law enforcement.

The different support measures for **financial literacy** are expected to lead to an increase in the level of understanding of the target audience of topics included under financial literacy. The support should increase the capacity of the recipient authorities to support the promotion of financial literacy.

Support measures to **reinforce financial stability** are expected to lower potential financial stability risks in the bank, insurance, pensions and capital markets sectors within the supported Member States, in particular through an enhanced supervisory processes and tools, and to increase the authorities' capacity to handle risks that materialise, to contribute to sustainability and climate objectives and ensure consumer protection.

The expected result from the support measures in the area of **insolvency** is a more efficient insolvency process, with a specific and clear legal framework about the insolvency procedure of credit institutions. The targeted identification of impediments should result in a better understanding by the national authorities of potential areas for improvement and scope of intervention.

2.6 Border and migration policies and capacity building to absorb Union funds in relation to RRF

a) Priorities for the year

Based on the requests from Member States, the TSI will enhance the **general capacity for the implementation of national recovery and resilience plans**. The RRF requires Member States to put in place arrangements for an effective overall monitoring and implementation of the recovery and resilience plans, including the proposed milestones and targets, and the related indicators. Support funded under the TSI will hence focus on providing general capacity building for enhancing the monitoring, reporting, audit and control mechanisms, the governance structures and the communication strategy for the implementation of the recovery and resilience plans.

Also, based on requests from Member States, the TSI will provide support in the area of **migration management**. Safe and orderly migration is at the heart of the New Pact on Migration and Asylum, which vows to foster migrant integration and enhance their economic participation. In the last two years, migrants have been among those most impacted by the Covid-19 pandemic because of, inter alia, barriers to access to medical care and social benefits, job losses etc. Notwithstanding efforts and improvements, much of the potential that migrants bring with them stays unused. Despite objective opportunities offered by the labour market for skilled work in some sectors, labour market gaps remain and many migrants work in jobs below their level of qualification. Administrative and regulatory barriers, discrimination and lack of coordination among national stakeholders make it harder to bridge the integration gap.

b) Objective pursued

Support measures for the **implementation of the recovery and resilience plans** will aim to build capacity to enhance the overall mechanisms set by Member States for the implementation of the recovery and resilience plans.

The support measures in the area of **migration management** will aim at fostering social cohesion, building Member States' labour market resilience by improving the social integration and labour market inclusiveness of migrants and people with a migrant background as well as enhancing the attractiveness of European countries to international talent. The measures will also take the regional, national and local contexts into account and seek to promote exchanges of practices between Member States in these areas. The TSI support measures also aim at contributing towards improving the administrative and analytical capacities of the administrative bodies in charge of migration management, migrant integration and inclusion, talent attraction and retention policies.

c) Expected results

The support measures for the **implementation of the recovery and resilience plans** are expected to increase Member States' general capacity to implement the national recovery and resilience plans by providing advice on how to enhance the monitoring, reporting, audit and control mechanisms, governance structures and communication strategy necessary for its implementation.

The support measures in the area of **migration management** are expected to assist in the preparation, monitoring, and evaluation of migration management reforms and programmes, focusing on such areas as migrant integration and inclusion, talent attraction and retention. The support measures are therefore expected to strengthen the capacity of the competent

authorities to coordinate and to deliver enhanced services to migrants and people with a migrant background, especially to the most vulnerable populations such as the low-qualified, unemployed and inactive, or those subject to in-work poverty. The support measures are further expected to contribute to the design and implementation of policies aimed at fighting anti-migrant discrimination. The TSI support measures are expected to contribute to more integrated data collection, stronger analytical capacities across various levels of government, exchanges amongst practitioners across cities, regions and national authorities, and promote evidence-based policy making.

2.7 Overview of the allocation of financial resources

In conclusion, and as explained in Part II, the indicative allocation of financial resources for support measures by thematic area is summarised in the following table:

support measures by thematic area is summarised in the following table:							
	Public Financial Management and Revenue Administration	Governance and Public Administration	Sustainable Growth and Business Environment	Labour market, education, health and social services	Financial sector and access to finance	Border and migration policies and capacity building to absorb Union funds in relation to RRF	Total (EUR)
TOTAL (EUR)	18 342 181	24 872 062	27 593 655	22 643 026	18 653 063	4 543 627	116 837 248.29
1) Grants	900 000	810 000	1 850 000	1 850 000	5 510 000	-	10 920 000
2) Public procurement	11 882 920	7 905 911	16 891 601	7 707 381	4 997 989	748 362	50 134 164
3) Indirect management	5 559 261	14 486 151	8 852 054	13 085 645	4 233 591	3 795 265	50 011 967
4) Other expenditure		1 670 000			3 911 482	-	5 771 117
	189 635						

Part II – Actions to be financed in 2022

1. Introduction

On the basis of the objectives in Regulation (EU) 2021/240, this work programme contains the actions to be financed and the budget breakdown for year 2022 as follows:

- a) for grants (implemented under direct management) (point 2) EUR 10 920 000,
- b) for procurement (implemented under direct management) (point 3) EUR 50 134 164,
- c) for actions implemented under indirect management (point 4) EUR 50 011 967,
- d) for other actions or expenditure (point 5) EUR 5 771 117 .

Legal basis

Regulation (EU) 2021/240 of the European Parliament and of the Council of 10 February 2021 establishing a Technical Support Instrument (OJ L 57, p.1)

Budget line

06.02.02.00 EUR 116 837 248.29

2. Grants

The global budgetary envelope reserved for grants under this work programme is EUR 10 920 000. It includes a) grants to be directly awarded based on the type of applicants and the criteria indicated in this Financing Decision and b) grants to be directly awarded to entities already identified in this Financing Decision.

2.1 Direct Grants to support structural reforms in the area of public financial management and revenue administration

Priorities for the year, objectives pursued and expected results

The priorities for the year, objectives pursued and expected results of these grants are those of point 2.1 of Part I.

Type of applicants targeted by the direct award/eligible applicants

Direct grants may be awarded to International Financial Institutions (IFI) and other international organisations (to the extent that the current provisions and framework agreements allow the conclusion of grant agreements), Member State ministries and public bodies, non-for-profit international or European expertise associations and networks, and other bodies with a public service mission, private bodies, which, in view of the nature of the action, have specific and recognised competencies, experience and leadership, a high degree of specialisation or administrative power in the field of budget preparation, budget implementation, public financial management and revenue administration reform. Such entities will be identified on the basis of their specific experience in providing support in the fields of budget preparation, budget implementation, reform of public finance management systems, macroeconomic statistics and National Accounts, fiscal policy analysis and modelling, or in supporting tax or customs administration reform processes in

recent years in European or neighbouring countries and proven knowledge of the local context. Direct grants may be awarded also to entities which are in a *de jure* or *de facto* monopoly position.

Description of the activities to be funded by the grant(s) awarded without a call for proposals on the basis of Article 195 of the Financial Regulation.

Support will be provided to carry out the following activities, among others:

- a) the provision of expertise related to policy advice, policy change, formulation of strategies and reform roadmaps, as well as expertise related to legislative, institutional, structural and administrative reforms, such as support in the definition and implementation of a comprehensive tax or customs administration reform or processes; or in the field of fiscal policy analysis and modelling;
- b) the short-term or long-term provision of experts, including resident experts, to perform tasks in specific domains or to carry out operational activities, where necessary with interpretation, translation and cooperation support, administrative assistance and infrastructure and equipment facilities, such as support to improve the budget preparation process and its articulation with spending reviews or to improve the budget implementation process;
- c) institutional, administrative or sectoral capacity building and related supporting actions at all governance levels, also contributing to the empowerment of civil society, including social partners, as appropriate, in particular:
 - (i) seminars, conferences and workshops with, where appropriate, stakeholder involvement;
 - (ii) exchanges of best practices, including, where appropriate, working visits to relevant Member States or third countries to enable officials to acquire or increase their expertise or knowledge in relevant matters;
 - (iii) training actions and the development of online or other training modules to support the necessary professional skills and knowledge relating to the relevant reforms;
- d) the collection of data and statistics, development of common methodologies, including on gender and climate mainstreaming and tracking, and, where appropriate, indicators or benchmarks;
- e) IT capacity building, including expertise related to the development, maintenance, operation and quality control of the IT infrastructure and applications needed to implement the relevant reforms, cybersecurity, open source software and hardware solutions, data protection solutions as well as expertise related to programmes geared towards the digitalisation of public services, in particular in services such as healthcare, education or the judiciary, notably with regard to Financial Management Information System (FMIS) or IT systems dedicated to customs administration or reform of public financial management processes;
- f) the carrying out of studies, including feasibility studies, research, analyses and surveys, evaluations and impact assessments, including gender impact assessments, and the development and publication of guides, reports and educational material, for example in the field of inspection or other core processes of customs or administration;
- g) the establishment and execution of communication projects and strategies for

learning, including e-learning, cooperation, awareness-raising, dissemination activities and exchange of good practices, organisation of awareness-raising and information campaigns, media campaigns and events, including corporate communication and, when appropriate, communication through social networks or platforms.

Implementation

Directly by DG REFORM

I. Essential eligibility, selection and award criteria

Grants may be awarded to entities as set out in Article 12 (3) of Regulation (EU) 2021/240.

Grant beneficiaries will demonstrate their financial capacity by proving that they have stable and sufficient sources of funding to maintain their activity during the period of the grant. Operational capacity will be assessed based on thematic experience in the policy field linked to the action.

In accordance with Article 198(5) of the Financial Regulation, the financial capacity of those beneficiaries that are public bodies or international organisations will not be verified.

The award of grants without a call for proposals in accordance with Article 195(c) or (f) of the Financial Regulation will be justified in the award decision. The potential beneficiary will be invited to submit an application, which will be evaluated according the following main award criteria:

- The extent to which the proposed action is in line with the objectives pursued and the extent to which the proposed outputs present added value in this context; and
- The financial quality of the proposal including a reasonable and realistic budget as well as a sound cost-efficiency ratio.

