



Annual Activity Report 2021

Annexes

Directorate-General for Education, Youth,
Culture and Sport

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

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

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

Brussels, 31 March 2022

(Signed)

Arturo CABALLERO BASSEDAS

⁽¹⁾ C(2017)2373 of 19.04.2017.

ANNEX 2: Performance tables

Strategic Plan Indicators

General Objective 1 - A European Green Deal			
3. Impact indicator: Climate mainstreaming in the European Union budget			
Explanation: Proportion of climate related spending (mainstreaming) in the EU budget			
Source of the data: European Commission Draft Budget Reports			
Baseline (2019)	Latest known value (2021)	Interim milestone (2022)	Target (2024)
21%	32.5%	30%	30%

Specific objective 1.1: Promote behavioural changes and support education towards a sustainable economy			Erasmus+ European Solidarity Corps
Result indicator 1.1.1: Number of Erasmus+ and European Solidarity Corps projects contributing to sustainable development			
Source of the data: Project Management Module, Beneficiary Module and eGrants			
Baseline 2019	Interim Milestone 2022	Target 2024	Latest known results 2021
1 700	Increase	Increase	ESC: 1 716 E+: 18 470 Total: 20 186

General objective2 : A Europe fit for the digital age

4. Impact indicator: **Aggregate score in the Digital Economy and Society Index (DESI)**

Explanation: DESI is a composite index that summarises relevant indicators on Europe's digital performance and tracks the evolution of EU Member States in digital competitiveness. Higher values indicate a better performance

Source of the data: [DESI](#)

Methodology for calculating the indicator²: The DESI index is calculated as the weighted average of the five main DESI dimensions: 1 Connectivity (25%), 2 Human Capital (25%), 3 Use of Internet (15%), 4 Integration of Digital Technology (20%) and 5 Digital Public Services (15%)

Baseline (2019)	Latest known value (2021)	Interim milestone (2022)	Target (2024)
43.1	50.7	Increase	Increase

5. Impact indicator: **Digital skills**

Explanation: The basic digital skills indicator looks at selected activities performed by individuals aged 16 to 74 on the internet in the four specific areas (information, communication, problem solving, content creation). It is assumed that individuals having performed certain activities have the corresponding skills; therefore, the indicator can be considered as a proxy of the digital competences and skills of individuals. Finally, based on the performance in the four specific areas, an overall digital skills indicator is calculated as a proxy of the digital competences and skills of individuals ('no skills', 'low', 'basic' or 'above basic'). The basic digital skills indicator shows the share of individuals with 'basic' and 'above basic' skills.

Source of data: Eurostat (Eurostat online data code: [isoc_sk_dskl_i](#))

Baseline (2019)	Latest known value (2019)	Interim milestone (2022)	Target (2024)
<i>Basic digital skills:</i> 56%	56%	63%	67%

12. Impact indicator: **Gross domestic expenditure on research and development**

Explanation: This indicator measures gross domestic expenditure on research and development (R&D) as a percentage of GDP - the R&D intensity. The Frascati Manual defines R&D as creative and systematic work undertaken in order to increase the stock of knowledge - including knowledge of humankind, culture and society - and to devise new applications of available knowledge

Source of the data: Eurostat (Eurostat online data code: [sdg_09_10](#))

Baseline (2018)	Latest known value (2020)	Interim milestone (2020)	Target] (2024)
2.19%	2.32%	3.00%	Increase

² The methodology on calculating the indicator and the baseline have changed due to the need to align the DESI with the Digital Decade Compass cardinal points and target. This modification is referred to in the DESI reports (see page 13-15 <https://ec.europa.eu/newsroom/dae/redirection/document/80563>) and in the press materials of DESI (https://ec.europa.eu/commission/presscorner/detail/en/QANDA_21_5483).

Specific objective 2.1: Increase the use of digital technologies for teaching and learning to support both quality and inclusive education	<i>Erasmus+</i>
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Result indicator 2.1.1: Share of people using digital technology for learning purpose
Source of the data: Eurostat

Baseline	Interim Milestone	Target	Latest known results
2019	2022	2024	2021
21%	Increase	Increase	Not available

Result indicator 2.1.2: Share of teachers using digital technology in more than 75% of their lessons
Source of the data: Education and Training Monitor 2019

Baseline	Interim Milestone	Target	Latest known results
2018	2022	2024	2021
Primary level: 10% Lower secondary level: 15% Upper secondary level: 30%	Increase	Increase	Not available

Result indicator 2.1.3: Share of pupils without access to digital technology
Source of the data: 2nd Survey of schools: ICT in Education (2019)

Baseline	Interim Milestone	Target	Latest known results
2019	2022	2024	2021
Primary level: 65% Lower secondary level: 48% Upper secondary level: 28%	Decrease	Decrease	Not available

Specific objective 2.2: Invest in the development of digital skills for all	<i>Erasmus+</i>
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Result indicator 2.2.1: Share of Erasmus+ participants that have increased their digital skills after their participation in the Erasmus+ programme
Source of the data: Erasmus+ participant surveys

Baseline	Interim Milestone	Target	Latest known results
2019	2022	2024	2021
60%	Increase	Increase	Too early to report - the survey results will be known at least 1 year after the programme starts.

Result indicator 2.2.2: Number of participants involved in mobilities with Digital Erasmus Opportunity

Source of the data: Erasmus+ participant surveys

Baseline 2019	Interim Milestone	Target	Latest known results
	2022	2024	2021
8 000* (*Digital Opportunity Traineeship only)	to be reported in the Mid Term Report	to be reported in the Mid Term Report	Too early to report - final numbers for DOT participation in 2021 are not yet available

Specific objective 2.3: Through the Horizon Marie Skłodowska-Curie actions, promote excellence in science, generate innovation and strengthen skills, training and career development

Horizon 2020 / Horizon EU Marie Skłodowska-Curie actions

Result indicator 2.3.1: Cross-sector and cross-country circulation of researchers (MSCA)

Source of the data: CORDA, reports/estimations from Research Executive Agency

Baseline 2019	Interim Milestone	Target	Latest known results
	2022	2024	2021
Researchers: 10 200 PhD: 4 200	to be reported in the Mid Term Report	to be reported in the Mid Term Report	Too early to report - not all researchers have been recruited at the time of reporting

Specific objective 2.4: Through the Horizon EIT, strengthen innovation ecosystems that help to tackle global challenges, by fostering the integration of education, research and business

*Horizon 2020 / Horizon EU
European Institute of
Innovation and
Technology*

Result indicator 2.4.1: Number of organisations from universities, business and research integrated in the Knowledge and Innovation Communities (KICs)

Source of the data: CORDA, reports/estimations from Research Executive Agency

Baseline	Interim Milestone	Target	Latest known results
2018	2022	2024	2021
1 650	to be reported in the Mid Term Report	to be reported in the Mid Term Report	Too early to report - concrete figure for 2021 will be known in Q2 2022 once the KIC reports and figures are validated by EIT

Result indicator 2.4.2: Number of innovative products, processes or methods & Intellectual Property Rights applications

Source of the data: CORDA, reports/estimations from Research Executive Agency

Baseline	Interim Milestone	Target	Latest known results
2018	2022	2024	2021
3 159	to be reported in the Mid Term Report	to be reported in the Mid Term Report	Too early to report - concrete figure for 2021 will be known in Q2 2022 once the KIC reports and figures are validated by EIT

General Objective 3 - An economy that works for people

8. EC Impact indicator: Young people neither in employment nor in education and training

Explanation: A considerable proportion of young people aged 15 to 29 in the EU are economically inactive. For some this is due to the pursuit of education and training. Others, however, have withdrawn from the labour market or are not entering it after leaving the education system. This indicator captures those who struggle with the transition from education to work and measures the share of the population aged 15 to 29 who is not employed and not involved in education or training

Source of the data: Eurostat (Eurostat online data code: [sdg_08_20](#)), based on the EU Labour Force Survey

Baseline (2019)	Latest known value (2020)	Interim milestone (2022)	Target (2024)
12.6%	13.7%	Decrease	Decrease

10. Impact indicator: Human resources in science and technology

Explanation: This indicator shows human resources in science and technology as a share of the active population aged 25 to 64 in percent. Human resources in science and technology are people with a tertiary education in and / or employed in science and technology

Source of the data: Eurostat (Eurostat online data code: [sdg_09_21](#) and [tsc00025](#)), based on the EU Labour Force Survey

Baseline (2019)	Latest known value (2020)	Interim milestone (2022)	Target (2024)
12.6%	13.7%	Decrease	Decrease

Specific objective 3.1: Ensure effective and efficient European cooperation and develop optimised strategic investments for modernised, high quality education and training systems fostering EU social cohesion and economic

*Education and
Training
European
Semester*

Result indicator 3.1.1: Level of implementation of the education components of the European Semester's Country Specific Recommendations (CSRs)

Source of the data: Staff Working Documents

Baseline	Interim Milestone	Target	Latest known results
Implementation of 2019 CSRs as assessed in February 2020	2022	2024	2021
Number of Education and skills related CSR subparts: 27 Number with at least some progress: 11 % with at least some progress: 40%	To be seen in the light of the evolution of the European Semester/RRF process	To be seen in the light of the evolution of the European Semester/RRF process	Too early to report - the 2020 CSRs were not formally assessed in 2021 due to the change in the Semester cycle. This was replaced by the RRF exercise.

General Objective 4 - A stronger Europe on the world

1. Impact indicator: The European Union's voice counts in the world according to its citizens

Explanation: This indicator shows the percentage of EU citizens that tend to agree that the EU's voice counts in the world

Source of the data: : Standard Eurobarometer 95

Baseline (2019)	Latest known value (2021)	Interim milestone (2022)	Target (2024)
71% (EU 27)	72%	Increase	Increase

Specific objective 4.1: Promote and strengthen international cooperation in the fields of education, training, youth, sport, culture, and research and innovation

*Erasmus+
Creative Europe*

Result indicator 4.1.1: Implementation of the Bologna Process key commitments in the European Higher Education Area

Source of the data: Bologna Implementation Report, data may be bi-annual (tbc)

Baseline	Interim Milestone	Target	Latest known results
2018	2022	2024	2021
20%	Increase	Increase	Too early to report - awaiting 2022 report

Result indicator 4.1.2: Erasmus+ Number of international mobility for staff and learners mobility

Source of the data: Erasmus+ Mobility Tool

Baseline	Interim Milestone	Target	Latest known results
2019	2022	2024	2021
55 071	to be reported in the Mid Term Report	to be reported in the Mid Term Report	Due to the late adoption of the funding instruments (NDICI and IPA III) only limited Heading 6 funds were available in 2021. Consequently 2021 was a gap year for international credit mobility. Outgoing International mobility of staff and learners was supported under KA131.

Result indicator 4.1.3: Erasmus+ Number of capacity building projects

Source of the data: Erasmus+ Mobility Tool

Baseline	Interim Milestone	Target	Latest known results
2019	2022	2024	2021
Higher education: 163 Youth: 121	to be reported in the Mid Term Report	to be reported in the Mid Term Report	Higher Education: no new capacity building projects in higher education funded in 2021 (capacity building in higher education is funded through Heading 6 funds. Due to the late adoption of the funding instruments (NDICI and IPA III) only limited Heading 6 funds were available in 2021. Consequently 2021 was a gap year for CBHE. Youth: 45 new Capacity building in youth projects were selected in 2021

Result indicator 4.1.4: Creative Europe Number of projects supported by the Programme involving third countries organisations

Source of the data: EACEA database

Baseline	Interim Milestone	Target	Latest known results
2019	2022	2024	2021
101	to be reported in the Mid Term Report	to be reported in the Mid Term Report	Too early to report - the selection of projects under calls 2021 is ongoing and not completed yet. Award decisions are expected in Q1-Q2 of 2022.

General Objective 5 - Promoting our European way of life

8. EC Impact indicator: Tertiary educational attainment

Explanation: The indicator measures the share of the population aged 30 to 34 who have successfully completed tertiary studies (for example, at university or a higher technical institution). Tertiary educational attainment refers to International Standard Classification of Education 2011 levels 5–8 for data from 2014 onwards

Source of the data: Eurostat (Eurostat online data code: [sdg_04_20](#)), based on the EU Labour Force Survey

Baseline (2019)	Latest known value (2020)	Interim milestone (2020)	Target (2024)
39.5%	40.5% → 45.4% → 54.0%	>40%	Increase

9. Impact indicator: Early leavers from education and training

Explanation: The indicator measures the share of the population aged 18 to 24 with at most lower secondary education who were not involved in any education or training during the four weeks preceding the survey

Source of the data: Eurostat (Eurostat online data code: [sdg_04_10](#)), based on the EU Labour Force Survey

Baseline (2019)	Latest known value (2020)	Interim milestone (2020)	Target (2024)
10.2%	9.9%	<10%	Decrease

10. Impact indicator: Participation in early childhood education

Explanation: The indicator measures the share of children between the age of four and the starting age of compulsory primary education who participated in early childhood education

Source of data: Eurostat (Eurostat online data code: [sdg_04_30](#))

Baseline (2017)	Latest known value (2019)	Interim milestone (2020)	Target (2024)
94.9 %	95.1%	>95%	Increase

Specific objective 5.1: Make the European Education Area a reality, removing barriers to learning, improving access to quality education and making it easier for learners to move between countries	<i>European Education Area</i>
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Result indicator 5.1.1: Number of countries fully implementing the Council recommendation on promoting automatic mutual recognition of qualifications and learning periods abroad
Source of the data: Eurydice Bologna Implementation Report, Data might be bi-annual as from 2021 (tc)

Baseline	Interim Milestone	Target	Latest known results
2019			
	2022	2024	2021
Upper secondary education: 18% Higher education: 18%	Increase	Increase	20%

Result indicator 5.1.2: Number of countries implementing the Council Recommendation on tracking graduates
Source of the data: Graduate tracking monitoring

Baseline	Interim Milestone	Target	Latest known results
2019			
	2022	2024	2021
7%	Increase	Increase	63%

Result indicator 5.1.3: Number of higher education institutions taking part in the European Universities initiative
Source of the data: DG EAC

Baseline	Interim Milestone	Target	Latest known results
2019			
	2020	2024	2021
114	More than 250	Increase	284

Specific objective 5.2: With the support of the Erasmus+ programme, promote learning mobility of individuals, as well as cooperation, inclusion, excellence, creativity and innovation at the level of organisations and policies in the field of Education and Training	<i>Erasmus+ Education and Training</i>
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Result indicator 5.2.1: Number of participants in learning mobility activities in the Education and Training strand of the Erasmus+ programme (KA1)

Source of the data: Erasmus+ Legal Base indicator

Baseline	Interim Milestone	Target	Latest known results
2019	2022	2024	2021
Staff: 158 291 Students: 336 495 Learners: 153 624	to be reported in the Mid Term Report	to be reported in the Mid Term Report	Too early – data not yet available

Result indicator 5.2.2: Number of organisation/institutions taking part in the Education and Training strand of the Erasmus+ programme (KA1+KA2)

Source of the data: Erasmus+ Legal Base indicator

Baseline	Interim Milestone	Target	Latest known results
2019	2022	2024	2021
77 000	to be reported in the Mid Term Report	to be reported in the Mid Term Report	Too early to report

Result indicator 5.2.3: Number of people with fewer opportunities taking part in activities in the Education and Training strand of the Erasmus+ programme under KA1

Source of the data: Erasmus+ Legal Base indicator

Baseline	Interim Milestone	Target	Latest known results
2019	2020	2024	2021
15 000	to be reported in the Mid Term Report	to be reported in the Mid Term Report	Too early to report

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

Erasmus+ Youth

Result indicator 5.3.1: Number of participants in learning mobility activities in the Youth strand of the Erasmus+ programme (KA1)

Source of the data: European Commission, Project Management Module, Beneficiary Module

Baseline	Interim Milestone	Target	Latest known results
2019	2022	2024	2021
174 000	to be reported in the Mid Term Report	to be reported in the Mid Term Report	Too early to report

Result indicator 5.3.2: Number of organisation/institutions taking part in the Youth strand of the Erasmus+ programme (KA1+KA2)

Source of the data: Erasmus+ Legal Base indicator

Baseline	Interim Milestone	Target	Latest known results
2019	2022	2024	2021
28 000	to be reported in the Mid Term Report	to be reported in the Mid Term Report	Too early to report

Result indicator 5.3.3: Number of people with fewer opportunities taking part in activities in the Youth strand of the Erasmus+ programme under KA1

Source of the data: Erasmus+ Legal Base indicator

Baseline	Interim Milestone	Target	Latest known results
2019	2022	2024	2021
14 000	to be reported in the Mid Term Report	to be reported in the Mid Term Report	Too early to report

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

*European
Solidarity
Corps*

Result indicator 5.4.1: Number of participants in European Solidarity Corps activities

Source of the data: European Solidarity Corps Legal Base indicator

Baseline 2019	Interim Milestone	Target	Latest known results
	2022	2024	2021
12 539	to be reported in the Mid Term Report	to be reported in the Mid Term Report	Too early to report

Result indicator 5.4.2: Number of organisations holding a European Solidarity Corps quality label

Source of the data: European Solidarity Corps Legal Base indicator

Baseline 2019	Interim Milestone	Target	Latest known results
	2022	2024	2021
1 058	Increase	Increase	Too early to report

Result indicator 5.4.3: Percentage of participants from a fewer opportunities background

Source of the data: European Solidarity Corps Legal Base indicator

Baseline 2019	Interim Milestone	Target	Latest known results
	2022	2024	2021
34%	30-45%	30-45%	Too early to report

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

Erasmus+ Sport

Result indicator 5.5.1: Number of people taking part in mobility activities in the Sport strand of the Erasmus+ programme (KA1)

Source of the data: Erasmus+ Legal Base indicator

Baseline	Interim Milestone	Target	Latest known results
2019	2022	2024	2021
n/a*	to be reported in the Mid Term Report	to be reported in the Mid Term Report	Too early to report

Result indicator 5.5.2: Number of organisation/institutions taking part in the Sport strand of the Erasmus+ programme (KA1+KA2)

Source of the data: Erasmus+ Legal Base indicator

Baseline	Interim Milestone	Target	Latest known results
2019	2022	2024	2021
789	to be reported in the Mid Term Report	to be reported in the Mid Term Report	Too early to report

Result indicator 5.5.3: Number of projects submitted to the #BeInclusive EU Sport Awards

Source of the data: European Commission, DG EAC

Baseline	Interim Milestone	Target	Latest known results
2019	2022	2024	2021
144	Increase	Increase	Too early to report - organisation affected by late adoption of the Erasmus + Legal base. Gala to take place in April 2022. Publication of the competition in September 2021.