II. Maximum possible rate of co-financing of the eligible costs: 100%

2.1.1. Direct grant to the SEO Amsterdam Economics⁴⁶

Objectives pursued and expected results

The objective of the action is to help build the capacity of Brussels Capital Region to institutionalise spending reviews and integrate them into the preparation of annual and multiannual budgets.

The expected result of the action is increased quality of public spending in the Brussels Capital Region. The action will contribute towards implementation of reforms linked to commitments made by the Government of Belgium within the national recovery and resilience plan.

⁴⁶ Not-for profit scientific institute for economic research commissioned by ministries or businesses. SEO was founded in 1949 from the Faculty of Economics of the University of Amsterdam. It is an independent institute, affiliated with the university.

Description of the activities to be funded

Activities to be funded under this specific action entail:

- Development of a checklist/methodology for how to approach spending reviews;
- Capacity building trainings to staff of relevant authorities in the Brussels Capital Region on how to launch and carry out a spending review;
- Seminars/trainings to government officials in the Brussels Capital Region to create awareness of spending reviews and increase ownership;
- Capacity building support to assist the authorities in carrying out sectorial spending reviews in 2022;
- Revision of the checklist/methodology on how to approach spending reviews following the spending review exercise;
- Recommendations for governance mechanisms and IT/eGovernment tools to ensure consistent implementation of spending reviews in the region;
- Policy recommendations for systematic inclusion of the outcome of spending reviews into annual/multiannual budget planning;
- Input into the spending review ex-post analysis.

Amount

EUR 200 000

Grant beneficiary:

According to Article 195 (f) of the Financial Regulation, grants may be awarded without a call for proposals to particular bodies for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power, on condition that the actions concerned do not fall within the scope of a call for proposals.

The grant is to be awarded to SEO Amsterdam Economics, a scientific institute with more than 70 years of experience in conducting independent applied economic research for the benefit of the public sector and business community.

SEO Amsterdam Economics has a very specific and unique profile and expertise in conducting applied research on economic growth, fiscal policy, including spending reviews and cost benefit analyses, that is tailored to this action. It has for instance participated in spending review exercises commissioned by the Dutch government in various areas, such as labour-market, education, agriculture and fiscal policies. In 2019, SEO Amsterdam Economics conducted a comprehensive review and assessment of all spending reviews carried out in the Netherlands in the 2010s. SEO Amsterdam Economics brings forward a high degree of specialisation in economic analysis and fiscal policies. It has a well-developed network of partners in the public, private and academic areas and a capacity to mobilise experts in various policy areas, which will be covered by the action. Thus, this body is the best suited for this action since it has the operational and technical capacity, as well as the degree of specialisation required.

The award decision justifying the direct award will be adopted at a later stage.

Implementation: Directly by DG REFORM

Maximum possible rate of co-financing of the eligible costs: 100%

2.1.2. Direct grant to the Delft University of Technology and TNO

Objectives pursued and expected results

The objective of the action is to strengthen the capacity of the Dutch Customs to adopt standards that support the international, EU and national targets related to the circular economy. Dutch Customs performs functions assigned by the Ministry of Infrastructure and Water, which is responsible for the transition to circular economy. These control functions cover the regulatory requirements on material composition and waste.

The expected result is an elaboration of a blueprint for a technological solution called “the extended data pipeline” to a level that is apt for up-scaled scientific research and implementation. The “data pipeline concept”, as pioneered by Dutch Customs, will be developed to the next level in the context of the automotive industry. Next to the customs and logistics data, this solution will further cover information about the material composition of the products. It is expected that, when further elaborated and implemented, the extended data pipeline and/or blockchain technology will provide a solution for a chain of custody that can be designed to disclose relevant information on a ‘need to know basis’ within a circular supply chain. When developed and implemented, this solution is expected to enhance data visibility and control capacity for the Ministry of Infrastructure and Water, the Dutch Customs and all the agencies responsible for the monitoring of the requirements of the circular economy.

The extended data pipeline has a distinct EU added value, as notably the elaboration of the blueprint for an extended data pipeline entails sharing of results and collaboration with other Member States.

Description of the activities to be funded

Activities to be funded under this specific action entail:

- the provision of expertise related to policy advise, policy change, legislative, institutional and administrative reforms; and
- the carrying out of studies, including feasibility studies, research and analysis, such as:
 - a diagnostic problem analysis for the extended data pipeline in the automotive industry;
 - a comprehensive conceptual analysis;
 - the development of a blueprint for piloting with the extended data pipeline in the automotive domain, based on specific case studies that focus on cars, but also on parts and materials;
 - the development of recommendations for further piloting with the extended data

pipeline concept into follow-up projects.

Amount

EUR 700 000

Grant beneficiary:

According to Article 195 (f) of the Financial Regulation, grants may be awarded without a call for proposals to particular bodies for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power, on condition that the actions concerned do not fall within the scope of a call for proposals.

The grant is to be awarded to the Delft University of Technology (TU Delft) and the TNO.⁴⁷

Both TU Delft and TNO have very specific and unique profiles and expertise that is tailored to this action, specifically in developing and upscaling the data pipeline concept in a series of EU-funded projects including ITAIDE (2006-2010), INTEGRITY (2008-2011), CASSANDRA (2011-2014), CORE (2014-2018), PROFILE (2018-2022) and PEN-CP (2018-2023). Due to this continuous cooperation, TU Delft and TNO have a very good knowledge of the technical support needs of the Dutch Customs.

TU Delft is the only technical university in the EU whose experts have been involved in the elaboration and upscaling of the data pipeline concept in the course of more than 15 years. TNO has a proven expertise in pertinent standardization initiatives endorsed by the logistic industry.

Due to the exceptionally high degree of specialization and of technical competence required, and the extensive experience, these are the best-suited entities for this action.

The award decision justifying the direct award will be adopted at a later stage.

Implementation: Directly by DG REFORM

Maximum possible rate of co-financing of the eligible costs: 100%

2.2 Direct grants to support structural reforms in the area of governance and public administration

Priorities for the year, objectives pursued and expected results

⁴⁷ Nederlandse Organisatie voor Toegepast Natuurwetenschappelijk Onderzoek is a public entity.

The priorities for the year, objectives pursued and expected results of these grants are those of point 2.2 of Part I.

Type of applicants targeted by the direct award/eligible applicants

Direct grants may be awarded to international organisations (to the extent that the current provisions and framework agreements allow the conclusion of grant agreements) or Member-State ministries and public bodies, other bodies, including private, which in view of the nature of the action, have recognised and relevant technical competence, high degree of specialisation or administrative power in the field of governance and public administration and, more precisely, in the areas of reform of human resources, state organisation, judicial reform, e-government, emergency preparedness, inclusiveness and transparency (including ethics and public procurement). Such entities will be identified on the basis of their specific experience in supporting structural reforms in European and neighbouring countries in recent years in the areas mentioned above, and on the basis of proven knowledge of the local context. Direct grants may be awarded also to entities that are in a de jure or de facto monopoly situation.

Description of the activities to be funded by the grant awarded without a call for proposals on the basis of Article 195 of the Financial Regulation

Support will be provided to carry out the following activities, among others:

- (a) the provision of expertise related to policy advice, policy change, formulation of strategies and reform roadmaps, as well as to legislative, institutional, structural and administrative reforms; e.g.: provision of policy inputs on improvement of human resources management in the public administration;
- (b) the short-term or long-term provision of experts, including resident experts, to perform tasks in specific domains or to carry out operational activities, where necessary with interpretation, translation and cooperation support, administrative assistance and infrastructure and equipment facilities;
- (c) institutional, administrative or sectoral capacity building and related supporting actions at all governance levels, also contributing to the empowerment of civil society, including social partners, as appropriate, in particular:
 - (i) organisation of seminars, conferences and workshops, with, where appropriate, stakeholder involvement;
 - (ii) exchange of best practices, including, where appropriate, working visits to relevant Member States or third countries to enable officials to acquire or increase their expertise or knowledge in relevant matters; e.g. visit to Member States to exchange views and good practices on back-office consolidation experiences;
 - (iii) training actions and the development of online or other training modules to support the necessary professional skills and knowledge relating to the relevant reforms; e.g. design training maps, respectively, for auditors and for staff operating at the local level;
- (d) IT capacity building, including expertise related to development, maintenance, operation and quality control of the IT infrastructure and applications needed to implement the relevant reforms, cybersecurity, open source software and hardware solutions, data protection solutions as well as expertise related to programmes geared

	towards the digitalisation of public services, in particular in services such as healthcare, education or the judiciary;
(e)	the carrying out of studies, including feasibility studies, research, analyses and surveys, evaluations and impact assessments, including gender impact assessments, and the development and publication of guides, reports and educational material; e.g. a detailed analysis of the institutional framework of public-sector organisations, with a view to rationalising them and decreasing their number; and
(f)	the establishment and execution of communication projects and strategies for learning including e-learning, cooperation, awareness-raising, dissemination activities and exchange of good practices, organisation of awareness-raising and information campaigns, media campaigns and events, including corporate communication and, when appropriate, communication through social networks or platforms; e.g. design of targeted communication (web conferences, seminars) to inform stakeholders of new developments in the area of public administration reform and human resource management.

Implementation

Directly by DG REFORM
<p><i>I. Essential eligibility, selection and award criteria</i></p> <p>Grants may be awarded to entities as set out in Article 12 (3) of Regulation (EU) 2021/240.</p> <p>Grant beneficiaries will demonstrate their financial capacity by proving that they have stable and sufficient sources of funding to maintain their activity during the period of the grant. Operational capacity will be assessed based on thematic experience in the policy field linked to the action.</p> <p>In accordance with Article 198(5) of the Financial Regulation, the financial capacity of those beneficiaries that are public bodies or international organisations will not be verified.</p> <p>The award of grants without a call for proposals in accordance with Article 195(c) or (f) of the Financial Regulation will be justified in the award decision. The potential beneficiary will be invited to submit an application, which will be evaluated according the following main award criteria:</p> <ol style="list-style-type: none"> 1. The extent to which the proposed action is in line with the objectives pursued and the extent to which the proposed outputs present added value in this context; and 2. The financial quality of the proposal, including a reasonable and realistic budget as well as a sound cost-efficiency ratio. <p><i>II. Maximum possible rate of co-financing of the eligible costs: 100%</i></p>

2.2.1 Direct Grant to NOVA Information Management School (NOVA IMS) of Universidade Nova de Lisboa⁴⁸

⁴⁸ Public university.