Result indicator 5.5.4: Outreach of the European Week of Sport

Source of the data: European Commission, DG EAC

Baseline	Interim Milestone	Target	Latest known results
2019	2022	2024	2021
15.3 million participants 28 300 events 42 countries	Increase	Increase	Total number of participants during the 2021 Week: 11 037 168 (= 10 227 719 from NCBs + 809 449 from Partners)
28 300 events			Total number of events during the Week: 45 048 (= 41 620 from NCBs + 3428 from Partners)
42 countries			41 No UK

Specific objective 5.6: With the support of the Creative Europe programme, strengthen Europe’s commitment to preserve and promote our cultural heritage	<i>Creative Europe</i>
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Result indicator 5.6.1: Outreach of the ECOC Action during the title-year in each city
Source of the data: Ex post evaluation of the European Capitals of Culture of the corresponding year

Baseline	Interim Milestone	Target	Latest known results
2018	2022	2024	2021
Leeuwarden: 5.4 million visitors (135%) Valetta: 400 000 visitors (40%)	100%	100%	Too early to report

Result indicator 5.6.2: Leverage effect of the ECOC title in terms of the yearly ECOC cities operational budgets
Source of the data: Ex post evaluation of the European Capitals of Culture of the corresponding year

Baseline	Interim Milestone	Target	Latest known results
2019	2022	2024	2021
Leeuwarden: €104.6 million Valletta: € 26.5 million	Increase	Increase	Too early to report

Result indicator 5.6.3: Number of projects supported by the Programme addressed to disadvantaged groups, namely unemployed youth and migrants
Source of the data: European Commission, Project Management Module, Beneficiary Module

Baseline	Interim Milestone	Target	Latest known results
2019	2022	2024	2021
117	Increase	Increase	Too early to report - the selection of projects under calls 2021 is ongoing and not completed yet. Award decisions are expected in Q1-Q2 of 2022.

General Objective 6 - A new push for European democracy

1. Impact indicator: Citizens agreeing that their voice counts in the European Union

Explanation: This indicator measures the percentage of Europeans who tend to agree with the statement 'their voice counts in the EU'

Source of the data: Standard [Eurobarometer](#) 95

Baseline (2019)	Latest known value (2021)	Interim milestone (2022)	Target (2024)
48% (EU 27)	43%	Increase	Increase

Specific objective 6.1: Provide European young people opportunities to participate in civic society and democratic life

Youth

Result indicator 6.6.1: Youth participation in social, political and civic activity

Source of the data: Flash Eurobarometer 478, March 2019

Baseline 2019	Interim Milestone 2022	Target 2024	Latest known results 2021
77%	Increase	Increase	Too early to report - the survey results will be known in at least 1 year after the programme start

Management Plan Indicators

General objective 1: A European Green Deal			
Specific objective 1.1 - Promote behavioural changes and support education towards a sustainable economy			Erasmus+ Marie Skłodowska-Curie Actions Creative Europe
Main outputs 2021:			
Other important outputs			
Output	Indicator	Target	Latest known results (31/12/2021)
Erasmus+			
Proposal for a Council Recommendation on education for environmental sustainability	Open public consultation	Q2 2021	Done
	Adoption of a proposal for Council Recommendation by the College	Q4 2021	Done
Environment and fight against climate-change introduced as an horizontal priority for projects under key action 2	Erasmus+ Annual Work Programme 2021	Q1 2021	Done
	Erasmus+ Programme guide 2021	Q1 2021	Done
	Number of projects awarded covering this priority	1 000	1570
Marie Skłodowska-Curie Actions			
Marie Skłodowska-Curie Actions (MSCA) Green Charter for all MSCA projects to minimise the environmental impact of their research activities	Green Charter publication on the MSCA website	Q1 2021	Done
	Reference in the Horizon Europe Work Programme 2021-22	Q2 2021	Done
	Percentage of projects applying the MSCA Green Charter	50%	Too early to report - statistics on this will only be available at final report stage
MSCA portfolio analysis on Green Deal topics and organisation of a Green Deal cluster event	Percentage of projects identified covering Green Deal topics	10%	Too early to report - Some 2021 calls are still open
	Number of participants benefitting from the cluster event	100	134

Output	Indicator	Target	Latest known results (31/12/2021)
MSCA European Researchers' Night with a specific focus on the Green Deal	Organisation of the MSCA European Researchers Night	Q3 2021	Done
	Percentage of MSCA NIGHT events with a focus on Green Deal issue	50%	52%
	Number of participants in these events	1 million	1.1 million
<i>Creative Europe</i>			
New Open Method of Coordination working group on Strengthening Heritage Resilience for Climate change- exchange good practices and innovative measures for safeguarding cultural heritage in relation to climate change	Launch of EU MS expert group	Q1 2021	Done
	Number of participating countries	17	25 MS participating + Norway, Switzerland and Iceland.

General objective 2 - A Europe fit for the digital age			
Specific Objective 2.1 - Promote the development of a high-performing digital education ecosystem in Europe			DEAP
Main outputs 2021:			
Other important outputs			
Output	Indicator	Target	Latest known results (31/12/2021)
Strategic Dialogue on enabling factors for successful digital education	Number of Member States that promoted guidelines for digital pedagogy ³	15	not applicable since guidelines will be adopted in autumn 2022
	Number of MS involved in National Advisory Services network	20	17 MS and 2 countries
Proposal for a Council Recommendation on online and distance learning for primary and secondary education	Adoption of a proposal for Council Recommendation by the College	Q3 2021	Done
Support for connectivity and digital equipment	Number of competitive calls for socio-economic drivers, including education and training institutions and schools, led by CNECT under CEF2	1	On track - this call is supported by the Connecting Europe Facility programme. AWP for 2021 was adopted only on 16 December. The first Call is foreseen to be launched in early 2022.
	Support for connectivity and equipment, including through the Recovery and Resilience Facility	10 Member States	13 Member States
Digital transformation plans and digital pedagogy and expertise	Number of awarded projects covering the horizontal digital education priority	1000	4111

³ Guidelines for digital pedagogy is one of the key enabling factors for digital education as identified in Action 1 of the DEAP 2021-2027.

Output	Indicator	Target	Latest known results (31/12/2021)
Stakeholder Forum	Number of Stakeholders involved	250 people	Too early to report - the Forum was postponed for Q1 2022 and planning is underway
DEAP Communications campaign	Number of engaged individuals	1 million people	P 1. 655m impressions on social media

Specific Objective 2.2 - Enhance digital skills and competences for the digital transformation for all			DEAP
Main outputs 2021:			
Other important outputs			
Output	Indicator	Target	Latest known results (31/12/2021)
Erasmus+			
Digital Opportunity Traineeship	Number of participating people	8 000 for Higher Education	Too early to report - final numbers for DOT participation in 2021 are not yet available
Women's participation in STEM and digital and entrepreneurial skills	Number of participating girls	9000	7 682
Creative Europe			
Commission-led expert group on understanding digital audiences in the context of cultural organisations	Expert group set up	Q4 2021	Done
	Number of Member States involved (2021-2022)	Min. 10	Delayed - the expert work was set with the help of the Voices of Culture platform; MS will be involved in a second step in Q2 2022
	Number of experts involved (2021-2022)	Min. 5	35

Specific objective 2.3 - Through the Horizon Europe Marie Skłodowska-Curie Actions, promote excellence in research, generate innovation and strengthen skills, training and career development for researchers notably through excellent international doctoral networks			Horizon Europe Marie Skłodowska-Curie Actions
Main outputs 2021: To ensure an efficient and effective implementation of the programme			
External communication activities			
Output	Indicator	Target	Latest known results (31/12/2021)
Science is Wonderful! EU R&I Days, interactive showcasing of EU-funded research	Science projects exhibition (visitors on-site and online), participation in policy conferences; promotion on social media (impressions)	Q4 2021	Done
MSCA Presidency Event	MSCA Policy conference; , promotion on social media	Q4 2021	Done
MSCA Social Media	Increase of social media users and interactions (impressions and interactions)	10%	Facebook 2021: 53 525 followers, + 20.74% compared to 2020 22989 interactions, - 54.05% compared to 2020 Twitter 2021: 53698 followers, +36.1% compared to 2020 30488 interactions, - 9.39% compared to 2020
MSCA Launch of Horizon Europe Communication Strategy and campaigns	Renewed communication materials and campaigns	Q2 2021	Done
Other important outputs			
Output	Indicator	Target	Latest known results (31/12/2021)
Effective implementation	Budget execution	100%	100%
	N° of calls published	8	Done

Specific objective 2.4 - As part of Horizon Europe, the EIT will further foster the integration of education, research and business strengthen innovation ecosystems that help to tackle global challenges and deliver concrete solutions aimed at mitigating the effects of the crisis and contributing to the recovery.

Horizon Europe - The European Institute of Innovation and Technology

Main outputs in 2021: To ensure an efficient and effective implementation of the programme

External communication activities

Output	Indicator	Target	Latest known results (31/12/2021)
EIT Awards	Timely implementation of the 2021 EIT Awards	5 EIT Awards - December 2021	Cancelled - EIT awards have not been organised in 2021

Other important outputs

Output	Indicator	Target	Latest known results (31/12/2021)
2022-2024 EIT Single Programming Document (SPD)	Adoption of the Commission Opinion	Q4 2021	Done
Effective Work Plan management	N° of Specific Grant Agreements signed	8	Done
	No. of amendments to Partnership Agreement signed	8	Done
	Budget execution	100 %	100%
	Timely implementation of the 2021 Annual Work Programme	100% activities	Done
2020 discharge process	Acceptance of 2020 discharge	Q4 2021	Too early to report - expected by Q2 2022 from EP
Openness	Number of entities/organisations participating in EIT and KIC activities	Baseline (2020): 3 479 2023: 20% increase 2027: 50% increase ⁴	Too early to report - concrete figure for 2021 will be known in Q2 2022 once the KIC reports and figures are validated by EIT

⁴ Target 2027; the baseline to compare with is the figure as of December 2020

Output	Indicator	Target	Latest known results (31/12/2021)
Openness	No. of entities/organisations from EIT RIS defined regions participating in EIT and KIC activities	Baseline (2020): 848 2027: 100% increase	Too early to report – concrete figure for 2021 will be known in Q2 2022 once the KIC reports and figures are validated by EIT
	No. of Start-ups and scale ups supported	700 supported Start-ups 10% increase	Too early to report – concrete figure for 2021 will be known in Q2 2022 once the KIC reports and figures are validated by EIT
	No. of students/participants involved in EIT and KICs education activities	25 000 ⁵	Too early to report – concrete figure for 2021 will be known in Q2 2022 once the KIC reports and figures are validated by EIT
Financial Sustainability	FS coefficient	10% increase	Too early to report – concrete figure for 2021 will be known in Q2 2022 once the KIC reports and figures are validated by EIT

⁵ Target 2027

General objective 3: An economy that works for people

Specific objective 3.1: Ensure effective and efficient European cooperation and develop optimised strategic investments for modernised, high quality education and training systems fostering EU social cohesion and economic growth.

European Semester

Main outputs 2021:

Other important outputs

Output	Indicator	Target	Latest known results (31/12/2021)
Structural reforms and investments in the field of education in the Recovery and Resilience Plans (RRPs)	Contribution to the assessment of Recovery and Resilience Plans	In staggered batches in function of the submission of RRP	On track - 26 NRRPs submitted and 22 NRRPs adopted by end 2021
	Assessment of previous year Country Specific Recommendations (CSRs)	Initial assessment in Q1 2021 with periodic updates	Done
Education and Training Monitor – Country reports	Publication	November 2021	Done
Eurostudent	Publication of the call for Eurostudent VIII	Q2 2021	Done
Creative Europe			
Analytical material from policy seminars and rapid assessment of regions participating in OECD-EAC Cultural and Creative Sectors and Local Development policy project	Number of attendees to three online seminars in 2021	Min. 50	Done
	Publication of materials online by OECD in 2021	Q2 2021	Done
Open Method of Coordination expert Group on gender equality in cultural and creative sectors	Publication of the report	Q2 2021	Done
Conference/workshop on music	Number of participants (EU Member States experts and sector representatives) involved	Q1 2021	Done

General objective 4 - A stronger Europe in the world			
Specific Objective 4.1 - Promote and strengthen International cooperation in the fields of education, training, youth, sport, culture, and research and innovation			Erasmus+ Marie Skłodowska-Curie Actions
Main outputs 2021: Effective implementation of the Erasmus+ 2021 Annual Work programme			
External communication activities			
Output	Indicator	Target	Latest known results (31/12/2021)
Erasmus+ International			
Erasmus Mundus Association General Assembly	Number of participants	80	150
Other important outputs			
Output	Indicator	Target	Latest known results (31/12/2021)
Erasmus+ International			
Higher Education	N° of international Student and Staff Mobility	28 850	Due to the late adoption of the funding instruments (NDICI and IPA III) only limited Heading 6 funds were available in 2021. Consequently 2021 was a gap year for international credit mobility.
	N° of international students in Erasmus Mundus Joint Masters (EMJM)	1 400 students	2 139
	N° of international HEIs in EMJM	20 HEIs	17
Bologna Process	N° of Peer support group meetings and Bologna Implementation Coordination Group meetings with Commission participation	5	Done

Output	Indicator	Target	Latest known results (31/12/2021)
Jean Monnet activities	N° of actions supported in Higher Education	215	Done - more applications than anticipated
	N° of actions supported in other level of education and training	18	Done - more applications than anticipated
Youth	N° of capacity building in youth projects	112	45 contrary to the initial planning, H6 is supporting CBY only in the WBs and South Med region, explaining the discrepancy with the target
Erasmus+ Sport			
Participation of Eastern Partners and Regions in the European Week of Sport	Number of countries taking part in the European Week of Sport	4 from Eastern Partnerships	5 from Eastern Partnerships
		4 from Western Balkans	4 from Western Balkans
Main outputs 2021: To ensure an efficient and effective implementation of the MSCA part of the Horizon Europe work programme 2021			
Other important outputs			
Output	Indicator	Target	Latest known results (31/12/2021)
Horizon Europe - Marie Skłodowska-Curie Actions			
MSCA Western Balkans Contact Seminar	Number of partners involved in the seminar	250	250
Promoting the MSCA worldwide	Number of participations in Joint Science and Technology Committee meetings with third countries	10	10
Attractiveness of the programme to third-country nationals	Percentage of third-country nationals participating in the programme	30%	39%