Objectives pursued and expected results

The objective pursued by the action is twofold. On one hand, it aims to enable the Portuguese authorities to develop and acquire a system allowing users (policy-makers, legislators and experts on impact assessments) to assess the impact of a measure or piece of legislation on citizens and businesses. The action addresses the issue of the increased (or even excessive) legislative production at both national and EU levels, that may prevent the achievement of the envisaged policy goals. In particular, due to excessive legislative production, the delivery of reliable, efficient and timely impact assessments has become more difficult in Portugal. The action will introduce the use of new technologies and in particular Artificial Intelligence (AI) in the legislative process, to allow for faster comparison between existing and new legislative texts.

On the other hand, the action aims at increasing the efficacy, efficiency and proportionality of the audit work on EU funds, decreasing the cost of controls and reducing potential undetected irregularities. It will contribute to the implementation of better management and control systems and will have an overall impact on the effective use of public expenditure (EU funds, including the recovery and resilience plan) in Portugal.

In the longer term, the outputs of the action have the potential to be used by other Member States and/or Union institutions in order to improve the quality and accuracy of impact assessments and budget management, and hence increase the quality of public administration.

Description of the activities to be funded

Activities to be funded under this specific action entail:

- Drawing up a report defining the as-is situation in terms of clear problem definition and analysis in relation to the use of existing AI tools for a) impact assessments of envisaged legislation in Portugal and the identification of chances and obstacles in the current system for the development of AI, and b) audit of EU funds;
- Identification of good practices for the use of AI tools in the context of better regulation and specifically for impact assessments of envisaged pieces of legislation;
- Elaboration of technical document with the necessary specifications for creating AI-based systems for the analysis of national and EU legislation;
- Development of a proof of concept showing the possibility offered by the use of state-of-the-art techniques in the area of AI and natural language processing for the analysis of existing legislation;
- Development of an AI model on the use of artificial intelligence to detect irregularities, risks, fraud or other related illegalities in the application of EU funds with data obtained

from traditional audit activities;

- Analysis of needs and recommendations on how to promote an innovative attitude, a critical, open and cooperative mind-set and a willingness to adopt new paradigms to improve effectiveness and service delivery to citizens;
- Conferences/events aiming at increasing awareness of the functionalities and capabilities of the system to be developed and capacity building activities.

Amount

EUR 810 000

Grant beneficiary:

According to Article 195 (f) of the Financial Regulation, grants may be awarded without a call for proposals to particular bodies for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power, on condition that the actions concerned do not fall within the scope of a call for proposals.

The NOVA Information Management School (NOVA IMS) is recognised for its excellence in the areas of Data Science and Machine Learning, and has significant experience implementing national and international projects involving the use of artificial intelligence (AI). Specifically, the NOVA IMS has a unique combination of specialised knowledge in combining AI with both (i) impact assessments for parts of legislation in Portugal and (ii) audit methodologies.

NOVA IMS has already implemented national projects in the area of AI and impact assessments for legislative initiatives, and has significant experience and expertise in the audit methodologies and sampling techniques currently used by the Commission.

Expertise on implemented reforms on artificial intelligence in the public sector is limited. On this front, and in relation to the support needed:

- NOVA IMS can provide support as one of the leading research teams in Europe, which has developed most of the audit methodologies and sampling techniques currently used by the Commission. Researchers from this school have also developed in the past methodologies used by the General Inspectorate of Finance, the Portuguese audit authority for EU Funds, in its audit strategies.
- NOVA IMS has a high degree of specialisation to develop projects concerning machine learning and artificial intelligence on impact assessments. In particular, NOVA IMS, besides offering advanced courses in these areas, has significant experience with national and international projects involving the use of artificial intelligence in several sectors (i.e. at defining artificial intelligence-based systems to analyze the data collected daily by online gambling platforms operating in Portugal, systems to improve the quality of medical images, or systems analysing excessive indebtedness of Portuguese families).

Thanks to this recognised operational and technical capacity and the degree of specialisation required, NOVA IMS is best suited to perform the action.

The award decision justifying the direct award will be adopted at a later stage.

Implementation: Directly by DG REFORM

Maximum possible rate of co-financing of the eligible costs: 100%

2.3 Direct grants to support structural reforms in sustainable growth and business environment

1. Priorities for the year, objectives pursued and expected results

The priorities for the year, objectives pursued and expected results of these grants are those of point 2.3 of Part I.

Type of applicants targeted by the direct award/ eligible applicants

Direct grants may be awarded to international organisations (to the extent that the current provisions and framework agreements allow the conclusion of grant agreements) or Member-State ministries and public bodies, other bodies, including private, which in view of the nature of the action, have recognised and relevant technical competence, a high degree of specialisation or administrative power in the field of investment climate, public assets, natural resources, energy and climate. Such entities will be identified on the basis of their specific experience in supporting structural reforms in European and neighbouring countries in recent years in the areas mentioned above, and on the basis of their proven knowledge of the local context. Direct grants may be awarded also to entities that are in a de jure or de facto monopoly situation.

Description of the activities to be funded by the grant awarded without a call for proposals on the basis of Article 195 of the Financial Regulation.

Support will be provided to carry out the following activities, among others:

- a) the provision of expertise related to policy advice, policy change, formulation of strategies and reform roadmaps, as well as to legislative, institutional, structural and administrative reforms; e.g.: provision of policy inputs on improvement of human resources management in the public administration;
- b) the short-term or long-term provision of experts, including resident experts, to perform tasks in specific domains or to carry out operational activities, where necessary with interpretation, translation and cooperation support, administrative assistance and infrastructure and equipment facilities;
- c) institutional, administrative or sectoral capacity building and related supporting actions at all governance levels, also contributing to the empowerment of civil society, including social partners, as appropriate, in particular:
 - (i) organisation of seminars, conferences and workshops, with, where appropriate, stakeholder involvement;
 - (ii) exchange of best practices, including, where appropriate, working visits to relevant Member States or third countries to enable officials to acquire or increase their expertise or knowledge in relevant matters; e.g. visit to Member States to exchange views and good practices on back-office consolidation experiences;
 - (iii) training actions and the development of online or other training modules to

support the necessary professional skills and knowledge relating to the relevant reforms; e.g. design training maps, respectively, for auditors and for staff operating at the local level;

- d) IT capacity building, including expertise related to development, maintenance, operation and quality control of the IT infrastructure and applications needed to implement the relevant reforms, cybersecurity, open source software and hardware solutions, data protection solutions as well as expertise related to programmes geared towards the digitalisation of public services, in particular in services such as healthcare, education or the judiciary;
- e) the carrying out of studies, including feasibility studies, research, analyses and surveys, evaluations and impact assessments, including gender impact assessments, and the development and publication of guides, reports and educational material; e.g. a detailed analysis of the institutional framework of public-sector organisations, with a view to rationalising them and decreasing their number; and
- f) the establishment and execution of communication projects and strategies for learning including e-learning, cooperation, awareness-raising, dissemination activities and exchange of good practices, organisation of awareness-raising and information campaigns, media campaigns and events, including corporate communication and, when appropriate, communication through social networks or platforms; e.g. design of targeted communication (web conferences, seminars) to inform stakeholders of new developments in the area of public administration reform and human resource management.

Implementation

Directly by DG REFORM

I. Essential eligibility, selection and award criteria

Grants may be awarded to entities as set out in Article 12(3) of Regulation (EU) 2021/240.

Grant beneficiaries will demonstrate their financial capacity by proving that they have stable and sufficient sources of funding to maintain their activity during the period of the grant. Operational capacity will be assessed based on thematic experience in the policy field linked to the action.

In accordance with Article 198 (5) of the Financial Regulation, the financial capacity of those beneficiaries that are public bodies or international organisations will not be verified.

The award of grants without a call for proposals in accordance with Article 195 (c) or (f) of the Financial Regulation will be justified in the award decision. The potential beneficiary will be invited to submit an application, which will be evaluated according to the following main award criteria:

- the extent to which the proposed action is in line with the objectives pursued and the extent to which the proposed outputs present added value in this context; and
- the financial quality of the proposal including a reasonable and realistic budget as well as a sound cost-efficiency ratio.

II. Maximum possible rate of co-financing of the eligible costs: 100%

2.3.1 Direct grant to Coastal and Marine Union (EUCC)

Objectives pursued and expected results

This multi-country action is addressing the Wadden Sea, shared by the Netherlands, Germany and Denmark, which is a UNESCO World Heritage site. The action aims to provide solutions to a cross-border challenge linked to the East Atlantic Flyway for water-birds encompassing coastal wetlands all along the Atlantic coast, from Northern Europe down to southern Africa, including the Arctic breeding areas. Knowledge about the threats, which the water-birds are facing along their migratory route, is important in order to adequately manage and protect them along the full flyway. The first effects of climate change are felt within the East Atlantic Flyway and further research will be necessary to understand how best to mitigate their impact. This strengthens the need for a future ready, resilient monitoring system of the Flyway. The outcome of the project should contain applicable information on 1) how the Flyway monitoring can be improved while applying modern techniques (including a roadmap of actions to be implemented by the various partners in order to make better use of existing tools), 2) how the nature management - food availability, staging and breeding sites, as well as concepts of segregation/integration can be optimised and 3) how to implement a change management through a communication and dissemination strategy. The results of the project will have application at national, EU and international level.

Description of the activities to be funded

Activities to be funded under this specific action entail:

1. Assessment of the state of play / comparative analysis including analysis of innovative techniques to automatise monitoring of the East Atlantic Flyway (remote sensing, artificial intelligence, satellite monitoring, use of drones etc.) and new approaches for site management (mapping, development plans and monitoring etc.).
2. Development of an integrated Action Plan and Implementation Roadmap
3. Development of a communication and dissemination strategy for awareness raising, education and change management.

Amount

EUR 500 000

Grant beneficiary:

According to Article 195 (f) of the Financial Regulation, grants may be awarded without a call for proposals to particular bodies for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative powers, on condition that the actions concerned do not fall within the scope of a call for proposals.

The Coastal and Marine Union (EUCC) is a non-profit organisation with extensive international experience and expertise in coastal conservation. It was founded in 1989 with the aim of promoting an interdisciplinary, European approach to coastal conservation by bridging the gap between scientists, environmentalists, site managers, planners and policy makers. It is the largest network of coastal and marine experts in Europe and neighbouring

areas, with 500 member organisations, and has sufficient capacities, including five offices in the EU (an international Secretariat in Leiden (NL), and regional offices in Lithuania, Germany, Spain and France), plus a series of national branches and focal points. EUCC has relevant expertise and a long track record of implementing field projects related to nature conservation, especially in delta, wetlands, and dune areas throughout coastal Europe. In the North Sea, EUCC led and contributed to a project in the Dutch Wadden Sea working together with IMARES Wageningen UR, the Royal Netherlands Institute for Sea Research (NIOZ), SOVON Bird Research Netherlands, and the Utrecht University, Faculty of Geosciences.

This body is the best suited for this action since it has the administrative power, the operational and technical competence as well as the degree of specialisation required.

The award decision justifying the direct award will be adopted at a later stage.

Implementation: Directly by DG REFORM

Maximum possible rate of co-financing of the eligible costs: 100%

2.3.2 Direct grant to Halle Institute of Economic Research

Objectives pursued and expected results

Higher labour productivity growth is a key factor in raising living standards in advanced economies. However, labour productivity growth in Europe has for long been low. Aggregate labour productivity in major Member States is lagging behind that of frontier countries.

Policymakers and researchers traditionally have focused on macro-based statistics and indicators, particularly in an international context (e.g. Eurostat data based on national accounts) to understand what is driving this productivity slowdown. However, these statistics and indicators provide only an aggregate picture of productivity growth within and across countries and are not suited to analyse the potentially heterogeneous causal effects of policies on productivity at firm level. The problem is persistent in many Member States. Access to large amounts of micro-data is prerequisite to design effective policies in order to foster stronger productivity growth.

This action is based on a request by six Member States (France, Germany, Latvia, Portugal, Slovakia, Slovenia) that underlines the importance of micro-data for research, evidence-based policy evaluation and the transparency of economic policy decisions.

The ultimate objective of the action is to provide high quality data that will enhance the capacity and tools of institutions such as the National Productivity Boards, National Statistical Institutes, national ministries and relevant public analytical bodies to carry out productivity analyses. Understanding the drivers of productivity growth and the factors that can explain its secular decline is crucial as the European Union is paving the way for a recovery in the aftermath of the COVID-19 pandemic.

Description of the activities to be funded

Activities to be funded under this specific action entail:

- the development of the micro-data infrastructure with remote execution / access, and featuring the following characteristics:

- the harmonisation of the raw firm-level data using consistent nomenclature of the variables included in the dataset, ensuring homogenous treatment of outliers, and applying identical confidentiality maintenance rules.
- the linkage of the data across different surveys and datasets using firm identifiers at the national level.
- the anonymisation and aggregation of the data using commonly agreed pre-programmed output tools, and confidentiality routines.
- the training of the National Productivity Boards' staff / national ministries to ensure that they can fully exploit the potential of the micro-data infrastructure. By the end of the action, National Productivity Boards / national ministries would develop capacities to use and process data, through the remote access function of the infrastructure.

Amount

EUR 700 000

Grant beneficiary:

According to Article 195 (f) of the Financial Regulation, grants may be awarded without a call for proposals to particular bodies for actions with specific characteristics that require a particular type of body on account of its technical competence; its high degree of specialisation or its administrative powers, on condition that the actions concerned do not fall within the scope of a call for proposals.

The Halle Institute for Economic Research (IWH) is the host of the Competitiveness Research Network (CompNet) that produces a unique micro-founded dataset covering productivity indicators. IWH is best-suited for this action as it has the necessary operational and technical capacity, as well as the required experience in providing analytical, scientific and practical assistance to support micro-data infrastructure. Since 2012, IWH has provided through CompNet a forum for policy-oriented research in the areas of competitiveness and productivity, taking a firm-level, a macro, and a cross-country perspective. It has an extensive experience in creating, managing and improving a unique dataset with information at firm level featuring a selection of competitiveness-related indicators covering 20 Member States. The dataset, which is currently at its 8th vintage, is widely used globally by universities and research teams of European and international organisations. The Commission uses granular information produced by IWH through CompNet in its country monitoring and surveillance activities.

IWH is well placed to i) provide a forum for high-level, policy-oriented research in the areas of competitiveness and productivity (taking a firm-level and a cross-country perspective), and ii) create, manage and enhance a novel firm-level dataset including a selection of fundamental competitiveness-related indicators covering a large number of Member States.

This body is the best suited for this action since it has the operational and technical capacity, as well as the degree of specialisation required.

The award decision justifying the direct award will be adopted at a later stage.

Implementation: Directly by DG REFORM

Maximum possible rate of co-financing of the eligible costs: 100%

2.4 Direct grants to support structural reforms in the area of labour market, education, health and social services

Priorities for the year, objectives pursued and expected results

The priorities for the year, objectives pursued and expected results of these grants are those of point 2.4 of Part I.

Type of applicants targeted by the direct award/eligible applicants

Direct grants may be awarded to pillar-assessed or to non-pillar-assessed United Nations Organizations, other international organisations (to the extent that the current provisions and framework agreements allow the conclusion of grant agreements, alternatively contribution agreement will be concluded under indirect management), Member State ministries, agencies and bodies, other bodies with a public service mission, private bodies and non-for profit international or European expertise associations and networks, which, in view of the nature of the action, have specific and recognised competencies, experience and leadership, high degree of specialisation or administrative power in the field of labour market, emergency preparedness in migration management, health, social services and education. Such entities will be identified on the basis of their specific experience in supporting structural reforms in European and neighbouring countries in recent years in health care systems, emergency preparedness in migration management, education and training, the labour market and social security and social welfare and on the basis of proven knowledge of the local context. Direct grants may be awarded also to entities that are in a de jure or de facto monopoly situation.

Description of the activities to be funded by the grant awarded without a call for proposals on the basis of Article 195 of the Financial Regulation

Support will be provided to carry out the following activities, among others:

- (a) the provision of expertise related to policy advice, policy change, formulation of strategies and reform roadmaps, as well as legislative, institutional, structural and administrative reforms, for example: setting up a cancer strategy; support to design and implement digital upskilling strategies; support to design quality assurance systems; advice on the reform of the policy and legal framework for interventions for children and adults with disabilities;
- (b) the short-term or long-term provision of experts, including resident experts, to perform tasks in specific domains or to carry out operational activities, where necessary with interpretation, translation and cooperation support, administrative assistance and infrastructure and equipment facilities, for example: provision of specific expertise to support curriculum reform implementation; provision of experts to design university, research and business cooperation strategies; provision of experts to ensure digital transition in education institutions;
- (c) organisation of seminars, conferences and workshops, for example: workshops and exchange of best practice on digital upskilling; conference to define good practices on social inclusion of people with a migrant background; multilevel consultation on law implementation;
- (d) exchanges of best practices, including where appropriate, working visits to relevant

	Member States or third countries, for example: study visits to countries with effective cancer strategies; study visits to gather information about relevant experience of another Member State on reforming its school curricula;
(e)	training actions and the development of online or other training modules, for example: digital skills training for teacher educators;
(f)	the collection of data and statistics, development of common methodologies, including on gender and climate mainstreaming and tracking, and, where appropriate, indicators or benchmarks; development of a framework for the collection and processing of administrative data as well as the strengthening of analytical capacities and tools to design, implement, monitor and evaluate policies;
(g)	IT capacity building, including: expertise in the development, maintenance, operation and quality control of the IT infrastructure and applications needed to implement the reforms, as well as expertise in programmes geared towards the digitalisation of public services;
(h)	studies, research, analyses and surveys, evaluations and impact assessments, and the development and publication of guides, reports and educational material, for example: in-depth assessment of the provision of social services for vulnerable populations;
(i)	communication projects for learning, cooperation, awareness raising, dissemination activities and the exchange of good practices; organisation of awareness-raising and information campaigns, media campaigns and events, including corporate communication and communication.

Implementation

Directly by DG REFORM
<p><i>I. Essential eligibility, selection and award criteria</i></p> <p>Grants may be awarded to entities as set out in Article 12(3) of Regulation (EU) 2021/240.</p> <p>Grant beneficiaries will demonstrate their financial capacity by proving that they have stable and sufficient sources of funding to maintain their activity during the period of the grant. Operational capacity will be assessed based on thematic experience in the policy field linked to the action.</p> <p>In accordance with Article 198(5) of the Financial Regulation, the financial capacity of those beneficiaries that are public bodies or international organisations will not be verified.</p> <p>The award of grants without a call for proposals in accordance with Article 195(c) or (f) of the Financial Regulation will be justified in the award decision. The potential beneficiary will be invited to submit an application, which will be evaluated according the following main award criteria:</p> <ul style="list-style-type: none"> -the extent to which the proposed action is in line with the objectives pursued and the extent to which the proposed outputs present added value in this context; and -the financial quality of the proposal, including a reasonable and realistic budget as well as a sound cost-efficiency ratio. <p><i>II. Maximum possible rate of co-financing of the eligible costs: 100%</i></p>

2.4.1 Direct grant to the European Agency for Special Needs and Inclusive Education (EASNIE)

Objectives pursued and expected results

The action is linked to the priorities of implementing the European Child Guarantee in Spain, Italy and Portugal. The overall objective is to support those countries in implementing the legislative reforms to foster the more inclusive education system that they have adopted over the past 5 years. Through the envisaged activities, the action will help the countries improve their territorial governance, monitor inclusiveness in education structures across their territories and the effectiveness of the measures through a quality assurance system. Furthermore, it will establish cooperation bridges between regional practitioners and authorities across the these three Member States.