General objective 5 - Promoting our European way of life			
Specific objective 5.1 – Make the European Education Area a reality, removing barriers to learning, improving access to quality education and making it easier for learners to move between countries			European Education Area
Main outputs 2021:			
Other important outputs			
Output	Indicator	Target	Latest known results (31/12/2021)
EEA Steering Board	Its composition and working methods should be defined with Member States	by the end of June 2021	On track
Commission expert group on quality investment in education and training	Help step up investment in education and strengthen focus on EU, national and regional investment	1 st meeting in 1 st half of 2021	Done
Education for Climate Coalition	Set-up of an on-line platform for centralising and monitoring pledges and support to the set-up of national coalitions	1st meeting with the national coalitions by end of 2021	Done
Network of experts and stakeholders on the recognition of outcomes of learning periods abroad in general secondary education, (consortium led by European Federation for Intercultural Learning)	Recommendation of European framework for recognition	Q4 2021	On track - will be finalised in January 2022
	Model training	Q4 2021	Done
	Final report	Q4 2021	Done
Education and training			
Education and Training Monitor	Publication 2021	November 2021	Done
	Webpage visits during 3 months after the launch date	>10 800	Too early to report - data will be available in March 2022
	Hard copies of the reports distributed to target readers	4 500	Done

Output	Indicator	Target	Latest known results (31/12/2021)
European Universities			
European Universities	Webinars with selected European Universities	Q4 2021	Done – 7 meetings
	Organisation of a joint meeting of the selected alliances and member States representatives to tackle remaining barriers	Q4 2021	Done
European Strategy for Universities			
Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on a European strategy for universities	Adoption of the Communication by the College	Q4 2021	Done (adoption mid January 2022)
Co-creation of a European strategy for universities	Consultation with stakeholders and Member States through an open public consultation and targeted consultation activities	Q1-Q4 2021	Done
Data tools and Knowledge Hub			
European Tertiary Education Register	Inception Meeting	Q1 2021	Done
	Publication of 2018-2020 data	Q3 2021	Done
Knowledge Hub for Higher Education	Inception Meeting	Q1 2021	Cancelled
	Meeting of the advisory group	Q4 2021	Cancelled
U-Multirank	Release of 2020 data	Q3 2021	Done
Eurostudent	Launch of Eurostudent VIII	Q4 2021	Done
European approach for micro-credentials initiative			
Proposal for a Council Recommendation on micro-credentials for lifelong learning and employability 	Public consultation and consultation of experts	Q1-Q4 2021	Done
	Adoption of a proposal for a Council Recommendation on micro-credentials for lifelong learning and employability	Q4 2021	Done

Output	Indicator	Target	Latest known results (31/12/2021)
<i>European graduate tracking mechanism</i>			
Develop a European graduate tracking mechanism	Call for tender evaluated & contracted	Q1 2021	Done
	New Graduate Tracking governance structure launched	Q3 2021	Done
	1 st wave of the European graduate survey launched	Q4 2021	Done
<i>Automatic mutual Recognition of qualifications and learning periods abroad</i>			
Quality Assurance	Follow-up of the ongoing Erasmus+ EuniQproject on quality assurance	Q1-Q4 2021	Done
Promotion of automatic mutual recognition	Meetings of the European Network of National Information Centres (ENIC)/ National Academic Recognition Information Centres (NARIC) and its Advisory Board	6	Done
<i>European Student Card Initiative</i>			
Erasmus Without Paper Network	Number of higher education institutions using the Erasmus Without Paper Network	4 500	2 318 - the deadline for Higher Education institutions to connect to Erasmus Without Paper has been changed from June 2021 to end 2022, allowing them one more year to connect in view of delays faced by the pandemic.
Co-branding students cards with the European Student Card elements	Number of European Student Cards produced by higher education institutions/student card issuers	3.5 million	2.6 million – the deadline extended to end 2023.
Erasmus+ Mobile App	Second release with additional new features	Q3 2021	Done
	Number of times the Erasmus+ Mobile App has been downloaded	150 000	138 800 – the deadline extended to end 2022.
<i>Early childhood education and care system (ECEC)</i>			
ECEC Working Group	Validation of a European dissemination strategy	Q1 2021	Done

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

**Erasmus+
Education and
Training**

Main outputs 2021: Effective implementation of the Erasmus+ 2021 Annual Work programme

External communication activities

Output	Indicator	Target	Latest known results (31/12/2021)
New Erasmus+ programme	Launching of the new programme including the main novelties (inclusion, green, digital, simplification)	Q1 2021	Done
Erasmus+ Annual report 2019	Launch of the report (including publication, press release, social media, etc.)	Q4 2021	Done
	Number of report downloads from the OP website	2 000	Too early to report - the report has just been published at the end of December 2021

Other important outputs

Output	Indicator	Target	Latest known results (31/12/2021)
Effective implementation	Budget execution	100%	100%
Key Action 1 Learning mobility	N° of individual mobility of Staff (HE – VET – Schools – Adult)	HE 7 000 VET:18 000 School: 27 000 Adult: 6 400 Total: 78 400	Too early to report
	N° of Students Mobility higher education	250 500	Too early to report
	N° of Pupils mobility School education	100 000	Too early to report
	N° of learners mobility VET	115 000	Too early to report
	N° of adult learners	10 000	Too early to report

Output	Indicator	Target	Latest known results (31/12/2021)
Key Action 1 Learning mobility	N° of operating grants for National Agencies (NAs)	33 MF and 33 TCA Abbreviation of: MF, TCA	55
	Percentage of Erasmus+ participants in long-term mobility declaring that they have increased their language skills	HE: 90% VET: 87%	Too early to report - the survey results will be known in at least 1 year after the programme start
Key Action 2 Cooperation among organisations and institutions	Partnerships for cooperation, including small scale partnerships	Cooperation partnerships: 1 233 Small scale partnerships: minimum 1 500	Too early to report
	Centres of Vocational Excellence	5	On track - will be finalised in January 2022
	Erasmus Teacher Academies	10	On track - will be finalised in January 2022
	Innovative Teaching Award	1	Done
	Partnerships for Innovation Alliances	35	Too early to report - results of the selection available in Q2 2022
	N° of registered users of online communities in the School Education Gateway, e-Twinning and EPALE (mainly teachers and school education staff, adult educators, higher education)	SEG: 120 000 (+20%) EPALE: 100 000 (+25%) eTwinning: 950 000 (+10%)	SEG 111 884 EPALE 107 000 eTwinning 1 030 251

Specific objective 5.3 - With the support of the Erasmus+ programme, promote non-formal learning mobility and active participation among young people, as well as cooperation, inclusion, creativity and innovation at the level of organisations and policies in the field of Youth			Erasmus+ Youth
Main outputs 2021: Effective implementation of the Erasmus+ 2021 Annual Work programme			
External communication activities			
Output	Indicator	Target	Latest known results (31/12/2021)
2021 European Youth Week	Organisation of the event	2021 Q4	Done
	Number of participants	80 000	100 000
Other important outputs			
Output	Indicator	Target	Latest known results (31/12/2021)
Commission Report on the implementation of the EU Youth Strategy 2019-2021	Adoption of the Commission Report by the College	Q3-2021	Done
Effective implementation	Budget execution	100%	100%
Key Action 1 Learning mobility	Number of participants in KA1 Youth Actions	100 000	Too early to report
	% of participants with fewer opportunities taking part in KA1 Youth Actions	32%	43%
	% of Participants that consider they have benefitted from their participation in KA1 Youth Actions	90%	Too early to report - the survey results will be known in at least 1 year after the programme start
Key Action 2 Cooperation for innovation and the exchange of good practices	Partnerships for cooperation, including small scale partnerships	Cooperation: 600 Small scale partnerships: 500	Too early to report

Output	Indicator	Target	Latest known results (31/12/2021)
DiscoverEU: Free travel pass for Europeans turning 18	Open competition May 2021	2021 Q2	Cancelled - because of the COVID-19 pandemic, travelling is still interrupted and the round in May 2021 was cancelled.
	N° of travel passes attributed following Open competition May 2021	30 000	Cancelled - there was no application round in May 2021
	N° of travel passes attributed following Open competition October 2021	30 000	60 950

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

European Solidarity Corps

Main outputs 2021: Effective implementation of the European Solidarity Corps 2021 Annual Work programme

Other important outputs

Output	Indicator	Target	Latest known results (31/12/2021)
Commission proposal for a Council Recommendation on mobility of young volunteers across the European Union – Update of the EU framework	Adoption of a proposal for a Council Recommendation by the College	Q3-2021	Done
Effective implementation	Budget execution	100%	100%
Engagement in solidarity activities	Number of participants in solidarity activities	26 000	1 866
Promoting social inclusion and equal opportunities	% of participants with fewer opportunities	34%	57%

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

Erasmus+ Sport

Main outputs 2021: Effective implementation of the Erasmus+ 2021 Annual Work programme

External communication activities

Output	Indicator	Target	Latest known results (31/12/2021)
#BeActive social media campaign	Launch	April 2021	Done
7 th European Week of Sport	Organisation of the event	Q4 2021	Done
2021 #BeInclusive EU sport awards	Organisation and attribution of the award	Q4 2021	On track - organisation impacted by late adoption of the Erasmus + Legal base; Gala to take place in May 2022

Other important outputs

Output	Indicator	Target	Latest known results (31/12/2021)
Key Action 2 Cooperation for innovation & the exchange of good practices	N° of cross-border projects to improve good governance and dual careers	45	On track - call is launched
	N° of cross-border projects to combat threats to sport	20	On track - Erasmus+ call published
	N° of cross-border projects to enhance social inclusion	120	On track - call is launched
Sport as a tool for integration and social inclusion of the refugees	Selection of the projects	Q4 2021	On track - Erasmus+ call published
Building the investigative capacity of national authorities to better fight doping in sport in Europe	Selection of projects	Q4 2021	On track - transferred to EACEA; call published
Grassroots sports programmes and infrastructure innovation	Selection of the projects	Q4 2021	On track - transferred to EACEA; call published

Specific objective 5.6 - With the support of the Creative Europe programme, strengthen Europe's commitment to preserve and promote our cultural diversity and heritage			Creative Europe Programme
Main outputs 2021: Effective implementation of the Creative Europe 2021 Annual Work programme (Culture Strand)			
External communication activities			
Output	Indicator	Target	Latest known results (31/12/2021)
Open Method of Coordination expert groups	Number of meetings	Min. 9	Done
Creative online platform to exchange with the Member States	Number of online visits	Min. 20	Done
Creatives Unite platform	Number of online visits	Min. 10 000	Over 44 000 users and more than 1170 published posts (end of 2021)
(Council of Work Plan) Conferences/Workshops (alternative funding, music)	Number of participants (online) per event	January / February 2021 Min. 60	Over 100 participants in the complementary funding workshop Over 80 in the Music conference
Other important outputs			
Output	Indicator	Target	Latest known results (31/12/2021)
Effective implementation	N° of grant agreements signed	225 ⁷	Too early to report - the selection of projects under calls 2021 is ongoing and not completed yet
	Budget execution	100%	100%

⁷ EACEA actions cooperation projects (incl sectorial), networks, platforms, literary translation/book circulation, special action broad coverage (4) plus ECOC – Melina Mercouri Prize (2), Prizes (4)

Output	Indicator	Target	Latest known results (31/12/2021)
Transnational cooperation	Number of European cooperation projects/partnerships	130	Too early to report - the selection of projects under calls 2021 is ongoing and not completed yet
	Number of European Networks	30	Too early to report - the selection of projects under calls 2021 is ongoing and not completed yet
	Number of European Platforms	15	Too early to report - the selection of projects under calls 2021 is ongoing and not completed yet
	Number of Book circulation projects	40	Too early to report - the selection of projects under calls 2021 is ongoing and not completed yet
	Number of projects supported by the Programme involving third country organisations ⁸	110	Too early to report - the selection of projects under calls 2021 is ongoing and not completed yet

⁸ This indicator should in 2021 measure participation of third country organisations in the cooperation projects. Third countries here means: participating and non-participating countries.

Output	Indicator	Target	Latest known results (31/12/2021)
Support to transnational circulation of artists and professionals	Number of artists & cultural &/or creative players (geographically) mobile beyond national borders due to Programme support, by country of origin (including the proportion of women) ⁹	10 000	Too early to report - the selection of projects under calls 2021 is ongoing and not completed yet
Audience development	Number of people accessing European cultural and creative works generated by the Programme, including works from countries other than their own ¹⁰	10 000 000	Too early to report - the selection of projects under calls 2021 is ongoing and not completed yet
Support to social inclusion through culture	Number of projects supported by the Programme addressed to socially marginalised groups and handicapped persons ¹¹	157	Too early to report - the selection of projects under calls 2021 is ongoing and not completed yet. Award decisions are expected in Q1-Q2 of 2022.
'Music Moves Europe': Boosting European music diversity and talent	Evaluation of proposals	Q1-2021 (1 call for proposal)	Done
	Kick off	Q2 2021	Done
'European Houses of Culture'	Kick off meeting	PA 2020: Q1-2021	On track - Phase 2 has started on 14 December 2020

⁹ This indicator is a projection because projects signed in 2021 will not have final figures before 2023 or later. In 2021 this projection includes cooperation projects, platforms, networks and the mobility scheme.

¹⁰ This indicator is a projection and should include cooperation projects, platforms, sectorial actions, special actions with a broad geographical coverage.

¹¹ This indicator should refer to all schemes of the programme. It goes beyond the required indicator in the legal base by including a special reference to handicapped persons. The target is 70 % of all projects (225) signed.

Output	Indicator	Target	Latest known results (31/12/2021)
Finance, Learning, Innovation and Patenting for Cultural and Creative Industries (PA - FLIP for CCIs-3)	Kick off meeting	PA 2020: Q2-2021	On track - FLIP-3 just started (June 2021) and preparations are ongoing
Bottom-up Policy Development for Culture & Well-being in the EU	Publication of call for proposal	PA 2020: Q2-2021	On track - selection started in November 2021
Protecting the Jewish Cemeteries of Europe. A full mapping process with research and monitoring and individual costed proposals for protection	Kick off meeting	PA 2020: Q1-2021	On track - action started in December 2021
Jewish Digital Cultural Recovery Project	Kick off meeting	PP 2020: Q1-2021	On track - Phase 2 PP will start in March 2022. Phase 1 PP on same topic ended in July 2021.
Measuring the cultural and creative industries in the Union	Kick off meeting	PP 2019: Q1-2021	Done

General objective 6 - A new push for European democracy			
Specific objective 6.1 - Provide European young people opportunities to participate in civic society and democratic life			<i>Traineeship office Creative Europe</i>
Main outputs 2021:			
Other important outputs			
Output	Indicator	Target	Latest known results (31/12/2021)
<i>Traineeships</i>			
Organisation of pre-selections for the traineeship (information, online module, organisation/supporting EC evaluators, communication, etc.)	Number of evaluations	53 000	57 500
	Number of appeals	Max. 5	1
Events and trainings for trainees Guidance and support to trainees, advisors and coordinators	Satisfaction of trainees	95%	96%
<i>Culture and democracy</i>			
Study on the links between participation in culture and democracy	Publication of a tender	Q4 2021	On track - contract signed in November 2021; implementation on-going

ANNEX 3: Draft annual accounts and financial reports

Annex 3 Financial Reports - DG EAC - Financial Year 2021

Table 1 : Commitments

Table 2 : Payments

Table 3 : Commitments to be settled

Table 4 : Balance Sheet

Table 5 : Statement of Financial Performance

Table 5 Bis: Off Balance Sheet

Table 6 : Average Payment Times

Table 7 : Income

Table 8 : Recovery of undue Payments

Table 9 : Ageing Balance of Recovery Orders

Table 10 : Waivers of Recovery Orders

Table 11 : Negotiated Procedures

Table 12 : Summary of Procedures

Table 13 : Building Contracts

Table 14 : Contracts declared Secret

Table 15 : FPA duration exceeds 4 years

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2021 (in Mio €) for DG EAC					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
Title 01 Research and Innovation					
01	01 01	Support administrative expenditure of the "Research and Innovation" cluster	2.12	1.47	69.47 %
	01 02	Horizon Europe	393.79	361.32	91.75 %
Total Title 01			395.91	362.79	91.64 %
Title 02 European Strategic Investments					
02	02 02	InvestEU Fund	0.00	0.00	0.00 %
Total Title 02			0.00	0.00	0.00 %
Title 06 Recovery and Resilience					
06	06 05	Union Civil Protection Mechanism (rescEU)	0.00	0.00	0.00 %
Total Title 06			0.00	0.00	0.00 %
Title 07 Investing in People, Social Cohesion and Values					
07	07 01	Support administrative expenditure of the "Investing in People, Social Cohesion and Values" cluster	64.86	60.69	93.57 %
	07 02	European Social Fund PLus (ESF+)	0.00	0.00	0.00 %
	07 03	Erasmus	2,468.16	2,356.57	95.48 %
	07 04	European Solidarity Corps	126.84	116.21	91.62 %
	07 05	Creative Europe	7.50	7.45	99.37 %
	07 20	Pilot projects, preparatory actions, prerogatives and other actions	3.00	3.00	100.00 %
Total Title 07			2,670.36	2,543.92	95.27 %
Title 08 Agriculture and Maritime Policy					
08	08 03	European Agricultural Fund for Rural Development (EAFRD)	0.00	0.00	0.00 %
Total Title 08			0.00	0.00	0.00 %
Title 09 Environment and Climate Action					
09	09 02	Programme for the Environment and Climate Action (LIFE)	0.00	0.00	0.00 %
Total Title 09			0.00	0.00	0.00 %
Title 10 Migration					
10	10 02	Asylum, Migration and Integration Fund (AMIF)	0.00	0.00	0.00 %
Total Title 10			0.00	0.00	0.00 %
Title 14 External Action					
14	14 01	Support administrative expenditure of the External Action cluster	6.03	5.71	94.71 %
	14 02	Neighbourhood, Development and International Cooperation Instrument (NDICI)	22.24	0.00	0.00 %
Total Title 14			28.27	5.71	20.21 %