Description of the activities to be funded

Activities to be funded under this specific action entail advisory work and capacity building on:

- diagnosis on the state of play and challenges of the implementation of the relevant legal framework to improve inclusive education in each of the three countries;
- preparatory materials to articulate stakeholders' involvement, including international comparative studies in specific areas, questionnaires and presentations;
- reports with recommendations to improve the effectiveness of the national inclusive education system, including proposals related to potential reforms of the legal framework, teachers' roles and competences, professionalization of support teachers, quality assurance mechanisms linked to inclusion outcomes and funding streams;
- recommendations regarding the design of monitoring systems that help calibrate the effective implementation of the legal framework across the territory and address issues;
- capacity building and exchange of expertise activities and material.

Amount

EUR 1 000 000

Grant beneficiary:

According to Article 195 (f) of the Financial Regulation, grants may be awarded without a call for proposals to particular bodies for actions with specific characteristics that require a particular type of body on account of its technical competence; its high degree of specialisation or its administrative power, on condition that the actions concerned do not fall within the scope of a call for proposals.

The grant is to be awarded to the European Agency for Special Needs and Inclusive Education ("the Agency"). The Agency is an independent not-for-profit organization established in 1996 by a group of European ministries of education, which continue to steer

the work today. Its corporate mission and all its work aim to ensure equity, equal opportunities and the rights for all learners, in particular those who are vulnerable to marginalisation and exclusion, such as students with disabilities and/or special educational needs. The Agency does this by combining the perspectives of policy, practice and research in order to provide member countries and stakeholders at the European level with evidence-based information and guidance on implementing inclusive education.

The Agency is the organisation best-suited to provide the requested support, due to its nature as an organisation set-up and led by European ministries of education, its vast experience in accompanying policy reform in European countries, its specific and unique focus on special needs and inclusive education, and its administrative capacity to carry out the action in question.

The Agency has a high degree of specialisation in the field of inclusive education policy in European countries as proven by its reference reports and publications delivered in the framework of its projects across European countries, including Greece. It can also rely on a large team of experts, which have both a strong academic background in inclusive education and first-hand experience in policy implementation, thereby enabling the Agency to perform the actions.

The award decision justifying the direct award will be adopted at a later stage.

Implementation: Directly by DG REFORM

Maximum possible rate of co-financing of the eligible costs: 100%

2.4.2 Direct grant to the European Agency for Special Needs and Inclusive Education

Objectives pursued and expected results

The overall objective is to reduce some of the educational inequalities in France in making the specific support provided to pupils with special needs more effective. The French digital application for special needs education (Livret numérique de parcours inclusif) aims, for each pupil concerned, to gather all information about specific support measures they have benefited from so far, so as to share this information between the various professionals involved over time (teachers, medical staff, social workers, etc.), as well as with their families. The tool should contribute to break institutional silos and ensure a more customised and consistent support to each child.

France is seeking support from the Commission in order to facilitate the implementation of this digital application for special needs education throughout the national territory; to increase its acceptance and enlarge its use without stigmatising children; to evaluate the way it operates and identify ways to improve its functioning.

Description of the activities to be funded

Activities to be funded under this specific action entail:

- mapping of all actors to be involved in the scheme and governance recommendations;

- stakeholders consultation to broaden the acceptance of the reform;
- communication and training plan to generalise the use of the digital application;
- evaluation of the arrangements and recommendations for improving the application.

Amount

EUR 500 000

Grant beneficiary:

According to Article 195 (f) of the Financial Regulation, grants may be awarded without a call for proposals to particular bodies for actions with specific characteristics that require a particular type of body on account of its technical competence; its high degree of specialisation or its administrative power, on condition that the actions concerned do not fall within the scope of a call for proposals.

The grant is to be awarded to the European Agency for Special Needs and Inclusive Education (“the Agency”). The Agency is an independent not-for-profit organization established in 1996 by a group of European ministries of education, which continue to steer the work today. Its corporate mission and all its work aim to ensure equity, equal opportunities and the rights for all learners, in particular those who are vulnerable to marginalisation and exclusion, such as students with disabilities and/or special educational needs. The Agency does this by combining the perspectives of policy, practice and research in order to provide member countries and stakeholders at the European level with evidence-based information and guidance on implementing inclusive education.

The Agency is the organisation best-suited to provide the requested support, due to its nature as an organisation set-up and led by European ministries of education, its vast experience in accompanying policy reform in European countries, its specific and unique focus on special needs and inclusive education, and its administrative capacity to carry out the action in question.

The Agency has a high degree of specialisation in the field of inclusive education policy in European countries as proven by its reference reports and publications delivered in the framework of its projects across European countries, including Greece. It can also rely on a large team of experts, which have both a strong academic background in inclusive education and first-hand experience in policy implementation, thereby enabling the Agency to perform the actions.

The award decision justifying the direct award will be adopted at a later stage.

Implementation: Directly by DG REFORM

Maximum possible rate of co-financing of the eligible costs: 100%

2.4.3 Direct grant to the European Agency for Special Needs and Inclusive Education

Objectives pursued and expected results

The action is linked to the priorities of shifting the educational paradigm towards a more inclusive education system, in line with the Convention on the Rights of Persons with Disabilities. The overall objective is to implement inclusive education policies that respond to the diverse needs and circumstances of the learner as well as moving from a ‘one-size-fits-all’ education model towards a learner-centred approach to education. The action is expected to result in the universal implementation of the newly developed inclusive education policy framework through a pilot implementation of relevant tools with the participation of all concerned stakeholders.

Description of the activities to be funded

Activities to be funded under this specific action entail advisory work and capacity building on:

- the initial implementation of the new inclusive education policy framework in Greece, through the piloting of standardised administrative procedures and learners’ educational assessment protocols;
- the presentation of good practices from Member States and exchanges with selected Member States;
- the provision of recommendations for the development of an action plan for the universal implementation of the new inclusive education policy framework across Greece; and
- the organisation and facilitation of workshops aiming at increasing awareness, dialogue and cooperation among interested stakeholders.

Amount

EUR 350 000

Grant beneficiary:

According to Article 195 (f) of the Financial Regulation, grants may be awarded without a call for proposals to particular bodies for actions with specific characteristics that require a particular type of body on account of its technical competence; its high degree of specialisation or its administrative power, on condition that the actions concerned do not fall within the scope of a call for proposals.

The grant is to be awarded to the European Agency for Special Needs and Inclusive Education (“the Agency”). The Agency is an independent not-for-profit organization established in 1996 by a group of European ministries of education, which continue to steer the work today. Its corporate mission and all its work aim to ensure equity, equal opportunities and the rights for all learners, in particular those who are vulnerable to marginalisation and exclusion, such as students with disabilities and/or special educational needs. The Agency does this by combining the perspectives of policy, practice and research in order to provide member countries and stakeholders at the European level with evidence-based information and guidance on implementing inclusive education.

The Agency is the organisation best-suited to provide the requested support, due to its nature as an organisation set-up and led by European ministries of education, its vast experience in accompanying policy reform in European countries, its specific and unique focus on special needs and inclusive education, and its administrative capacity to carry out the action in question.

The Agency has a high degree of specialisation in the field of inclusive education policy in European countries as proven by its reference reports and publications delivered in the framework of its projects across European countries, including Greece. It can also rely on a large team of experts, which have both a strong academic background in inclusive education and first-hand experience in policy implementation, thereby enabling the Agency to perform the actions.

The award decision justifying the direct award will be adopted at a later stage.

Implementation: Directly by DG REFORM

Maximum possible rate of co-financing of the eligible costs: 100%

2.5 Direct grants to support structural reforms in the area of financial sector and access to finance

Priorities for the year, objectives pursued and expected results

The priorities for the year, objectives pursued and expected results of these grants are those of point 2.5 of Part I.

Type of applicants targeted by the direct award/eligible applicants

Direct grants may be awarded to pillar-assessed or to non-pillar-assessed United Nations Organizations, other international organisations (to the extent that the current provisions and framework agreements allow the conclusion of grant agreements, alternatively contribution agreement will be concluded under indirect management), Member State ministries, agencies and bodies, other bodies with a public service mission, private bodies and non-for profit international or European expertise associations and networks, which, in view of the nature of the action, have specific and recognised competencies, experience and leadership, high degree of specialisation or administrative power in the field of financial sector and access to finance. Such entities will be identified on the basis of their specific experience in supporting structural reforms in European and neighbouring countries in recent years in the areas mentioned above, and on the basis of proven knowledge of the local context. Direct grants may be awarded also to entities that are in a de jure or de facto monopoly situation.

Description of the activities to be funded by the grant awarded without a call for proposals on the basis of Article 195 of the Financial Regulation.

Support will be provided to carry out the following activities, among others:

- (a) the provision of expertise related to policy advice, policy change, formulation of strategies and reform roadmaps, as well as legislative, institutional, structural and administrative reforms, for example: review of possible regulatory developments in the area of digital finance;

(b)	the short-term or long-term provision of experts, including resident experts, to perform tasks in specific domains or to carry out operational activities, where necessary with interpretation, translation and cooperation support, administrative assistance and infrastructure and equipment facilities;
(c)	organisation of seminars, conferences and workshops, with, where appropriate, stakeholder involvement; for example: workshops and exchange of best practice on digital supervisory tools and practices;
(d)	exchanges of best practices, including where appropriate, working visits to relevant Member States or third countries, to enable officials to acquire or increase their expertise or knowledge in relevant matters: e.g. study visits to learn about relevant experience of another Member State on technological solutions for data analysis for financial supervision purposes;
(e)	training actions and the development of online or other training modules, for example: training on possible application of Artificial intelligence solution to financial supervision;
(f)	the collection of data and statistics, development of common methodologies, including on gender and climate mainstreaming and tracking, and, where appropriate, indicators or benchmarks; development of a framework for the collection and processing of administrative data as well as the strengthening of analytical capacities and tools to design, implement, monitor and evaluate financial sector risks;
(g)	IT capacity building, including: expertise in the development, maintenance, operation and quality control of the IT infrastructure and applications needed to implement reforms, as well as expertise in programmes geared towards the digitalisation of supervisory activities;
(h)	studies, research, analyses and surveys, evaluations and impact assessments, and the development and publication of guides, reports and educational material, for example: survey of successful financial literacy strategies;
(i)	communication projects and strategies for learning, including e-learning, cooperation, awareness raising, dissemination activities and the exchange of good practices; organisation of events, including corporate communication and communication, for example: exchange of good practices on consumer protection initiatives ;

Implementation

Directly by DG REFORM
<p><i>I. Essential eligibility, selection and award criteria</i></p> <p>Grants may be awarded to entities as set out in Article 12(3) of Regulation (EU) 2021/240.</p> <p>Grant beneficiaries will demonstrate their financial capacity by proving that they have stable and sufficient sources of funding to maintain their activity during the period of the grant. Operational capacity will be assessed based on thematic experience in the policy field linked to the action.</p> <p>In accordance with Article 198(5) of the Financial Regulation, the financial capacity of those beneficiaries that are public bodies or international organisations will not be verified.</p>

The award of grants without a call for proposals in accordance with Article 195(c) or (f) of the Financial Regulation will be justified in the award decision. The potential beneficiary will be invited to submit an application, which will be evaluated according the following main award criteria:

-the extent to which the proposed action is in line with the objectives pursued and the extent to which the proposed outputs present added value in this context; and

-the financial quality of the proposal, including a reasonable and realistic budget as well as a sound cost-efficiency ratio.