Title 15 Pre-accession Assistance					
15	15 01	Support administrative expenditure of the "Pre-accession Assistance" cluster	1.01	0.96	95.52 %
	15 02	Instrument for Pre-accession Assistance (IPA III)	10.05	4.80	47.74 %
Total Title 15			11.06	5.76	52.10 %
Title 20 Administrative expenditure of the European Commission					
20	20 02	Other staff and expenditure relating to persons	18.08	12.50	69.11 %
	20 04	Information and communication technology related expenditure	0.91	0.90	99.02 %
Total Title 20			18.99	13.39	70.54 %
Total Excluding NGEU			3,124.59	2,931.59	93.82 %
Total DG EAC			3,124.59	2,931.59	93.82 %

** Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous commitment appropriations for the*

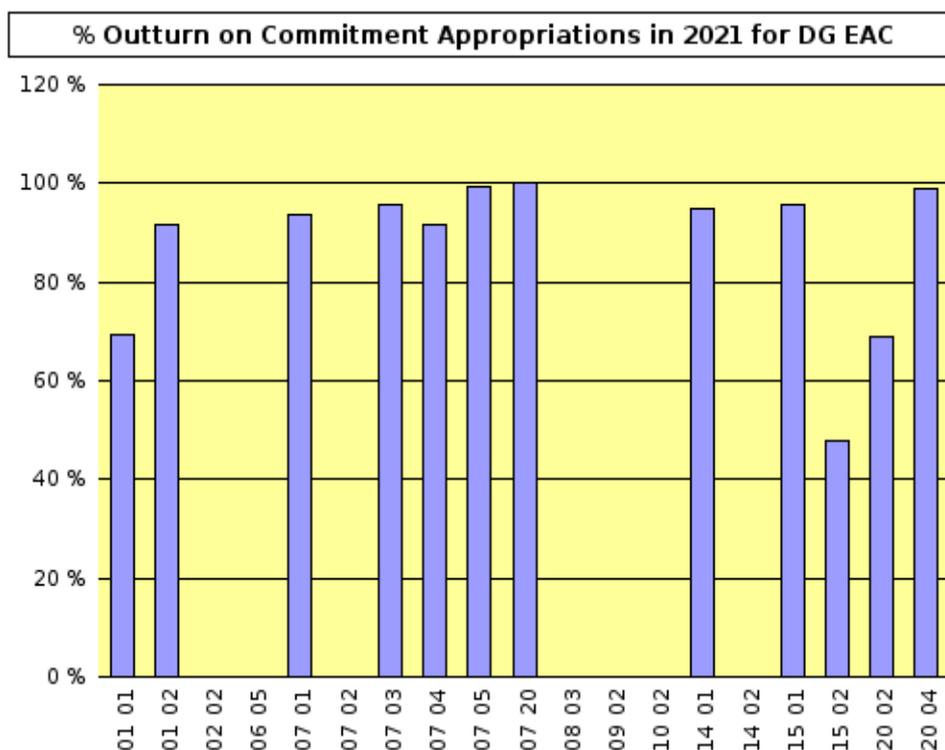


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS in 2021 (in Mio €) for DG EAC					
			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 01 Research and Innovation					
01	01 01	Support administrative expenditure of the "Research and Innovation" cluster	2.51	0.62	24.90 %
	01 02	Horizon Europe	431.92	399.42	92.48 %
Total Title 01			434.42	400.05	92.09%
Title 02 European Strategic Investments					
02	02 02	InvestEU Fund	0.00	0.00	0.00 %
Total Title 02			0.00	0.00	0.00%
Title 06 Recovery and Resilience					
06	06 05	Union Civil Protection Mechanism (rescEU)	0.00	0.00	0.00 %
Total Title 06			0.00	0.00	0.00%
Title 07 Investing in People, Social Cohesion and Values					
07	07 01	Support administrative expenditure of the "Investing in People, Social Cohesion and Values" cluster	74.39	60.10	80.80 %
	07 02	European Social Fund Plus (ESF+)	0.00	0.00	0.00 %
	07 03	Erasmus	2,322.37	2,084.20	89.74 %
	07 04	European Solidarity Corps	96.86	83.30	86.00 %
	07 05	Creative Europe	5.90	5.84	98.90 %
	07 20	Pilot projects, preparatory actions, prerogatives and other actions	9.47	9.40	99.24 %
Total Title 07			2,508.99	2,242.83	89.39%
Title 08 Agriculture and Maritime Policy					
08	08 03	European Agricultural Fund for Rural Development (EAFRD)	0.00	0.00	0.00 %
Total Title 08			0.00	0.00	0.00%
Title 09 Environment and Climate Action					
09	09 02	Programme for the Environment and Climate Action (LIFE)	0.00	0.00	0.00 %
Total Title 09			0.00	0.00	0.00%
Title 10 Migration					
10	10 02	Asylum, Migration and Integration Fund (AMIF)	1.00	1.00	100.00 %
Total Title 10			1.00	1.00	100.00%
Title 14 External Action					
14	14 01	Support administrative expenditure of the "External Action" cluster	6.03	4.35	72.08 %
	14 02	Neighbourhood, Development and International Cooperation Instrument (NDICI)	37.29	15.05	40.37 %
Total Title 14			43.32	19.40	44.78%
Title 15 Pre-accession Assistance					
15	15 01	Support administrative expenditure of the "Pre-accession Assistance" cluster	1.01	0.59	58.93 %
	15 02	Instrument for Pre-accession Assistance (IPA III)	13.03	6.48	49.70 %
Total Title 15			14.04	7.07	50.37%

Title 20 Administrative expenditure of the European Commission					
20	20 02	Other staff and expenditure relating to persons	22.17	11.10	50.04 %
	20 04	Information and communication technology related expenditure	1.32	0.82	61.85 %
Total Title 20			23.50	11.91	50.70%
Total Excluding NGEU			3,025.28	2,682.26	88.66%
Total DG EAC			3,025.28	2,682.26	88.66 %

* Payment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous payment appropriations for the period (e.g. internal and external assigned revenue).

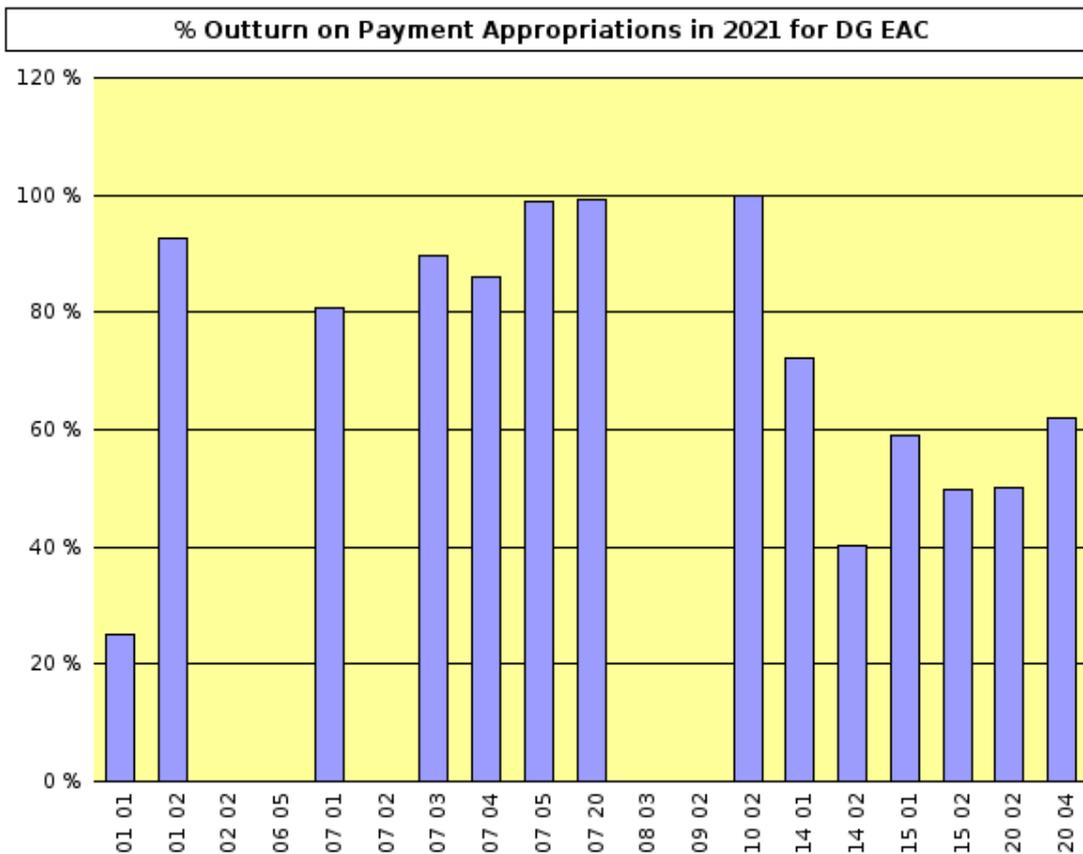


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG EAC									
			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
01	01 01	Support administrative expenditure of the "Research and Innovation" cluster	1.47	0.43	1.04	70.76%	0.00	1.04	0.39
	01 02	Horizon Europe	361.32	237.42	123.91	34.29%	32.56	156.46	344.64
Total Title 01			362.79	237.85	124.95	34.44%	32.56	157.50	345.03
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG EAC									
			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
02	02 02	InvestEU Fund	0.00		0.00	0.00%	0.20	0.20	0.20
Total Title 02			0.00		0.00	0.00%	0.20	0.20	0.20
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG EAC									
			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
06	06 05	Union Civil Protection Mechanism (rescEU)	0.00		0.00	0.00%	0.50	0.50	0.50
Total Title 06			0.00		0.00	0.00%	0.50	0.50	0.50

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG EAC									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
07	07 01	Support administrative expenditure of the "Investing in People, Social Cohesion and Values" cluster	60.69	50.74	9.96	16.41%	0.00	9.96	9.52
	07 02	European Social Fund Plus (ESF+)	0.00		0.00	0.00%	2.78	2.78	2.78
	07 03	Erasmus	2,356.57	1,771.28	585.28	24.84%	321.36	906.64	642.23
	07 04	European Solidarity Corps	116.21	72.04	44.17	38.01%	70.85	115.02	82.40
	07 05	Creative Europe	7.45	2.27	5.18	69.50%	8.71	13.89	14.18
	07 20	Pilot projects, preparatory actions, prerogatives and other actions	3.00	2.40	0.60	20.00%	38.45	39.05	47.29
Total Title 07			2,543.92	1,898.73	645.19	25.36%	442.15	1,087.34	798.41
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG EAC									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
08	08 03	European Agricultural Fund for Rural Development (EAFRD)	0.00		0.00	0.00%	0.45	0.45	0.45
Total Title 08			0.00		0.00	0.00%	0.45	0.45	0.45

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

			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
09	09 02	Programme for the Environment and Climate Action (LIFE)	0.00		0.00	0.00%	0.34	0.34	0.34
Total Title 09			0.00		0.00	0.00%	0.34	0.34	0.34

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

			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
10	10 02	Asylum, Migration and Integration Fund (AMIF)	0.00	0.00	0.00	0.00%	0.25	0.25	1.25
Total Title 10			0.00	0.00	0.00	0.00%	0.25	0.25	1.25

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

			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
Chapter			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
14	14 01	Support administrative expenditure of the External Action cluster	5.71	4.35	1.37	23.90%	0.00	1.37	0.00
	14 02	Neighbourhood, Development and International Cooperation Instrument (NDICI)	0.00	0.00	0.00	0.00%	21.95	21.95	39.51
Total Title 14			5.71	4.35	1.37	23.90%	21.95	23.32	39.51

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG EAC									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
15	15 01	Support administrative expenditure of the "Pre-accession Assistance" cluster	0.96	0.59	0.37	38.30%	0.00	0.37	0.00
	15 02	Instrument for Pre-accession Assistance (IPA III)	4.80	0.00	4.80	100.00%	23.12	27.92	29.67
Total Title 15			5.76	0.59	5.17	89.69%	23.12	28.29	29.67
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2021 (in Mio €) for DG EAC									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2020	Total of commitments to be settled at end of financial year 2021	Total of commitments to be settled at end of financial year 2020
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
20	20 02	Other staff and expenditure relating to persons	12.50	7.94	4.56	36.47%	0.00	4.56	4.09
	20 04	Information and communication technology related expenditure	0.90	0.40	0.50	55.23%	0.00	0.50	0.42
Total Title 20			13.39	8.34	5.05	37.73%	0.00	5.05	4.51
Total Excluding NGEU			2,931.59	2,149.86	781.73	26.67%	521.52	1,303.25	1,219.87
Total for DG EAC			2931.586407	2149.86	781.73	26.67 %	521.52	1,303.25	1,219.87

Breakdown of Commitments Remaining to be Settled (in Mio EUR) in 2021 EAC

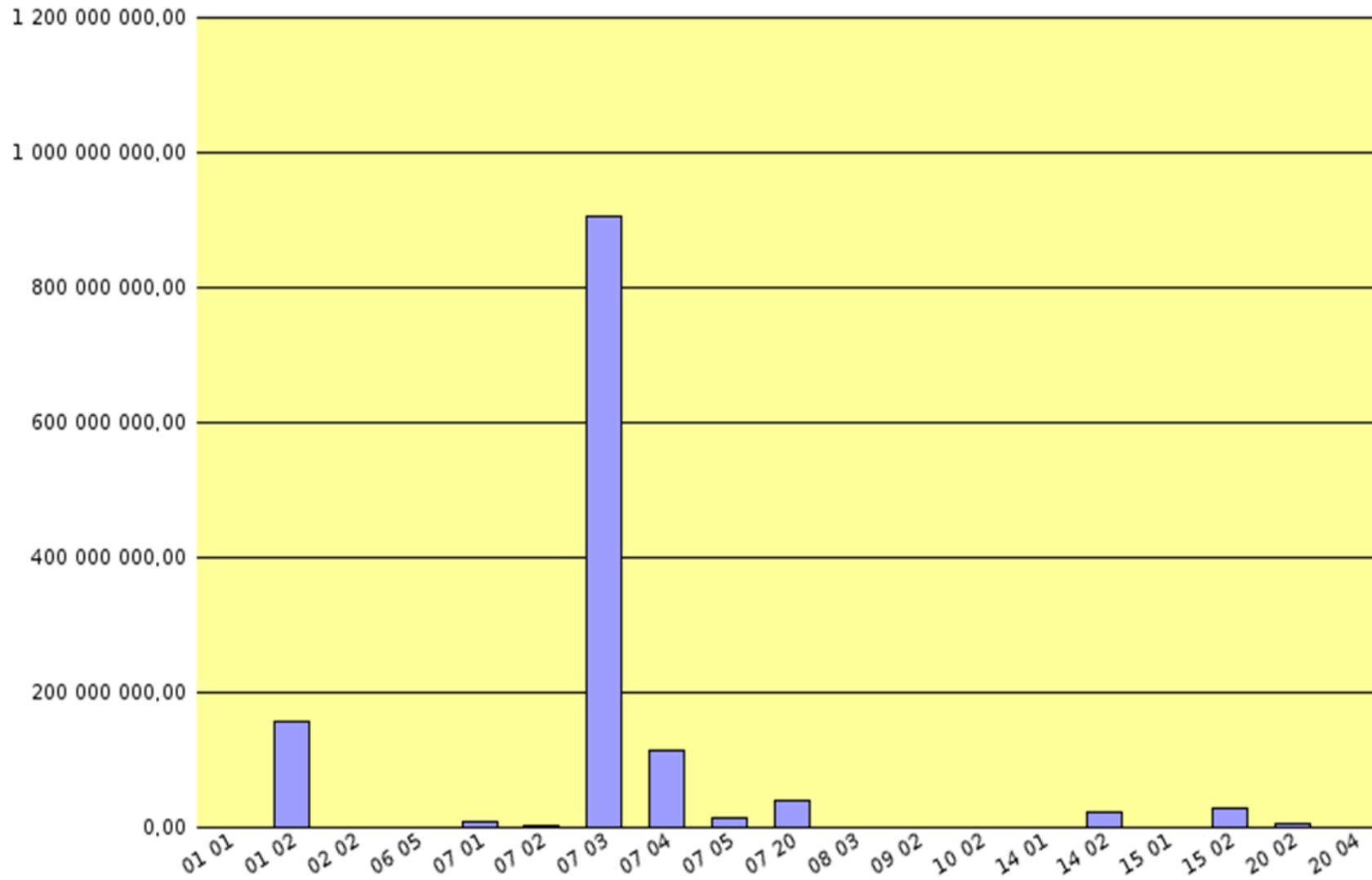


TABLE 4 : BALANCE SHEET for DG EAC

BALANCE SHEET	2021	2020
A.I. NON CURRENT ASSETS	1,619,134,721.05	1,550,092,789.64
A.I.1. Intangible Assets	20,674,834.34	8,857,995.59
A.I.5. Non-Current Pre-Financing	1,598,459,886.71	1,541,234,794.05
A.II. CURRENT ASSETS	2,153,634,712.88	2,266,252,402.83
A.II.1. Current Financial Assets	999,671.00	
A.II.2. Current Pre-Financing	2,147,840,236.26	2,261,352,178.77
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	2,224,350.62	350,509.06
A.II.6. Cash and Cash Equivalentents	2,570,455.00	4,549,715.00
ASSETS	3,772,769,433.93	3,816,345,192.47
P.I. NON CURRENT LIABILITIES	-	675,156.03
P.I.2. Non-Current Provisions	-	675,156.03
P.II. CURRENT LIABILITIES	25,076,983.76	16,915,513.97
P.II.2. Current Provisions	-	388,597.81
P.II.3. Current Financial Liabilities	1,695,752.00	
P.II.4. Current Payables	3,236,406.98	2,450,933.12
P.II.5. Current Accrued Charges & Defrd Income	20,144,824.78	14,075,983.04
LIABILITIES	25,076,983.76	17,590,670.00
NET ASSETS (ASSETS less LIABILITIES)	3,747,692,450.17	3,798,754,522.47
P.III.2. Accumulated Surplus/Deficit	14,481,589,239.48	11,923,860,445.63
Non-allocated central (surplus)/deficit*	18,229,281,689.65	15,722,614,968.10
TOTAL DG EAC	0.00	0.00

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

TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE for DG EAC

STATEMENT OF FINANCIAL PERFORMANCE	2021	2020
II.1 REVENUES	- 130,721,950.61	- 164,218,206.87
II.1.1. NON-EXCHANGE REVENUES	- 129,836,431.00	- 162,545,872.32
II.1.1.6. RECOVERY OF EXPENSES	- 1,985,736.00	- 772,872.32
II.1.1.8. OTHER NON-EXCHANGE REVENUES	- 127,850,695.00	- 161,773,000.00
II.1.2. EXCHANGE REVENUES	- 885,519.61	- 1,672,334.55
II.1.2.1. FINANCIAL INCOME	- 1,481,502.93	- 1,917,613.08
II.1.2.2. OTHER EXCHANGE REVENUE	595,983.32	245,278.53
II.2. EXPENSES	2,682,577,673.93	2,721,769,183.72
II.2. EXPENSES	2,682,577,673.93	2,721,769,183.72
II.2.10. OTHER EXPENSES	72,859,029.89	77,634,321.45
II.2.2. EXP IMPL BY COMMISS&EX.AGENC. (DM)	43,321,504.72	49,932,555.38
II.2.3. EXP IMPL BY OTH EU AGENC&BODIES (IM)	399,244,154.00	550,510,010.45
II.2.4. EXP IMPL BY 3RD CNTR & INT ORG (IM)	612,489.68	
II.2.5. EXP IMPL BY OTHER ENTITIES (IM)	2,166,889,838.83	2,044,741,957.79
II.2.6. STAFF AND PENSION COSTS	- 1,044,270.00	- 1,059,050.00
II.2.8. FINANCE COSTS	694,926.81	9,388.65
STATEMENT OF FINANCIAL PERFORMANCE	2,551,855,723.32	2,557,550,976.85

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

TABLE 5bis : OFF BALANCE SHEET for DG EAC

OFF BALANCE	2021	2020
OB.1. Contingent Assets	-	-
GR for pre-financing	-	-
OB.2. Contingent Liabilities	- 3,833,424.17	
OB.2.1. Guarantees given for EU FI	- 3,833,424.17	
OB.3. Other Significant Disclosures	- 1,280,565,972.73	- 1,204,485,468.70
OB.3.2. Comm against app. not yet consumed	- 1,280,565,972.73	- 1,204,485,468.70
OB.4. Balancing Accounts	1,284,399,396.90	1,204,485,468.70
OB.4. Balancing Accounts	1,284,399,396.90	1,204,485,468.70
OFF BALANCE	-	-

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

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

TABLE 6: Average Payment Times for DG EAC

Legal Times									
Maximum Payment Time (Days)	Total Nbr of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)	Late Payments Amount	Percentage
30	10326	10204	98.82 %	10.80	122	1.18 %	42.60	3,013,124.72	0. %
45	2	2	100.00 %	25.00				-	0. %
60	338	316	93.49 %	27.50	22	6.51 %	88.64	2,923,930.58	0. %
90	20	19	95.00 %	43.16	1	5.00 %	97.00	149,232.13	9. %

Total Number of Payments	10686	10541	98.64 %		145	1.36 %		6,086,287.43	0. %
Average Net Payment Time	11.8826502			11.36			49.96		
Average Gross Payment Time	12.16573086			11.54			57.97		

Suspensions							
Average Report Approval Suspension	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
0	29	104	0.97 %	10686	21,588,680.40	0.81 %	2,680,989,530.47

Late Interest paid in 2021			
DG	GL Account	Description	Amount (Eur)
EAC	65010100	Interest on late payment of charges New FR	13 709.16
			13 709.16

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

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

Chapter		Revenue and income recognized			Revenue and income cashed from			Outstanding balance
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	
		1	2	3=1+2	4	5	6=4+5	
33	Other administrative revenue	894,077.16	4,478.61	898,555.77	894,077.16	4,478.61	898,555.77	0.00
40	Revenue from investments and accounts	1,348,316.58	0.00	1,348,316.58	1,327,830.72	0.00	1,327,830.72	20,485.86
41	Default interest	7,258.35	0.00	7,258.35	7,236.98	0.00	7,236.98	21.37
42	Fines and penalties	45,400.00	0.00	45,400.00	0.00	0.00	0.00	45,400.00
61	Cohesion, resilience and values	29,625,711.92	0.00	29,625,711.92	27,592,191.22	0.00	27,592,191.22	2,033,520.70
65	Neighbourhood and the world	151,120,352.26	0.00	151,120,352.26	151,060,370.26	0.00	151,060,370.26	59,982.00
66	Other contributions and refunds	0.00	0.00	0.00	0.00	0.00	0.00	0.00
67	Completion for outstanding recovery orders prior to 2021	-8,000.00	284,839.63	276,839.63	-8,000.00	188,590.49	180,590.49	96,249.14
Total DG EAC		183,033,116.27	289,318.24	183,322,434.51	180,873,706.34	193,069.10	181,066,775.44	2,255,659.07

INCOME BUDGET RECOVERY ORDERS ISSUED IN 2021	Irregularity		OLAF notified		Total undue payments recovered		Total transactions in recovery context(incl. non-qualified)		% Qualified/Total RC		
	Year of Origin (commitment)	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount
2004								1	40,433.18		
2005								1	12,684.41		
2006								1	1,922.68		
2007	5	78,624.15			5	78,624.15	5	78,624.15	100.00%	100.00%	
2008	8	72,580.45			8	72,580.45	8	72,580.45	100.00%	100.00%	
2009	4	30,423.29			4	30,423.29	5	31,418.69	80.00%	96.83%	
2010	3	34,245.60			3	34,245.60	5	35,470.93	60.00%	96.55%	
2011	7	38,455.67			7	38,455.67	11	49,880.26	63.64%	77.10%	
2012	9	401,100.90			9	401,100.90	17	430,957.13	52.94%	93.07%	
2013	13	94,758.37			13	94,758.37	22	569,446.18	59.09%	16.64%	
2014	2	12,818.79			2	12,818.79	9	48,222.20	22.22%	26.58%	
2015	7	71,521.69			7	71,521.69	34	6,808,692.42	20.59%	1.05%	
2016	5	26,125.60			5	26,125.60	157	32,174,599.23	3.18%	0.08%	
2017			2	362,671.00	2	362,671.00	16	3,080,596.49	12.50%	11.77%	
2018							1	6,600,000.00			
2019							11	297,889.47			
2020							72	1,803,975.15			
2021							7	724,502.84			
No Link			2	385,675.00	2	385,675.00	36	1,434,299.98	5.56%	26.89%	
Sub-Total	63	860,654.51	4	748,346.00	67	1,609,000.51	419	54,296,195.84	15.99%	2.96%	

EXPENSES BUDGET	Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context (incl. non-qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES										
NON ELIGIBLE IN COST CLAIMS	18	284,390.28			18	284,390.28	27	306,789.76	66.67%	92.70%
CREDIT NOTES	30	152,471.10			30	152,471.10	65	1,913,172.81	46.15%	7.97%
Sub-Total	48	436,861.38			48	436,861.38	92	2,219,962.57	52.17%	19.68%
GRAND TOTAL	111	1,297,515.89	4	748,346.00	115	2,045,861.89	511	56,516,158.41	22.50%	3.62%

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

	Number at 01/01/2021	Number at 31/12/2021	Evolution	Open Amount (Eur) at 01/01/2021	Open Amount (Eur) at 31/12/2021	Evolution
1999	1		-100.00 %	8,000.00		-100.00 %
2003	1	1	0.00 %	18,667.00	18,667.00	0.00 %
2005	2	2	0.00 %	33,241.28	33,241.28	0.00 %
2008	1	1	0.00 %	35,259.94	35,259.94	0.00 %
2014	1		-100.00 %	1,914.68		-100.00 %
2019	1	1	0.00 %	16,447.37	9,080.92	-44.79 %
2020	6		-100.00 %	192,349.01		-100.00 %
2021		28			2,159,409.93	
	13	33	153.85 %	305,879.28	2,255,659.07	637.43 %

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

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

Total DG EAC	
---------------------	--

Number of RO waivers	
-----------------------------	--

There are 2 waivers below 60 000 € for a total amount of -8 436,84

TABLE 11 : Negotiated Procedures in 2021 for DG EAC

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

TABLE 12 : Summary of Procedures in 2021 for DG EAC

External Procedures > € 20,000

Procedure Legal base	Number of Procedures	Amount (€)
Open procedure - As provided for in FR 164(1)(a) - Services/Supplies as from EUR 300 000 - Works as from EUR 5 000 000 - publication (Annex 1 - 38.1 (b))	1	1,013,330.00
Total	1	1,013,330.00

Internal Procedures > € 60,000

Procedure Legal base	Number of Procedures	Amount (€)
Open procedure (FR 164 (1)(a))	3	41,492,321.00
Total	3	41,492,321.00

TABLE 13 : BUILDING CONTRACTS in 2021 for DG EAC

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

TABLE 14 : CONTRACTS DECLARED SECRET in 2021 for DG EAC

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

TABLE 15 : FPA duration exceeds 4 years - DG EAC

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

ANNEX 4: Financial Scorecard

The Annex 4 of each Commission service summarises the annual result of the standard financial indicators measurement. Annexed to the Annual Activity Report 2021, 10 standard financial indicators are presented below, each with its objective and result for the Commission service and for the EC as a whole (for benchmarking purposes)¹²:

<ul style="list-style-type: none">- Commitment Appropriations (CA) Implementation- CA Forecast Implementation- Payment Appropriations (PA) Implementation- PA Forecast Implementation- Global Commitment Absorption	<ul style="list-style-type: none">- Timely Payments- Timely Decommitments- Invoice Registration Time- Accounting Data Quality- Management Data Quality
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For each indicator, its value (in %) for the Commission service is compared to the common target (in %). The difference between the indicator's value and the target is colour coded as follows:

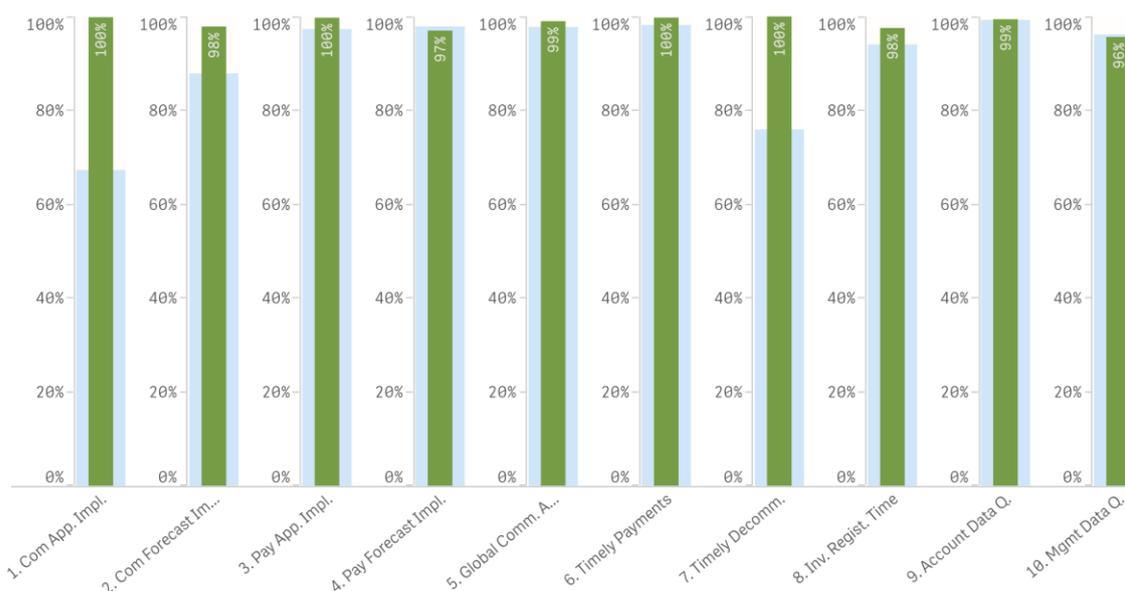
- 100 – >95% of the target: dark green
- 95 – >90% of the target: light green
- 90 – >85% of the target: yellow
- 85 – >80% of the target: light red
- 80 – 0% of the target: dark red

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

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

¹² If the EC service did not perform any transaction in the area measured by the indicator or the information is not available in the central financial system, the indicator is not calculated (i.e. displayed as “-”) in this Annex.