II. Maximum possible rate of co-financing of the eligible costs: 100%

2.5.1 Direct Grant to European University Institute

Objectives pursued and expected results

The objective of the action is the set-up of an EU Supervisory Digital Finance Academy (EU SDFA – ‘Academy’), including a dedicated on-line platform to facilitate the provision of a comprehensive 3-year training programme, in cooperation with the the three financial sector European Supervisory Authorities (EBA, EIOPA and ESMA). The Academy will aim at enabling supervisory authorities and financial intelligence units from at least 20 Member States⁴⁹ to deepen their understanding of the complex FinTech world, and to establish advanced supervisory technologies and best practices.

The expected result of the action is to enhance a robust supervisory framework on an EU-wide scale, contributing to the dissemination of advanced, future-proof practices among national authorities, as well as to the exchange of expertise both on a cross-sectoral and cross border basis. The EU SDFA would ultimately contribute to enhancing supervisory convergence across the internal market, while supporting the transition towards a competitive, digital-based EU financial sector, contributing to develop innovative, efficient and inclusive financial products for consumers and businesses across the EU.

Description of the activities to be funded

Activities to be funded under this specific action will entail:

- the design of a proposal for the curriculum and for the EU SDFA programme.
- conducting surveys among participating Member States.
- providing support to the entire organisation of the EU SDFA’s programme, including all operational and logistic aspects.
- provision of (physical and on-line) trainings and production of related training material and tools.
- identification and contracting of trainers from the public and private sectors.
- drafting of recommendations for regulatory improvement based on supervisory experience.
- internal and external communication activity for the EU SDFA.

⁴⁹ This technical support action was requested by all Member States, except Belgium, Bulgaria, France, Denmark, Hungary, Latvia and Lithuania.

Amount

EUR 5 510 000

Grant beneficiary:

According to Article 195 (f) of the Financial Regulation, grants may be awarded without a call for proposals to particular bodies for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative powers, on condition that the actions concerned do not fall within the scope of a call for proposals.

The **European University Institute (EUI)** is a well-known academic institution with the legal status of an international organisation, which was founded in 1972 by the six original members of the then European Communities. It has now 23 Member States as contracting states, reflecting the growth of the European Union,⁵⁰ which is particularly relevant for a project serving at least 20 Member States.

Its Florence School of Banking & Finance (FSBF) is recognised for excellence in the area of training programmes for financial sector regulators, supervisors and practitioners. In particular, through training and policy debate and in close interaction with its network of leading academic institutions, the FSBF disposes of a European platform bringing together practitioners and academics from the banking and finance sector to develop a common culture of regulation and supervision in the European Union.

The choice of the beneficiary is further justified by the fact that the FSBF mission is to analyse and discuss the analytical foundation of the European financial regulation and supervision landscape built over the last years, and thus to support the development of a common culture of regulation and supervision in the banking and finance sector. As such, its activities are targeted to professionals working in the banking and finance sector, including bankers, national competent authorities, European institutions, the European Central Bank (ECB) and academics who are interested in the European dimension of financial regulation and supervision. It can therefore rely on an extensive network of relevant experts and disposes of internal interdisciplinary resources, able to ensure the administrative capacity to perform the action. It also benefits from ongoing successful cooperation with the three European Supervisory Authorities (EBA, EIOPA and ESMA), the Commission's partners in the creation of the EU SDFA, in topics relevant for the Academy. Moreover, the FSBF's Advisory Council includes the Director General of DG FISMA, the chair-persons of all three European Supervisory Authorities, the chair-person of the ECB-Single Supervisory Mechanism, of the Single Resolution Board, the European Systemic Risk Board and the European Parliament's Committee of Economic and Monetary Affairs, amongst others. Such representation covers virtually all European institutions relevant for this action. Hence, it ensures full alignment between the FSBF's objectives and the objectives of the action as a

⁵⁰ Austria, Belgium, Bulgaria, Cyprus, Denmark, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden

whole and the learning objectives of participating audience.

Finally, the Commission has signed a Memorandum of Understanding with the EUI for the period 2019-2024 covering training activities in support of European policies, which will facilitate the administrative arrangements needed to organize the trainings part of the action.

The award decision justifying the direct award will be adopted at a later stage.

Implementation: Directly by DG REFORM

Maximum possible rate of co-financing of the eligible costs: 100%

In case the actions set out for implementation through grants (direct management) in Section 2 cannot be implemented under this delivery method, they will be implemented through public procurement (direct management) within the procurement activities set out in point 3.1 (Procurement activities for implementation of Technical Support Instrument).

3. Procurement

The global budgetary envelope reserved for procurement contracts in year 2022 is EUR 50 134 164

3.1. Procurement activities for implementation of the Technical Support Instrument

General description of the contracts envisaged (*study / technical assistance / evaluation / survey / IT / communication services/etc.*)

Based on the requests of the Member States, specific technical support projects will be undertaken in the policy areas referred to in Article 5 of the Regulation (EU) 2021/240 of the European Parliament and of the Council of 10 February 2021 establishing a Technical Support Instrument. The contracts may, *inter alia*, be used for studies, provision of technical assistance, carrying out surveys, monitoring, evaluation, etc.

These activities will support Member State national authorities in their efforts to implement reforms. The contracts will serve the priorities and objectives referred to in Part I of this document.

Type of contracts:

- 1) direct contracts;
- 2) specific contracts based on existing or new framework contracts, including framework contracts for the provision of technical support for the implementation of structural reforms under the Instrument.

Current DG REFORM Multiple Framework contract

The maximum amount for the current multiple framework contract is EUR 125 000 000 and it may be used until 19 July 2023 (with a possible increase of the ceiling following a negotiated procedure).

Implementation

Directly by DG REFORM

Type of contracts: direct contracts and specific contracts based on existing and new framework contracts, including framework contracts for the provision of technical support for the implementation of structural reforms under the Technical Support Instrument (TSI).

By DG NEAR under co-delegation for the provision of technical assistance under TAIEX to institutions in those Member States that have requested support (e.g. expert missions) up to EUR 1 180 000.

In case the actions set out for implementation through public procurement (direct management) cannot be implemented under this delivery method, due to circumstances outside of the control of the Commission, they will be implemented through indirect management in accordance with the criteria set out in Section 4 (Actions implemented in indirect management in accordance with Article 62(1)(c) of the Financial Regulation).

4. Actions implemented in indirect management

The global budgetary envelope reserved for indirect management under this work programme is EUR 50 011 967.

It includes agreements to be signed with entities selected on the base of the criteria indicated in this Financing Decision to the extent that the current provisions and framework agreements allow the conclusion of agreements under indirect management.

In line with the Financial Regulation the following activities will be implemented under the indirect management mode in view of the type of the implementing entity. Entities falling within Article 62(1)(c) of the Financial Regulation or Article 156(3) of the Financial Regulation, which have undergone an ex ante (/pillar-) assessment of their procedures and systems, guaranteeing a level of protection of the EU financial interests equivalent to that guaranteed by the Commission in direct management or have been exempted by the Commission from the pillar assessment requirement in accordance with Article 154(6) FR will act under indirect management for the tasks they will undertake to implement the actions.

4.1. Contribution/delegation agreements to support structural reforms in the area of public financial management and revenue administration

Criteria for selecting an implementing entity

Article 110(f) of the Financial Regulation provides for setting out of the criteria for selecting an entity in the Financing Decision. The criteria to be used for selecting an implementing entity, considering the nature of the action, are as follows:

1. The entity satisfies the requirements set out in Article 154(4) of the Financial Regulation. When the entities concerned comply only partially with Article 154(4) of the Financial Regulation, the Commission shall take appropriate supervisory measures as provided for in Article 154(5) of the Financial Regulation;
2. The entity's financial and operational capacity is adequate;
3. The entity has specific knowledge and recognised competencies in the relevant field;
4. The entity has extensive experience and leadership in the domain; and

5. The entity is active in the subject area in the European Union or in any other European country.

Description

The objectives pursued and expected results of the actions are those of point 2.1 of Part I.

The actions that can be financed through indirect management are outlined in Article 8 of the Regulation (EU) 2021/240 of the European Parliament and of the Council of 10 February 2021 establishing a Technical Support Instrument (OJ L 57, p. 1).

4.2. Contribution/delegation agreements to support structural reforms in the area of governance and public administration

Criteria for selecting an implementing entity

Article 110(f) of the Financial Regulation provides for setting out of the criteria for selecting an entity in the Financing Decision. The criteria to be used for selecting an implementing entity, considering the nature of the action are as follows:

1. The entity satisfies the requirements set out in Article 154(4) of the Financial Regulation. When the entities concerned comply only partially with Article 154(4) of the Financial Regulation, the Commission shall take appropriate supervisory measures as provided for in Article 154(5) of the Financial Regulation;
2. The entity's financial and operational capacity is adequate;
3. The entity has, specific knowledge and recognised competencies in the relevant field;
4. The entity has extensive experience and leadership in the domain;
5. The entity is active in the subject area in the European Union or in any other European country.