EAC Indicator Scores 2021



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

Indicator Table

Indicator	Objective	Comment ¹³	EAC Score	EC Score
1. Commitment Appropriations Implementation	Ensure efficient use of commitment appropriations expiring at the end of Financial Year		100%	67%
2. Commitment Forecast Implementation	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year		98%	88%
3. Payment Appropriations Implementation	Ensure efficient use of payment appropriations expiring at the end of Financial Year		100%	97%
4. Payment Forecast Implementation	Ensure the cumulative alignment of the payment implementation with		97%	98%

¹³ An explanation behind the indicator result can be provided, e.g. the comment about the achievement itself, reference to the whole Commission performance (better or worse), reasons behind this achievement. The comment is mandatory for the 'Timely payments' indicator. For the rest of indicators the comment is mandatory only if the score is equal or below the target of 80%.

	the payment forecast in a financial year			
5. Global Commitment Absorption ¹⁴	Ensure efficient use of already earmarked commitment appropriations (at L1 level)		99%	98%
6. Timely Payments	Ensure efficient processing of payments within the legal deadlines	As illustrated in Annex 4, the Final Scoreboard , in 2021 DG EAC has executed 10.700 payments (including the payments to the trainees). Despite the specific COVID19 situation again in 2021 only 145 were paid late (1%) which remains stable compared to previous year and is even slightly lower compared to 2020 (2%). This corresponds to a total amount paid of €2.683.717.291,17 of which €6.086.287,43 were paid late (0%) . Out of the 145 late payments 6 have generated late interest for a total amount of €13.709,16.	100%	98%
7. Timely Decommitments	Ensure efficient decommitment of outstanding RAL at the end of commitment life cycle	Thanks to the hard work done by all the units in DG EAC we have managed to achieve a score of 100% for this indicator compared to an EC Score of 76%. DG EAC will do its utmost to maintain this excellent score in the years to come.	100%	76%
8. Invoice Registration Time	Monitor the accounting risk stemming from late registration of invoices in the central accounting system ABAC	In 2021, DG EAC has registered 2.126 invoices . Despite the specific COVID-19 situation again this year only 78 were registered late (3,7%) which is a decrease compared to 2020 (5,8%).	98%	94%
9. Accounting Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the accounts	DG EAC has managed to achieve a score of 99,4% for this indicator thanks to the close follow up and execution of the accounting controls as foreseen in DG EAC's accounting programme for 2021. The remaining 0,6% to complete the 100% is covered by corrections still to be made in the area of the Legal Commitments and more specifically the dates introduced/corrected/completed.	99%	99%
10. Management Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the management decisions	Following the request of DG BUDG DG EAC has done its utmost to close, with the technical assistance of the colleagues of DG BUDG, already as many as possible the open Legal Commitments in order to be ready to start working in SUMMA as from 2023 (current planning). The remaining open Legal Commitments represent 75% of the outstanding tests at the end of 2021. DG EAC	96%	96%

¹⁴ Due to technical limitation, the indicator does not take into account the Com L1 Consumption between the FDC ILC date and the FA FDI allowed as an exception in the external actions for Com L1 of type GF, i.e. with Financing Agreement, under the FR2018 Article 114.2. As a result, the actual Indicator score may be slightly higher than the one reported for DGs using the GF commitments.

		will continue to close as much as possible the remaining Legal Commitments in 2022 and the other failed tests also linked to the dates to be introduced/corrected completed as indicated under the indicator 9. Accounting quality.		
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ANNEX 5: Materiality criteria

In line with Commission guidelines, the deficiencies leading to reservations should fall within the scope of the declaration of assurance. The following types of possible deficiencies can be relevant in DG EAC's context:

- Significant repetitive errors detected during ex post controls or supervision exercises. The frequency and systematic nature of the errors will be the determining factor to judge their significance.
- Significant weakness in one of the control systems identified by auditors, in supervision exercises, or in the assessment of the implementation of the internal control principles. A particularly relevant case for DG EAC would be identified weaknesses in the control chain of National Agencies.
- Situation where a major critical issue that is of relevance to the declaration has been identified by the European Court of Auditors, or the Internal Audit Service.
- Situation where the DG knows that it does not have sufficient evidence from internal control systems or audit coverage.
- Situation where the DG has evidence that a significant risk remains unmitigated.
- A significant risk for the reputation of the Commission or the programmes.
- A significant reputational risk relating to entrusted entities.

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

As the DG implements its budget through different implementation modes (see section 2), which have different risk profiles and which each have their own control and supervision arrangements, it is considered that observed quantified weaknesses should be assessed against the part of the budget spent in each specific implementation mode. As the Directors of the executive agencies are Authorising Officers by Delegation for the parts of the programmes delegated to them, they take responsibility for this spending in their declaration of assurance in the AARs of the executive agencies. Consequently, the operational spending through executive agencies is not part of the declaration of assurance of the Director General of the parent DGs, only the subsidy for the EA's operating budget.

Major reputational issues are by definition considered material even if they are not quantifiable in accordance with central services guidance.

In order to better capture the multi-annual nature of programmes and control activities, a multi-annual approach to the calculation of error rates is followed. The error rate for Erasmus+ is based on the collected checks on beneficiaries available relating to the entire period 2014-2020 (and the European Solidarity Corps for 2018-20), which will continue to be performed until the last delegation agreement is closed. The error rate for the 2021-27 period will become progressively available from AAR 2023 onwards. Cashed recoveries related to the audit findings (no 'extension/ extrapolation' of audit findings due to systemic

errors is possible in the context of DG EAC's beneficiary population) are deducted to arrive at the residual error rate. If the amount at risk surpasses 2% of the budget for a specific implementation mode during the multiannual reporting period, a reservation should be considered.

In order to quantify the weaknesses, a detected and residual error rate is obtained through desk checks and audits for each implementation mode.

Where the deficiency consists of an observed serious weakness in the control system, it will not always be possible to quantify the amount at risk based on observed errors. This can be in particular relevant for the indirect management through National Agencies, where, in the framework of the single audit model, the DG's assurance is mainly based on a verification of the functioning of the control system. In such a case, the following steps are taken to calculate the percentage of the budget at risk:

- Analyse the effectiveness of the control system of each NA/NAU combination and conclude, based on all available information (audits, visits, Declarations of Assurance, reporting...), if the system gives acceptable, partial or no assurance.
- Identify the part of the budget that has been executed through systems with acceptable, partial and no assurance.
- Deduct any relevant suspensions of payments and any financial corrections to obtain the maximum open exposure.
- As an approximation for the potential exposure, consider that 20% of the calculated maximum open exposure is at risk for NA/NAUs with no assurance; 5% of the exposure for NA/NAUs with partial assurance; the observed error rate in random testing for NA/NAUs with reasonable assurance.

Since 2019⁽¹⁵⁾, a 'de minimis' threshold for financial reservations has been introduced. Quantified AAR reservations related to residual error rates above the 2% materiality threshold, are deemed not substantial for segments representing less than 5% of a DG's total payments and with a financial impact below EUR 5 million. In such cases, quantified reservations are no longer needed. This is without prejudice of maintaining a reservation for reputational reasons if applicable.

⁽¹⁵⁾ Agreement of the Corporate Management Board of 30/4/2019.

ANNEX 6: Relevant Control System(s) for budget implementation (RCSs) – National Agencies and EIT

NAs Stage 1 – Establishment (or prolongation) of the mandate to the entrusted entity.

Main control objectives: Ensuring that the legal framework for the management of the relevant funds is fully compliant and regular (legality & regularity), delegated to an appropriate entity (best value for public money, economy, efficiency), without any conflicts of interests (anti-fraud strategy).

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
<p>The establishment (or prolongation) of the mandate of the National Agency is affected by legal issues, which would undermine the legal basis for the management of the related decentralised EU funds (via that particular National Agency).</p>	<p>Before the Commission signs Contribution Agreement with the National Agency, DG EAC</p> <p>a) reviews the ex-ante compliance assessment (for Erasmus+) or the readiness confirmation (for European Solidarity Corps) and</p> <p>b) approves the work programmes (Erasmus+ and ESC) of the National Agency.</p> <p>After each year of programme implementation, the Independent Audit Bodies provide an audit opinion on the proper management of the funds by the NAs, on the functioning of their control system and on the probity of the</p>	<p>Coverage/Frequency: 100%</p> <p>Depth: Checklist includes a list of the requirements of the regulatory provisions of both programmes to be complied with.</p> <p>If risk materialises, funds delegated during the year(s) to the entrusted entity may be subject to error and irregularity</p>	<p>Effectiveness: Quality of the legal work (basic act, Contribution Agreement): number of control failures.</p> <p>Benefits: The potential error which could affect the budget amount entrusted to the National Agency, if significant (legal) errors would otherwise be detected.</p> <p>Efficiency: Timely conclusion of process.</p> <p>Economy: estimation of cost of staff involved in the preparation, adoption and selection work.</p>

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
	<p>accounts presented in the Yearly NA Reports.</p> <p>DG EAC has set minimum standards of control and procedures for the NAs (Guide for National Agencies, updated annually) and issued Guidelines for National Authorities in relation to the responsibilities of the Independent Audit Body.</p> <p>Negotiation of legal base with the Legislative Authority, following which the designation of the National Authority, National Agency and Independent Audit Body.</p>		

NAs Stage 2 – Ex-ante (re)assessment of the entrusted entity’s financial and control framework (towards “budget autonomy”; “financial rules”).

Main control objectives: Ensuring that the entrusted entity is fully prepared to start/continue implementing the delegated funds autonomously while respecting all 5 ICOs.

<p>Main risks It may happen (again) that...</p>	<p>Mitigating controls</p>	<p>Coverage, frequency and depth of controls</p>	<p>Cost- Effectiveness indicators (three E's)</p>
<p>The financial and control framework deployed by the National Agency is not fully mature to guarantee achieving all 5 ICOs (<i>legality and regularity, sound financial management, true and fair view reporting, safeguarding assets and information, anti-fraud strategy</i>).</p> <p>For the Erasmus+ programme (2021-2027):</p> <ul style="list-style-type: none"> - Ex-ante Compliance Assessments for the new National Agencies are of poor quality <p>For the European Solidarity Corps programme (2021-2027):</p> <ul style="list-style-type: none"> - Readiness assessments for the Youth National Agencies are of poor quality 	<p>Erasmus+ Programme (2014-2020 and 2021-2027):</p> <p>Guidance documents on the designation of National Agencies under Erasmus+, on the ex-ante Compliance Assessments and on the transition/handover between National Agencies</p> <p>Ex-ante assessment, conditional to sign a Contribution Agreement with the new National Agency</p> <p>European Solidarity Corps Programme (2014-2020 and 2021-2027):</p> <p>Guidance documents on the readiness check to be done by national authorities.</p> <p>Readiness confirmation by national authorities conditional to sign a Contribution</p>	<p>Coverage/frequency:</p> <p>100% of National Agencies for Erasmus+ and Youth National Agencies for European Solidarity Corps</p> <p>Depth : all ex-ante assessment (Erasmus+) and all readiness checklists (European Solidarity Corps) are analysed with the same depth, independently of the level of decentralised funds that will be entrusted to the National Agency.</p>	<p>Effectiveness:</p> <p>Positive performance of stakeholders achieved.</p> <p>Benefits: The potential error in the (average annual) total budget avoided.</p> <p>Efficiency:</p> <p>Timeliness of process (guidance is clear and properly applied by stakeholders)</p> <p>Economy (costs):</p> <p>estimation of cost of staff involved in both the ex-ante assessment process (Erasmus+) and readiness assessment (ESC)(which includes missions).</p>

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
	<p>Agreement with the Youth National Agency.</p> <p>Guidance to Independent Audit Bodies (for both programmes)</p> <p>Hierarchical validation by the AOSD of the Directorate competent for the NA coordination.</p>		

NAs Stage 3 – Operations: monitoring, supervision, reporting (“representation” / “control around the entity”).

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

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost- Effectiveness indicators (three E's)
<p>Due to weak "modalities of cooperation, supervision & reporting", the Commission is not (promptly) informed of relevant management issues encountered by the National Agency, and/or does not (promptly) react upon notified issues by mitigating them or by making a critical observation and recommendation for them – which may reflect negatively on the Commission’s governance reputation and quality of accountability reporting.</p>	<p>The Delegation Agreement (for 2021-27 Contribution Agreement) (Erasmus+ and European Solidarity Corps) specifying the control, accounting, audit, publication, etc. related requirements – incl. the modalities on reporting back relevant and reliable control results.</p> <p>Analysis and assessment of yearly Management Declarations, including yearly NA reports, of National Agencies.</p> <p>Analysis of ad hoc reports submitted by National Agencies throughout the year on new cases of irregularities and (potential) fraud.</p> <p>Instructions for NAs on prevention, detection and reporting on irregularities and fraud.</p>	<p>Coverage: 100% of the National Agencies are monitored/supervised. 100% of the audit opinions provided by the Independent Audit Bodies are supervised.</p> <p>Frequency: annually</p> <p><u>In case of</u> operational and/or financial issues, measures are being reinforced.</p> <p>The depth is the same for all National Agencies.</p>	<p>Effectiveness: Conclusions reached on the basis of annual reports and Management Declarations are confirmed by monitoring visits, audits and other supervisory activities.</p> <p>Benefits: Assurance on the budget amount entrusted to the National Agency.</p> <p>Efficiency: Timeliness of delivery of Management Declarations, annual NA reports, annual audit opinions and annual reports of National Authorities</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost- Effectiveness indicators (three E's)
	<p>Ad hoc analytical reviews of data encoded by NAs in EPlusLink.</p> <p>Analysis and assessment of yearly audit opinions of Independent Audit Bodies on the yearly NA Management Declarations.</p> <p>Analysis and assessment of the yearly reports of National Authorities on their monitoring and supervision activities (October reports).</p> <p>Risk-based supervisory visits to National Agencies and National Authorities</p> <p>Financial audits on yearly selection of National Agencies.</p> <p>Regular reporting to Senior Management and in AAR of the supervision results.</p> <p>Regular NA meetings, webinars and training of NA staff.</p> <p>Yearly seminar/webinar with National Authorities and Independent Audit Bodies and regular updates and improvements of guidelines for them.</p> <p><u>If appropriate/needed:</u></p>		<p>Economy (costs):</p> <ul style="list-style-type: none"> - estimation of cost of staff involved in the actual (regular or reinforced) monitoring and supervising the National Agencies (which includes missions) - cost of externalised financial audits of Contribution Agreements of National Agencies

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost- Effectiveness indicators (three E's)
	<ul style="list-style-type: none"> - monitoring visits to National Agencies to support and provide advice - individual targeted follow-up of critical recommendations - precautionary measures - intervention, e.g. via own audits on-the-spot, - referral to OLAF 		

NAs Stage 4 – Commission contribution: payment or suspension/interruption.

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

<p>Main risks It may happen (again) that...</p>	<p>Mitigating controls</p>	<p>Coverage, frequency and depth of controls</p>	<p>Cost- Effectiveness indicators (three E's)</p>
<p>The Commission pays out the (next) contribution to the National Agency, while not being aware of the management issues that may lead to financial and/or reputational damage.</p>	<p>The Delegation Agreement (for 2021-27 Contribution Agreement) (Erasmus+ and ESC) specifying the control, accounting, audit, publication, etc. related requirements.</p> <p>Management review of the supervision results.</p> <p>Ex-ante Operational Verification and Financial Verification, 'in-depth' as required.</p> <p>Hierarchical validation of contribution payment of operating grant and funds for decentralised actions and recovery of non-used funds for decentralised actions</p> <p><u>If appropriate/needed:</u> suspension or interruption of payments</p>	<p>Coverage: 100% of the contribution payments.</p> <p>Frequency: usually annually</p> <p>The depth is the same for all National Agencies.</p>	<p>Effectiveness: Appropriate information available to support payment or suspension decision.</p> <p>Benefits: the potential error in the (average annual) total budget avoided. In case of recovery or suspension/interruption: the amount and % value of budget recovered or not paid out.</p> <p>Efficiency: Timeliness of information and action when issues are noted.</p> <p>Economy (costs): estimation of cost of staff involved in the (in-depth) OV and FV of the contribution payments/recoveries to/from the National Agencies.</p>

NAs Stage 5 – Audit and evaluation, Discharge for decentralised agencies

Main control objectives: Ensuring that assurance building information on the entrusted entity's activities is being provided through independent sources as well, which may confirm or contradict the management reporting received from the entrusted entity itself (on the 5 ICOs).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
<p>The Commission has not sufficient information from independent sources on the National Agencies' management achievements, which prevents conclusions being correctly drawn on the assurance for the budget entrusted to the entity – which may reflect negatively on the Commission's governance reputation and quality of accountability reporting.</p>	<p>The Delegation Agreement (for 2021-27 Contribution Agreement) (Erasmus+ and ESC) specifying the control, accounting, audit, publication, etc. related requirements – incl. independent audit function and cooperation with IAS and ECA.</p> <p>Assessment of ex-post yearly audit opinions provided by Independent Audit Bodies on NA Management Declarations (including yearly reports).</p> <p>Assessment of ex-post yearly reports provided by National Authorities on monitoring and supervision activities.</p> <p>NAs include in their yearly reports the results of primary controls (controls carried out by or under the responsibility of the National Agency on the actions that it manages). Types and minimum requirements for controls are set out by DG EAC and are</p>	<p>Coverage: sample as needed (random for financial audits, value-targeted, risk-based for supervisory visits).</p> <p>Frequency: multiannual planning for financial audits; no pre-determined frequency for supervisory visits</p> <p>The depth for financial audits is the same for all National Agencies. For supervisory visits, the depth is adapted to identify risks.</p>	<p>Effectiveness: Assurance being provided via NA Management Declarations, audit opinions of Independent Audit Bodies and reports of National Authorities and corroborated by other supervision data.</p> <p>Benefits: The potential error in the (average annual) total budget avoided. Budget value of the errors with the beneficiaries detected and subsequently corrected.</p> <p>Efficiency: Timeliness and administrative cost of process.</p> <p>Economy (costs): estimation of cost of staff involved in the coordination and</p>

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
	<p>legally binding for the National Agencies.</p> <p>Own supervisory visits <u>of National Agencies and/or National Authorities</u></p> <p>Yearly sample of selected National Agencies for financial audit.</p> <p>Referral to OLAF</p>		<p>execution of supervisory visits. Cost of the appointment of audit firms for the outsourced financial audits.</p>

EIT Stage 1 – Establishment (or prolongation) of the mandate to the entrusted entity.

Main control objectives: Ensuring that the legal framework for the management of the relevant funds is fully compliant and regular (legality & regularity), delegated to an appropriate entity (best value for public money, economy, efficiency), without any conflicts of interests (anti-fraud strategy).

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
<p>The establishment (or prolongation) of the mandate of the EIT is affected by legal issues, which would undermine the legal basis for the management of the related decentralised EU funds (via the EIT).</p>	<p>The EIT is a TFEU body whose mandate is secured via a Regulation of the European Parliament and of the Council¹⁶, providing a legal basis for its activities.</p>	<p>Coverage/Frequency: 100%</p> <p>Depth: Full interservice and interinstitutional consultational and negotiation process</p>	<p>Effectiveness: Quality of the legal and policy work: number of control failures.</p> <p>Benefits: The potential error avoided which could affect the budget amount entrusted to the EIT, if significant (legal) errors would otherwise be detected.</p> <p>Efficiency: Timely conclusion of process.</p> <p>Economy: Estimation of cost of staff involved in the preparation, negotiation and adoption work.</p>

¹⁶ REGULATION (EU) 2021/819 of the European Parliament and of the Council on the European Institute of Innovation and Technology (recast)

EIT Stage 2 – Ex-ante (re)assessment of the entrusted entity’s financial and control framework (towards “budget autonomy”; “financial rules”).

Main control objectives: Ensuring that the entrusted entity is fully prepared to start/continue implementing the delegated funds autonomously while respecting all 5 ICOs.

<p>Main risks It may happen (again) that...</p>	<p>Mitigating controls</p>	<p>Coverage, frequency and depth of controls</p>	<p>Cost- Effectiveness indicators (three E's)</p>
<p>The financial and control framework deployed by the EIT is not fully mature to guarantee achieving all 5 ICOs (<i>1. legality and regularity, 2. sound financial management, 3. true and fair view reporting, 4. safeguarding assets and information, 5. anti-fraud strategy</i>).</p>	<p>DG EAC has a full and transparent overview of the EIT’s control framework and is consulted on changes both bilaterally in its role as parent DG and via its attendance in the Governing Board (GB) meetings of the EIT. DG EAC also ensures close cooperation with the Common Implementation Centre on issues of legality.</p> <p>The European Court of Auditors gives its opinion on the true and fair view of the accounts including the assets recorded in the balance sheet.</p> <p>The EIT’s anti-fraud strategy is agreed by the GB in line with Commission best practice.</p>	<p>Coverage/frequency:</p> <p>100%</p> <p>Depth: In accordance with ECA’s auditing standards.</p>	<p>Effectiveness:</p> <p>Positive performance of stakeholders achieved.</p> <p>Benefits:</p> <p>Avoiding the potential error in the (average annual) total budget.</p> <p>Efficiency:</p> <p>Timeliness of process (guidance is clear and properly applied by stakeholders).</p> <p>Economy (costs):</p> <p>Estimation of cost of staff involved and any additional procurement costs</p>

EIT Stage 3 – Operations: monitoring, supervision, reporting (“representation” / “control around the entity”).

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

<p>Main risks It may happen (again) that...</p>	<p>Mitigating controls</p>	<p>Coverage, frequency and depth of controls</p>	<p>Cost- Effectiveness indicators (three E's)</p>
<p>Due to weak modalities of cooperation, supervision and reporting, the Commission is not (promptly) informed of relevant management issues encountered by the EIT, and/or does not (promptly) react upon notified issues by mitigating them or by making a critical observation and recommendation for them – which may reflect negatively on the Commission’s governance reputation and quality of accountability reporting.</p>	<p>The EIT must comply with extensive planning and reporting obligations to enable good governance by the GB.</p> <p>As parent DG, EIT informs DG EAC on an ongoing basis of issues as they arise and accompanies discussion on major issues pertaining to the EIT’s role’s in the Horizon Europe programme.</p> <p>DG EAC acts as an observer on the Audit Committee where key issues are brought to light and relevant action taken.</p> <p>DG EAC or the EIT can refer cases to OLAF in line with its anti-fraud strategy.</p>	<p>Coverage: 100%</p> <p>Frequency: annually</p> <p><u>In case of</u> operational and/or financial issues, measures are being reinforced as issues arise.</p> <p>The depth is dependent on the nature of the issue.</p>	<p>Effectiveness: Conclusions reached on the basis of annual reports are confirmed by monitoring visits, audits and other supervisory activities.</p> <p>Benefits: Assurance on the budget amount entrusted to the EIT (as confirmed by the ECA).</p> <p>Efficiency: Timeliness of delivery of single planning document, annual activity report, strategic plan, etc.</p> <p>Economy (costs): Estimation of cost of staff involved in the</p>

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
			actual monitoring as well as the costs of EIT itself.

EIT Stage 4 – Commission contribution: payment or suspension/interruption.

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

<p>Main risks It may happen (again) that...</p>	<p>Mitigating controls</p>	<p>Coverage, frequency and depth of controls</p>	<p>Cost- Effectiveness indicators (three E's)</p>
<p>The Commission pays out the (next) contribution to the EIT, while not being aware of the management issues that may lead to financial and/or reputational damage.</p>	<p>Operational Verification (OV) and Financial Verification (FV), 'in-depth' as required.</p> <p>Hierarchical validation of contribution payment of operating costs of EIT and its managed appropriations.</p> <p><u>If appropriate/needed:</u> suspension or interruption of payments is possible.</p>	<p>Coverage: 100% of the contribution payments.</p> <p>Frequency: usually annually</p> <p>The depth is based on the entire planning and reporting cycle of EIT.</p>	<p>Effectiveness: Appropriate information available to support payment or suspension decision.</p> <p>Benefits: the potential error in the (average annual) total budget avoided. In case of recovery or suspension/interruption: the amount and % value of budget recovered or not paid out.</p> <p>Efficiency: Timeliness of information and action when issues are noted.</p> <p>Economy (costs): Estimation of cost of staff involved in the (in-depth) OV and FV of the contribution payments/recoveries to/from the EIT.</p>

EIT Stage 5 – Audit and evaluation, Discharge for statutory agencies

EIT Main control objectives: Ensuring that assurance building information on the entrusted entity’s activities is being provided through independent sources as well, which may confirm or contradict the management reporting received from the entrusted entity itself (on the 5 ICOs).

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost- Effectiveness indicators (three E's)
<p>The Commission has not sufficient information from independent sources on the EIT’s management achievements, which prevents conclusions being correctly drawn on the assurance for the budget entrusted to the entity – which may reflect negatively on the Commission’s governance reputation and quality of accountability reporting.</p>	<p>The EIT regulation, the Financial Framework, Memorandum of Understanding, specifying the control, accounting, audit, supervision and monitoring requirements.</p> <p>IAS annual audits</p> <p>Assessment by the European Court of Auditors (opinion plus any points of emphasis) on the Management Declarations (including yearly reports).</p> <p>Ex-ante certificates on financial statements contracted by the EIT.</p> <p>Assessment of ex-post audit reports provided by external auditors.</p> <p>Own supervisory visits of EIT if required.</p>	<p>Coverage: sample as needed (random for financial audits, value-targeted, risk-based where appropriate).</p> <p>Frequency: multiannual planning for financial audits; no pre-determined frequency for supervisory visits.</p> <p>The depth for financial audits is in line with International Auditing Standards to achieve the appropriate confidence level in a statistical manner.</p>	<p>Effectiveness: Assurance being provided via EIT Management Declarations, audit opinions of ECA and certifying auditors and corroborated by other supervision data.</p> <p>Benefits: The potential error in the (average annual) total budget avoided. Budget value of the errors with the beneficiaries detected and subsequently corrected.</p> <p>Efficiency: Timeliness and administrative cost of process.</p> <p>Economy (costs): Estimation of cost of staff involved in the</p>

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
	Referral to OLAF.		coordination and execution of supervisory visits. Cost of the appointment of audit firms for the outsourced financial audits.

ANNEX 7: Specific annexes related to "Financial Management"

Key sources relied on in the assurance methodology

The reports produced are:

- the reports by AOSDs;
- the reports on exceptions and non-compliance events;
- the reports from Authorising Officers in other DGs managing budget appropriations in cross-delegation;
- the reports on control results from entrusted entities in indirect management as well as the result of the Commission supervisory controls on the activities of these bodies;
- the contribution of the Director in charge of risk management and internal control, including the results of internal control monitoring at the DG level;
- the reports of the ex-post supervision or audit;
- the limited conclusion of the the Internal Audit Service on the state of control, and its observations and recommendations;
- the observations and the recommendations reported by the European Court of Auditors (ECA);
- the report issued by DG BUDG on the validation of local systems in DG Education and Culture.

These reports result from a **systematic analysis of the evidence** available. This approach provides sufficient guarantees as to the completeness and reliability of the information reported and results in a complete coverage of the budget delegated to the Director-General of DG EAC.

Because of the nature of the targeted final beneficiaries, and participants who are mostly individuals, the implementation of the DG EAC programmes requires a specific combination of accurate implementation with user friendliness and simplicity.

The **management and control systems** have been designed taking into account the **inherent characteristics of DG EAC programmes**, including the need for large scale externalisation. In order to counter the potential risks, DG EAC has strengthened the management and control structures of the programmes by the introduction of an integrated control framework, where DG EAC controls build upon controls performed by DG EAC partners in the implementation of the programmes.

In terms of **governance within DG EAC**, the Director-General retains overall responsibility for the management and actions of the DG; key decisions are taken after consulting the Director's Board (DB), composed of the Director General, the Deputy Director General and the Directors of DG EAC and EACEA. As the main senior management discussion body, it ensures coherence and promotes a collegial approach. The DB is supported in the decision making on SPP (Strategic planning and programming) budget, finance, assurance, internal control, supervision, IT and HR matters by a Directors Steering Committee (DSC), composed of the Directors of DG EAC and EACEA, and chaired by the Director of Performance Management, Supervision and Resources. Key management indicators are reported to senior management in a consolidated manner in a monthly Dashboard. This enables management to monitor where the achievement of management objectives is at risk.

The majority of financial transactions under the Commission's direct management in the EAC 'domain' are delegated directly by the Commission to the Executive Agencies. The DG has **a partially decentralised financial circuit with counterweight**, including in relation to the management costs of the National Agencies. Financial initiation and verification tasks have been centralised in a single financial cell in order to concentrate financial expertise and to benefit from economies of scale.

The assurance methodology retains the approach of the previous AAR and the results obtained are consistent with those achieved in prior years.

Effectiveness: control results and benefits

The objectives, indicators and assessments in this section cover all significant expenditure and revenue, financial instruments or other significant¹⁷ non-expenditure items¹⁸, and the overall conclusion (table below) demonstrates the completeness of the coverage by presenting the available main indicators per distinct control system.

Control objective	Result
Control effectiveness as regards legality and regularity	Controls are effective as regards legality and regularity; supervisory controls are effective as regards entrusted bodies; Multiannual residual error rate for the implementation through NAs of 1% or less for the 2014-20 Erasmus+ and European Solidarity Corps programmes; For 2021-27 programmes error rates will be progressively available from AAR 2023.
Other control objectives: A. safeguarding of assets and information, reliability of reporting	- Entrusted funds appropriately safeguarded; - Accounting and reporting is reliable; - Budget execution in line with targets and close to 100%. NA management: Commitment credits execution of 100%, payment credits not fully executed due to delays in adoption of legal base, late call deadlines and subsequent delays of start of projects
B. Fraud prevention and detection	Suspected irregularities or fraud and ongoing investigations of OLAF had no impact on the assurance over the reporting period;
Efficiency and Cost-effectiveness	Overall, the DG EAC (including entrusted bodies) cost of control under the revised approach specified by central services is estimated to be approximately 11,78%. Costs of control are expected to revert to being proportional and cost effective (less than 10%) over the life of the 2021-27 programmes;

¹⁷ i.e. having a value of more than 10% compared to the total annual expenditure as per the AAR Annex 3 Table 2.

¹⁸ These include revenue operations (e.g. assigned revenue, fines, interest); assets (e.g. (in) tangible or financial assets, inventories, accounts receivable, treasury) and liabilities (e.g. guarantees offered, sickness and pensions schemes). These are covered in the AAR Annex 3 Tables 4, 5-bis, 7.

Legality and regularity of transactions

Regarding the **legality and regularity** of the underlying transactions, the **key control objective** is to ensure that the multi-annual¹⁹ residual error rate does not exceed 2% in any management mode²⁰.

In order to protect the financial interests of the Union, DG EAC has also set up a **robust and proportionate legal framework throughout the expenditure cycle**, including the prevention, detection and investigation of irregularities, the recovery of funds lost, wrongly paid or incorrectly used and, where appropriate, penalties.

A. Supervision of Erasmus+ handled by National Agencies

DG EAC's main spending activity is the implementation of the Erasmus+ programme 2021-27 and the European Solidarity Corps 2021-2027 as well as the legacy of the previous MFF, through the National Agencies. Appropriations managed account for 80,8% of executed payments in 2021. Contribution to NA management costs by the Commission totalled €146 million in 2021.

Governance

As a consequence of the multi-annual character of the projects and programmes, the underlying transactions treated by each control stage and reflected in the multi-annual residual error rates cover **the entire period of the current Erasmus+ programme 2014-20** to date. Error rates for the 2021-27 programmes will become progressively available from AAR 2023. The supervisory and control framework and annual declarations pertain to these programmes.

Transactions covered by financial audits in particular have to follow a **consecutive cycle** whereby multi-annual transactions must be closed before the stages of random selection, contracting of audits, audit fieldwork and finalisation of audit results can be completed and included in a given year AAR. Audits of NAs also have a significant systems component to identify potential weaknesses in the control systems and non-compliance with the guidelines for NAs.

Under Erasmus+ and European Solidarity Corps DG EAC operates an **integrated control system for management through National Agencies (NAs)**, under the supervision of the National Authorities (NAUs) of the participating countries as well as Independent Audit Bodies²¹.

The primary level of controls on beneficiaries is executed by the National Agencies, who also carry out more in depth ex post and on-the-spot controls. The secondary level of controls is carried out by Independent Audit Bodies (IABs) as well as National Authorities

¹⁹ DG EAC assesses legality and regularity over each financial perspective.

²⁰ The residual risk of error is estimated by the residual error rate obtained from an examination of a representative sample of transactions less any corrections made resulting from the supervisory and control systems in place. DG Education, Culture, Youth and Sports aims to recover amounts due as a result of ex-post audits within 12 months from the completion of the audit, although these amounts are not normally material in the context of the budget as a whole.

²¹ In line with the structure of indirect management in the Financial Regulation additional assurance is provided by an audit body functionally independent from the entrusted entity.

(NAUs). Independent Audit Bodies provide an opinion on the control systems of the NAs.

On top of this, DG EAC's supervisory controls aim (a) to obtain quantifiable error reporting through externalised financial audits and (b) to review the national control systems (primary and secondary controls). In addition, DG EAC received ex ante formal assurance from the National Authorities on the proper functioning of the control system of the National Agencies as part of the designation process.

The structures in place to enable reporting under the Erasmus+ legal base are covered in Annex 6.

Building blocks

All individual management opinions for National Agencies are summarised yearly in overall management opinions by programme²². The information was deemed reliable after additional information and clarifications were obtained in the context of the annual reports by National Authorities, received in the last quarter of the year.

The 2020 **NA Management Declarations and NA reports** confirmed in 2021 a **satisfactory level of quality and relevance**. 100% of all NA Declarations and Reports were received by 1 March 2021.

39 out of 56 NAs (71%) had submitted their yearly report by the legal deadline of 15 February 2021 (whereas 44 out of 57 NAs (77%) in the previous year). The number of NAs has reduced due to the merger of two NAs in Lichtenstein.

In line with last year, **Independent Audit Opinions** have generally been **adequate** to support the assurance given, using the template provided by the Commission for the audit opinion, with no exceptions. DG EAC's supervision focused on ensuring transparent information was given, especially on so-called 'pillar assessment' issues and the nature of the work carried out.