Description

The objectives pursued and expected results of the actions are those of point 2.2 of Part I.

The actions that can be financed through indirect management are outlined in Article 8 of the Regulation (EU) 2021/240 of the European Parliament and of the Council of 10 February 2021 establishing a Technical Support Instrument (OJ L 57, p. 1).

4.3. Contribution/delegation agreements to support structural reforms in the sustainable growth and business environment

Criteria for selecting an implementing entity

Article 110(f) of the Financial Regulation provides for setting out of the criteria for selecting an entity in the Financing Decision. The criteria to be used for selecting an implementing entity, considering the nature of the action are as follows:

1. The entity satisfies the requirements set out in Article 154(4) of the Financial Regulation. When the entities concerned comply only partially with Article 154(4) of the Financial Regulation, the Commission shall take appropriate supervisory measures as provided for in Article 154(5) of the Financial Regulation;

2. The entity's financial and operational capacity is adequate;
3. The entity has specific knowledge and recognised competencies in the relevant field;
4. The entity has extensive experience and leadership in the domain;
5. The entity is active in the subject area in the European Union or in any other European country.

Description

The objectives pursued and expected results of the actions are those of point 2.3 of Part I.

The actions that can be financed through indirect management are outlined in Article 8 of the Regulation (EU) 2021/240 of the European Parliament and of the Council of 10 February 2021 establishing a Technical Support Instrument (OJ L 57, p. 1).

4.4. Contribution/delegation agreements to support structural reforms in the area of labour market, education, health and social services

Criteria for selecting an implementing entity

Article 110(f) of the Financial Regulation provides for setting out of the criteria for selecting an entity in the Financing Decision. The criteria to be used for selecting an implementing entity, considering the nature of the action are as follows:

1. The entity satisfies the requirements set out in Article 154(4) of the Financial Regulation. When the entities concerned comply only partially with Article 154(4) of the Financial Regulation, the Commission shall take appropriate supervisory measures as provided for in Article 154(5) of the Financial Regulation;
2. The entity's financial and operational capacity is adequate;
3. The entity has specific knowledge and recognised competencies in the relevant field;
4. The entity has extensive experience and leadership in the domain;
5. The entity is active in the subject area in the European Union or in any other European country.

Description

The objectives pursued and expected results of the actions are those of point 2.4 of Part I.

The actions that can be financed through indirect management are outlined in Article 8 of the Regulation (EU) 2021/240 of the European Parliament and of the Council of 10 February 2021 establishing a Technical Support Instrument (OJ L 57, p. 1).

4.5. Contribution/delegation agreements to support structural reforms in the area of financial sector and access to finance

Criteria for selecting an implementing entity

Article 110(f) of the Financial Regulation provides for setting out of the criteria for selecting an entity in the Financing Decision. The criteria to be used for selecting an implementing entity, considering the nature of the action are as follows:

1. The entity satisfies the requirements set out in Article 154(4) of the Financial Regulation. When the entities concerned comply only partially with Article 154(4) of

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| <p>the Financial Regulation, the Commission shall take appropriate supervisory measures as provided for in Article 154(5) of the Financial Regulation;</p> <ol style="list-style-type: none"> 2. The entity's financial and operational capacity is adequate; 3. The entity has specific knowledge and recognised competencies in the relevant field; 4. The entity has extensive experience and leadership in the domain; 5. The entity is active in the subject area in the European Union or in any other European country. |
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Description

<p>The objectives pursued and expected results of the actions are those of point 2.5 of Part I.</p> <p>The actions that can be financed through indirect management are outlined in Article 8 of the Regulation (EU) 2021/240 of the European Parliament and of the Council of 10 February 2021 establishing a Technical Support Instrument (OJ L 57, p. 1).</p>
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4.6. **Contribution/delegation agreements to support structural reforms in the area of border and migration policies and capacity building to absorb Union funds in relation to RRF**

Criteria for selecting an implementing entity

<p>Article 110(f) of the Financial Regulation provides for setting out of the criteria for selecting an entity in the Financing Decision. The criteria to be used for selecting an implementing entity, considering the nature of the action are as follows:</p>
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| <ol style="list-style-type: none"> 1. The entity satisfies the requirements set out in Article 154(4) of the Financial Regulation. When the entities concerned comply only partially with Article 154(4) of the Financial Regulation, the Commission shall take appropriate supervisory measures as provided for in Article 154(5) of the Financial Regulation; 2. The entity's financial and operational capacity is adequate; 3. The entity has specific knowledge and recognised competencies in the relevant field; 4. The entity has extensive experience and leadership in the domain; 5. The entity is active in the subject area in the European Union or in any other European country. |
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Description

<p>The objectives pursued and expected results of the actions are those of point 2.6 of Part I.</p> <p>The actions that can be financed through indirect management are outlined in</p>

Article 8 of the Regulation (EU) 2021/240 of the European Parliament and of the Council of 10 February 2021 establishing a Technical Support Instrument (OJ L 57, p. 1).

In case the actions referred to under Section 4 ‘Actions implemented in indirect management’ cannot be implemented under that management mode, due to circumstances outside of the control of the Commission (e.g. not revised framework agreement, pending pillar assessment), they will be implemented through public procurement (direct management) within the procurement activities set out in point 3.1 (Procurement activities for implementation of Technical Support Instrument).

5. Other actions or expenditure

5.1. Information and Communication Technology (ICT)

Amount

EUR 189 635

Expenses for information and communication actions, including corporate communication, expenses linked to IT networks, focusing on information processing and exchange, including corporate information technology tools.

In line with Article 6(2) of Regulation (EU) 2021/240, the Commission decision “Corporate communication C(2020)9390 of 18 December 2020” and the DG BUDG note “IT implementation Plan 2022 – Allocation of Resource and Allocation of IT corporate resources”, DG REFORM will contribute to the financing of the corporate IT and the corporate communication activities in 2022.

IT development and relevant procurement choices will be subject to pre-approval by the European Commission Information Technology and Cybersecurity Board.

5.2. Administrative/service-level agreements

5.2.1. Administrative/service-level agreement with the European Insurance and Occupational Pensions Authority (EIOPA) for increasing capacity to supervise the insurance and pension sector and in the area of innovative digital finance

Amount

EUR 1 785 305

Description of actions

Action 1: Development of a risk assessment framework and supervisory methodology in Conduct of business area in Hungary

Budget: EUR 514 000

This action to reinforce financial stability and consumer protection will support the Hungarian authorities in strengthening the supervisory capacity of the Central Bank of Hungary (Magyar Nemzeti Bank) to scale up conduct of business supervision over the insurance sector and to better tackle point-of-sale risks for consumers in the Hungarian insurance market.

Such risks are associated with unfair treatment of policyholders, mis-selling, "greenwashing" practices and provision of poor advice services. The risks will be addressed by developing risk-based indicators and the associated supervisory methodology, combined with a manual for conducting mystery shopping campaigns. In particular, the action will provide support on: :

- the development of product-level and market-level risk indicators specifically tailored to supervise conduct of business issues in the insurance market;
- the design and implementation of a conduct risk-assessment methodology, based on the aforementioned indicators;

- the design, testing and final fine-tuning of a methodology to plan and execute mystery shopping campaigns, leveraging on experiences from other insurance supervisory authorities.

Such support falls under the overall objective of improving financial stability and consumer protection in Hungary, but is also to be seen in the broader European context, as EIOPA is promoting convergence of supervisory practices through advanced risk-based methodologies, setting the stage for further European convergence.

The action is expected to help to significantly raise the standard of conduct insurance supervision and offer solutions for addressing consumer protection in Hungary. In particular, the action is expected to enable the Central Bank to identify and react to systemic consumer protection problems, recognize potentially detrimental market trends, and effectively enforce conduct of business regulatory measures applicable to the insurance sector. The measures will ultimately contribute to the protection of policyholders, and the stability and trust in the insurance and financial sector.

Action 2: Assistance with the transition to forward-looking risk-based supervision of institutions for occupational retirement provision (IORPs) in Ireland following the adoption of the IORP II Directive

Budget: EUR 323 000

This action, aimed at financial stability and the widespread provision of financial services, will support the Irish authorities in improving the existing supervisory frameworks of the Pillar 2 pension system. The Irish IORP market is characterized by a large number of very small pension schemes, for which the full compliance with the provisions of the IOPR II Directive, recently transposed in Ireland, might be challenging, notably with regard to the reporting of accurate and complete data to the Pensions Authority.

The action is expected to help improve the Pillar 2 pension system regulatory and supervisory framework through the full implementation of the ‘IORP II’ Directive promoting good governance and strong supervision of the Irish IORPs, the occupational retirement providers. In particular, in order to address the identified challenges, the Pensions Authority will receive support to establish a forward-looking risk based supervisory approach relying on a more accurate collection and processing of data. The action is expected to produce, among others:

- recommendations aimed at enhancing current supervisory practices and prudential requirements with a focus on master trusts;
- recommendations aimed at improving reliability and quality of data and defining adequate business intelligence/data management solutions;
- a strategic roadmap to drive market consolidation on the basis of expected cultural changes in the market.

The action is expected to help the Irish Pensions Authority streamline data collection and supervisory processes, allowing it to prioritize internal efforts and effectively implement a forward-looking risk-based approach leveraging on size, complexity and riskiness of supervised schemes. Support measures will also help the Pension Authority to make industry and employers aware of the increased regulatory requirements of the IORP II Directive and of the opportunities provided by the consolidation of schemes into larger multi-employer master trusts. This action complements the effort to transform the national pensions landscape, increase confidence in the Pillar 2 system and deliver better outcomes for scheme members.

Action 3: EU Supervisory Digital Finance Academy

Budget: EUR 948 305

This action to reinforce financial stability will support the authorities in 20 Member States⁵¹ improving supervisory capacity in the area of innovative digital finance, thus supporting also the objectives of the EU Digital Finance Strategy. Supervising digital finance requires the acquisition of significant new expertise and technical knowledge, staff with new kinds of work experience and skillsets, including understanding new innovative technologies and the risks and opportunities related to expansion of technology-based financial innovations.

To this end, the action aims to create a **EU Supervisory Digital Finance Academy** (EU SDFA – ‘Academy’) for 3 years, including a **dedicated on-line platform**, which will facilitate the provision of a **systematic training program**, aimed at enabling supervisory authorities and financial intelligence units to deepen their understanding of the complex FinTech world, and to establish advanced supervisory technologies and best practices.

Such support falls under the overall objective of improving financial stability in the participating Member States, but also in the broader European context, as the three financial sector European Supervisory Authorities (EBA, EIOPA and ESMA), which will, together, act as providers of the support in the EU SDFA, have the mission to promote convergence of supervisory practices and responses at Union level, hence setting the stage for further European convergence.

The EU SDFA aims to provide assistance to the participating Member States through the setup of a comprehensive supervisory programme including:

- a two-weeks training programme with parallel yearly cycles,
- workshops throughout the year,
- yearly reports on supervisory developments and lessons learnt in the area of digital finance,
- supporting communication and training materials prepared by leading sector experts.
- access to an online platform that will be designed to complement the Academy activities and host relevant study materials, including videos, articles and tests.
- the design of a curriculum of the Academy, that should cover a large number of subjects, including AI, blockchain technology and cryptocurrencies, and cybersecurity, and that should be reviewed on a yearly basis, according to inputs from participants, the Commission and the European Supervisory Authorities.

For this purpose, EIOPA will provide, among others, the following activities:

- design of the Academy’s programme

⁵¹ This action was requested by all Member States, except Belgium, Bulgaria, France, Denmark, Hungary, Latvia and Lithuania.

- support to implementation
- identification of priorities and programme steering
- provision of trainings' expertise on selected topics
- organisation and hosting of workshops
- programme supervision and quality control

The action is expected to enhance a robust supervisory framework on an EU-wide scale, contributing to the dissemination of advanced, future-proof practices among national authorities, as well as to the exchange of expertise both on a cross-sectoral and cross border basis. The EU SDFA would ultimately contribute to enhancing the supervisory convergence across the internal market, while supporting the transition towards a competitive, digital-based EU financial sector, contributing to develop innovative, efficient and inclusive financial products for consumers and businesses across the EU.

5.2.2. Administrative/service-level agreement with the European Banking Authority (EBA) for increasing capacity of Member States in the area of innovative digital finance

Amount

EUR 1 079 670

Description of actions

EU Supervisory Digital Finance Academy

Budget: EUR 1 079 670

This action to reinforce financial stability will support the authorities in 20 Member States improving supervisory capacity in the area of innovative digital finance, thus supporting also the objectives of the EU Digital Finance Strategy. Supervising digital finance requires the acquisition of significant new expertise and technical knowledge, staff with new kinds of work experience and skillsets, including understanding new innovative technologies and the risks and opportunities related to expansion of technology-based financial innovations.

To this end, the action aims to create a **EU Supervisory Digital Finance Academy** (EU SDFA – ‘Academy’) for 3 years, including a **dedicated on-line platform** which will facilitate the provision of a **systematic training program**, aimed at enabling supervisory authorities and financial intelligence units to deepen their understanding of the complex FinTech world, and to establish advanced supervisory technologies and best practices.

Such support falls under the overall objective of improving financial stability in the participating Member States, but also in the broader European context, as the three financial sector European Supervisory Authorities (EBA, EIOPA and ESMA), which will, together, act as providers of the support in the EU SDFA, have the mission to promote convergence of supervisory practices and responses at Union level, hence setting the stage for further European convergence.

With the EU SDFA, assistance will be provided to the participating Member States through the setup of a comprehensive supervisory programme including:

- a two-weeks training programme with parallel yearly cycles,
- workshops throughout the year,
- yearly reports on supervisory developments and lessons learnt in the area of digital finance,
- supporting communication and training materials prepared by leading sector experts.
- access to an online platform that will be designed to complement the Academy activities and host relevant study materials, including videos, articles and tests.
- the design of a curriculum of the Academy, that should cover a large number of subjects, including AI, blockchain technology and cryptocurrencies, and cybersecurity, and that should be reviewed on a yearly basis according to inputs from participants, the Commission and the European Supervisory Authorities.

For this purpose, EBA will provide, among others, the following activities:

- design of the Academy's programme
- support to implementation
- identification of priorities and programme steering
- provision of trainings' expertise on selected topics
- organisation and hosting of workshops
- programme supervision and quality control

The action is expected to enhance a robust supervisory framework on an EU-wide scale, contributing to the dissemination of advanced, future-proof practices among national authorities, as well as to the exchange of expertise both on a cross-sectoral and cross border basis. The EU SDFA would ultimately contribute to enhancing the supervisory convergence across the internal market, while supporting the transition towards a competitive, digital-based EU financial sector, contributing to develop innovative, efficient and inclusive financial products for consumers and businesses across the EU.

5.2.3. Administrative/service-level agreement with the European Securities and Markets Authority (ESMA) for increasing capacity of Member States in the area of innovative digital finance

Amount

EUR 1 046 507

Description of actions

EU Supervisory Digital Finance Academy

Budget: EUR 1 046 507

This action to reinforce financial stability will support the authorities in 20 member states⁵² improving supervisory capacity in the area of innovative digital finance, thus supporting also the objectives of the EU Digital Finance Strategy. Supervising digital finance requires the acquisition of significant new expertise and technical knowledge, staff with new kinds of work experience and skillsets, including understanding new innovative technologies and the risks and opportunities related to expansion of technology-based financial innovations.

To this end, the action aims to create a **EU Supervisory Digital Finance Academy** (EU SDFA – ‘Academy’) for 3 years, including a **dedicated on-line platform** which will facilitate the provision of a **systematic training program**, aimed at enabling supervisory authorities and financial intelligence units to deepen their understanding of the complex FinTech world, and to establish advanced supervisory technologies and best practices.

Such support falls under the overall objective of improving financial stability in the participating Member States, but also in the broader European context, as the three financial sector European Supervisory Authorities (EBA, EIOPA and ESMA), which will, together, act as providers of the support in the EU SDFA, have the mission to promote convergence of supervisory practices and responses at Union level, hence setting the stage for further European convergence.

With the EU SDFA, assistance will be provided to the participating Member States through the setup of a comprehensive supervisory programme including:

- a two-weeks training programme with parallel yearly cycles,
- workshops throughout the year,
- yearly reports on supervisory developments and lessons learnt in the area of digital finance,
- supporting communication and training materials prepared by leading sector experts.
- access to an online platform that will be designed to complement the Academy activities and host relevant study materials, including videos, articles and tests.
- the design of the curriculum of the Academy, that should cover a large number of subjects, including AI, blockchain technology and cryptocurrencies, and cybersecurity, and it should be reviewed on a yearly basis according to inputs from participants, the Commission and the European Supervisory Authorities.

For this purpose, the ESMA will provide, among others, the following activities:

- design of the Academy’s programme
- support to implementation
- identification of priorities and programme steering
- provision of trainings’ expertise on selected topics
- organisation and hosting of workshops

⁵² This action was requested by all MS, except of Belgium, Bulgaria, France, Denmark, Hungary, Latvia and Lithuania.

- programme supervision and quality control

The action is expected to enhance a robust supervisory framework on an EU-wide scale, contributing to the dissemination of advanced, future-proof practices among national authorities, as well as to the exchange of expertise both on a cross-sectoral and cross border basis. The EU SDFA would ultimately contribute to enhancing the supervisory convergence across the internal market, while supporting the transition towards a competitive, digital-based EU financial sector, contributing to develop innovative, efficient and inclusive financial products for consumers and businesses across the EU.

5.2.4. Administrative/service-level agreement with the Joint Research Centre (JRC) to build capacity for evidence-informed policymaking in governance and public administration

Amount

EUR 1 670 000

Description of actions

Building capacity for evidence-informed policymaking in governance and public administration in a post-pandemic Europe

Budget: EUR 1 670 000

Public administrations are required to reinvent themselves to deploy better, knowledge-intensive policies that will deliver valuable and sustainable results for their citizens. This is particularly true in the aftermath of the COVID-19 crisis.

In all European countries, the COVID-19 pandemic in particular has brought to the fore the critical importance of scientific knowledge for effective policy and decision-making in response to complex crises. At the same time, it has revealed frictions and challenges at the science-policy interface. These include dealing with scientific uncertainty, misinformation, contestation of expert authority, and – most notably – a lack of coordination and cooperation between different advisory organisations and networks within and between Member States.

This action aims to provide technical support to build capacity for evidence-informed policy making in governance and public administration.

As part of the action, the JRC will provide the 3 following work packages:

- a) preparation of country roadmaps by experts: these will include a mapping of the “as-is”, gap analysis and recommendations and action plans towards improving the uptake and use of scientific knowledge for policymaking by public administrations. Each roadmap will be tailored to each participating Member States.
- b) international capacity-building workshops: the seminars aim at developing skills i) for professionals allowing them to perform at the science and policy interface, as well as for ii) institutions to advance in the transformations of the public administration and

scientific organisations;

- c) mutual learning, networking and events among practitioners, policymakers and experts interested in EIPM and in fostering better governance and public administration reforms. These actions will aim to help design the overarching project, discuss conclusions and also foster discussions around policy topics or science-for-policy competences of interests for the European Union and EU stakeholders.

The action is expected to lead to the following results:

- Improved governance and public administrations in Member States by introducing better policy-making processes and creating robust and well-connected institutional foundations for the use of evidence across government;
- Improved inter-ministerial coordination mechanisms across different Member States to solve complex issues which require inter-ministerial cooperation;
- Strengthened capacity of participating Member States to advance in the institutionalisation of relations between knowledge producers in the scientific community and knowledge users in the policymaking community so that the green transition, digital transition, health and long-term care and other crucial issues can be better addressed by public administration.

In case the actions referred to under section 5.2 Administrative/service-level agreements cannot be implemented due to circumstances outside of the control of the Commission, they will be implemented through indirect management in accordance with the criteria set out in Section 4 (Actions implemented in indirect management in accordance with Article 62(1)(c) of the Financial Regulation).