As regards supervisory controls, DG EAC has conducted a number of **financial ex-post audits and supervisory visits**²³, **both of which were carried out either partially or wholly remotely due to the Covid-19 pandemic**.

As a result of the above, DG EAC considers it has reasonable assurance on the implementation of the programmes by the NAs. The management information reported by the NAUs and NAs for the year 2020, which was received in 2021, is sufficient to draw reasonable assurance conclusions, with some exceptions (see below).

Key control results for assurance on National Agencies

The key supervision and control results for assurance in 2021 are:

- the primary controls by National Agencies,
- secondary controls by National Authorities and IAB (for Erasmus+),
- the "ADEC" financial audits performed by external auditors,

²²The IT tool NA Lifecard facilitates follow-up all recommendations from the Management declarations and audit opinions.

²³In 2021, 1 remote supervisory visit and 1 'on the spot' visit were carried out at both National Authority and National Agency level.

- supervisory visits carried out by DG EAC.

A. Primary and secondary control results

Due to the reporting cycle of NAs, the error which can be reported in a given year's AAR is composed of data drawn from reports received during the reference year which cover control results relating to the year before. Therefore for AAR 2021, **control results obtained in 2014-2020 and reported up to 2021 are used to calculate the error rate.**

For Erasmus+, data on primary checks is reported by NAs within the Epluslink reporting tool. On the basis of 12.533 closed random checks, 2178 resulted in modification of the grant amount, with an overall error rate indicated of less than 1%.

DG EAC performs a yearly data quality review of the primary checks, to ensure NAs properly review and encode the checks in the context of their Yearly Management Declarations. The errors recorded indicate that **the inherent and control risks for Erasmus+ are low**, resulting in a corresponding overall low error rate in the context of the extensive use of lump sums, flat rates, and scales of unit costs.

B. Supervisory control results (review of annual reporting and supervisory visits)

As regards the **supervisory review** of the submissions made to DG EAC by the National Agencies and National Authorities, the indicator set on the number of National Authorities and National Agencies with at least one outstanding **critical or very important recommendation** showed overall comparable results with regard to the previous reporting (end 2020).

Compared to the situation of end 2020, at the end of 2021 there has been a slight increase in the number of NAUs/NAs with at least one very important or critical observation (from 19 to 21). The key control areas affected were mainly monitoring and supervision activities by National Authorities, grant award procedures, respect of legal deadlines of the project lifecycle and checks of grant beneficiaries and IAB related issues.

The slight increase of open 'very important' observations is first of all the case in the field of monitoring and supervision activities by National Authorities (6 National Authorities). This can be explained by the fact that a number of new areas had to be covered by the Independent Audit Bodies, National Authorities will need to improve their review of whether the IAB audit report meets the minimum content requirements.

Secondly, the slight increase of open 'very important' observations is in the field of NA related various issues, mainly processing of personal data (2 national Agencies), procurement and subcontracting (2 National Agencies) checks of grant beneficiaries (3 National Agencies) and NA grant award procedures (3 National Agencies), due to a limited number of various weaknesses.

An opinion of reasonable assurance could not be given in 2021 for the Agency in Bulgaria and the Agency in North Macedonia (partial assurance representing 2,43% of multi-annual entrusted amounts). The Commission in cooperation with the NAU ensure continued **reinforced monitoring on these Agencies** to ensure appropriate measures are taken to achieve reasonable assurance.

All 54 remaining agencies are considered to have given reasonable assurance. **DG EAC's**

methodology for defining the materiality criteria²⁴, foresees the application of the following error rates for the different groups of NAs, which were identified in particular on the basis of the reporting by Authorising Officers by sub-delegation on the use of resources²⁵.

Management costs of the National Agencies have been reviewed by the IABs and no issues of legality and regularity were detected.

Assurance level	Number of NAs/NAU concerned	%Error attributed by methodology
NAs/NAUs with no assurance:	0	20%
NAs/NAUs with partial assurance:	2	5%
NAs/NAUs with reasonable assurance: combined multi-annual residual error rate detected in financial audits and primary controls by NAs	54 ²⁶	0,73%
Overall result		0,83%

In terms of the contribution to the residual error rate, 0,10% relates to the multiannual effect of NAs with partial or no assurance.

C. ADEC audits by external auditors

The results of the **supervisory controls** by DG EAC, which consist of "ADEC" financial audits carried out at EU level as mentioned above showed no additional errors at the level of the National Agencies. Approached from a multi-annual perspective²⁷ and taking into account the impact of recoveries, the results 2014-2020 show a 0% error rate.

The coverage of the residual error rates observed by the financial (so-called ADEC) audits of NAs and by the NAs' primary controls is complementary and there is little overlap between the two. While NA primary controls are designed to detect errors from beneficiaries that were not detected by the *ex ante* control system in the NA, financial audits focus on errors made by the NA (both *ex ante* and *ex post*)²⁸. It has therefore been decided to add both error rates when calculating the residual error rate under indirect management through NAs. The resulting **combined multi-annual residual error rate**²⁹ observed from controls and audits is 0,83% (0,78% in AAR 2020³⁰).

²⁴ See Annex 5 on materiality criteria.

²⁵ For the multi-annual approach, NAs that were considered lacking reasonable assurance in the past are only included in the calculation of this year's error rate if the observed past weaknesses have not been corrected yet.

²⁶ Includes UK01 which is still active for the old programme

²⁷ 103 audits over 2013-20 have covered all of the currently functioning NAs

²⁸ While NA primary controls may also detect errors made by the NA (which would constitute an overlap with ADEC audits) this is not their primary objective and the number of cases can be assumed to be limited.

²⁹ Error rate combining the errors for the programme as a whole since its beginning, reduced by the amounts of recoveries enabled by the audit process.

³⁰ Although recoveries are made following audits of NAs, there is no material effect on the error rate on a multiannual basis so the residual and gross error rate are effectively the same. The error rate combining the results of financial

The **European Solidarity Corps** programme was launched in October 2018. It is implemented by Youth NAs. The funds available for grant support for 2018-20 for Youth NAs amounted to € 295.283.486. These funds are now included in the calculation of the aggregate error because they are now subject to checks and audits.

Management's factual conclusion on the control results:

- The aggregate 2014-2020 residual error rate for the implementation through NAs is estimated to be 0,83% (adjusting the 0,78% from AAR 2020 due to the incorporation of more control results).
- As this is below the 2% threshold, there is **no need to make a reservation for this management mode.**

Benefits of control (NAs)

Quantified benefits include: errors detected ex ante, cost claimed but not accepted, financial corrections and recoveries made based on outcome of ex post controls, Court cases (with damages claims) won. Examples of unquantified benefits are reduced risk of fraud, deterrent effect of controls, prevention of conflict of interests, favourable auditor's opinion on reporting/accounting, unqualified discharge and avoiding reputational damage.

As regards benefits of controls, at present, a **quantitative estimation of the total volume of errors detected and prevented** is available, and is estimated to be as follows for each year of Delegation or the NAs:

EP034 Final report		
checks (ex ante) to 2021		
Delegation Agreement Year ³¹	Rate	Number of checks = population
2014	-0,37%	19.711
2015	-0,47%	21.282
2016	-0,45%	22.807
2017	-0,44%	24.992
2018	-0,37%	24.040
2019	-0,54%	8.252

An average of 0,42% or €34,5m were corrected via NA **ex ante controls** carried out in the period 2014-21. The amount of undue payments recovered with an "irregularity" recovery context are further quantifiable benefits (€2,4m in 2021). For further quantifiable benefits, this could be estimated using the hypothetical "no control" scenario, which would involve estimating the error which would result if all controls were taken away. A very prudent estimation, based on published research, is that an error rate in excess of 15% would be the minimum if the Commission or its intermediaries performed no controls at

audits and primary ex post controls is calculated combining the relative weights of the Youth budget versus the other parts of Erasmus+, due to the different risk profiles.

³¹ Controls on the contribution agreement for 2020 and 2021 are not yet due as the underlying grant agreements are still ongoing

any stage. This in a general way shows that the control framework in place does not cost more than it “saves” in total.

Quantifiable benefits alone do not present the true situation with regard to the cost-effectiveness of controls. **Non-quantifiable benefits** resulting from deterrent effects of controls, the implementation of a sound management and control system, the positive reputational effect in the context of a substantial increase in the budget granted to DG EAC with the 2021-2027 Multi-annual Financial Framework, have to be taken into account to reach an informed conclusion as to the relative cost- effectiveness of the controls. Lastly, DG EAC makes extensive use of the management information provided by its systems to demonstrate the outputs of its programmes with respect to the different target groups, which is a highly important intangible benefit for the feedback to policy improvements and adjustments to the programmes.

Regarding the possibility foreseen in Financial Regulation art 74.5 to **differentiate the frequency and/or the intensity of the DG's controls** in view of the different risk-profiles among its current and future transactions: The current control framework is based on a single audit approach. The controls of entrusted bodies incorporate appropriate adaptation in proportion to the associated risks while enabling an overall representative assessment of assurance on an annual basis. In addition, DG EAC has taken steps to rebalance controls in the 2019-20 NA instructions to ensure a greater emphasis on risky areas, given that a substantial sample has now been randomly sampled to support the overall estimation of inherent risk in the population.

B. Supervision of the Education Audiovisual and Culture Executive Agency (EACEA)

DG EAC is the main parent DG of EACEA and has entrusted the Agency with the management of parts of Erasmus+, European Solidarity Corps and Creative Europe. As a consequence, DG EAC chairs the Steering Committee of the agency with the other parent DGs and has a supervision role over the agency.

This supervisory role is defined in several legal documents and guidance (the Commission Delegation Act to EACEA, the Memorandum of Understanding between the DGs and the agency, the Commission Guidelines on Executive Agencies, etc.). In addition all the executive agencies participate in horizontal governance processes, such as the peer review of critical risks.

The parent DGs' supervision of the work of the Executive Agencies shall not blur the respective responsibilities and, in particular, it shall not result in duplication or overlap with the tasks of the agency.³²

During 2021 DG EAC was able to discontinue its reinforced supervision of the Agency following its implementation of EACEA's action plan agreed with IAS. **EACEA has been effective in implementing the actions** according to the agreed timetable.

³² Decision C(2014) 9109 of 2 December 2014 establishing guidelines for the establishment and operation of executive agencies financed by the general budget of the Union.

The IAS performed two audits³³ in 2017 and 2018 on the Agency's grant management. The audits concluded that there were weaknesses in the systems and issued two critical and several very important recommendations. All of these recommendations have now been closed. The IAS contribution to the 2021 Annual Activity Report process states that the internal control systems in place for the audited processes of the Agency are effective.

The Director of EACEA has accordingly made no reservation in EACEA's AAR 2021. DG EAC will continue to closely follow up the encouraging developments which are not yet complete, and work towards a new supervisory relationship once the new processes are at cruising speed.

Key indicators of EACEA have either met or surpassed target over the last four years. The total subsidy paid by the parent DGs was €53,5 million, out of which €48,3 million from DG EAC (including contributions from other DGs managed by DG EAC), the EA has justified its use and any unused appropriations have been recovered by the parent Directorates-General.

On the budget lines for the EACEA subsidy, no specific difficulties were encountered and no weaknesses are to be reported.

Assessment

Overall, DG EAC considers that its supervision of the Executive Agency, whose Authorising Officer receives delegation directly from the Commission, has been effective and sufficient in 2021.

All the reports foreseen in the Memorandum of understanding between EACEA and its parent DGs as well as the reinforced measures were provided, and enabled DG EAC to closely monitor the implementation of Erasmus+, the European Solidarity Corps, and Creative Europe.

Therefore no reservation is required by the parent DGs.

C. Supervision of the Research Executive Agency (REA)

Control results

DG EAC is **one of the parent Directorates-General** of the **Research Executive Agency (REA)**, which is responsible for implementing the major part of the Marie Skłodowska Curie Actions (MSCA), DG Research and Innovation being the lead parent DG for REA. The payments delegated to REA for MSCA (€819,31 million in 2021) and the Cluster 'Culture, Creativity and Inclusive Society' (€158,2 million in 2021), represents 32,8% of REAs financial activity.

No issues are noted regarding DG EAC's contribution to REA's operating costs, which has received a consistently positive opinion from the European Court of Auditors.

In its AAR 2021, **REA has not made a reservation regarding the MSCA part of the H2020 Programme supervised by DG EAC**, based on specific audits for this low-risk segment. Audited MSCA participations have an actual local representative residual error rate of 0,50 %. Given the non-representative number of audit findings, this error rate

³³ Audit of Erasmus+ and Creative Europe grant management – phase I (from the call to the signature of contracts) and phase II (from project monitoring to payment).

cannot be regarded as a statistically reliable estimate but corroborates the assessment of a low risk level of legality and regularity errors inherent to the programme. The financing modalities for researchers mobility grants are based on an extensive use of unit costs and remain much simpler compared to other parts of H2020. The impact, in terms of ineligible, EU funding resulting from the main type of error (i.e. underpayment of researchers by the beneficiary) remains relatively low. The Director of REA confirms that he has reasonable assurance on the proper use of resources and that the available control procedures provide the necessary guarantees on the legality and regularity of underlying transactions for the programme managed for DG EAC.

Based on the regular reporting and monitoring activities carried out during the period, supervision of REA appears effective for the elements relevant to DG EAC. No reservation is required given that there is no weakness in terms of EAC's supervision responsibilities.

No reservation is required on MSCA for 2021. As regards DG EAC's specific participation, REA's 2021 Annual Activity Report showed **no reservation on the MSCA**. This is due to the favourable design of the grant scheme, with greater use of flat rates and unit costs making errors less likely. For this AAR of **DG EAC, no financial or reputational reservation** is required.

D. Supervision of the European Investment Fund

The Student Loan Guarantee Fund is part of the legacy related to the 2014-20 programme, and is no longer active.

Governance

At the end of 2014, DG EAC signed the **Delegation Act with the European Investment Fund (EIF)** as foreseen in the Erasmus+ legal base, for the implementation of the Student Loan Guarantee Fund. The scheme became operational in June 2015. **Administrative and incentive fees** were paid to the EIF concerning the signature of guarantee agreements with financial intermediaries. With a cap at 90% for an individual loan and at 18% of the total portfolio volume, the EU risk is limited to 16% of the total loan amount. Guarantee payments to the Financial Intermediaries (due to defaults by students) have been quite limited so far.

The supervision framework with respect to the EIF is governed by a **Financial Administrative Framework Agreement** common to all instruments and a Delegation Agreement based on a template provided by central services which DG EAC has applied with no major derogations. DG EAC exercises its supervisory and operational control via the **Steering Committee** for the instrument, as well as through **EIF's internal control framework supplemented by a number of 'Agreed Upon Procedures'** (checks carried out by an external auditor).

Building blocks

The reporting assurance is reinforced under the indirect management mode with an annual declaration of assurance, including on the results of monitoring and control of Financial Intermediaries, and an Independent Audit Opinion. DG EAC has agreed modalities for the reporting of the independent audit body using agreed-upon-procedures. Asset management is outlined in the "safeguarding of assets" section of the main AAR.

Control, supervisory and audit results

The agreed-upon-procedures report was provided by the EIF's external auditor in accordance with the Delegation Agreement on 15 March 2022. No issues were noted as a result of the procedures carried out. In 2021 the instrument has been wound up and is in legacy mode. No significant issues were identified during 2021.

Due to the low financial exposure (the programme is now closed), **DG EAC does not consider there is any significant assurance risk for EIF** relating to its legacy management.

E. Supervision of the European Institute of Innovation and Technology

The executed payments made by DG EAC to the EIT in 2021 represent 14,83% of the total, or €546,6 million, of which € 7,5 million is the operating budget of the EIT itself.

Governance

The **Governing Board of the EIT** is entrusted with the role of strategic leadership and the overall direction of the operational activities implemented by the EIT Headquarters. It is independent and autonomous in its decision-making and is responsible for the selection, evaluation and support of the Knowledge and Innovation Communities (KICs). The Executive Committee supports the activities of the Governing Board (GB) by overseeing the implementation of its strategic decisions. It consists of the EIT Governing Board Chairperson and three appointed Governing Board Members.

In accordance with the EIT Regulation, the European Commission has appointed an **observer from DG EAC** to take part in the meetings of the **Governing Board** and of the Executive Committee.

DG EAC as partner DG **supervises EIT's operational and administrative activities**, as defined in the relevant regulations and via Memoranda of Understanding and Working Arrangements.

Building Blocks

The EIT is responsible for the **primary and secondary controls on KICs activity**. The EIT's primary controls consist of performance assessment and administrative controls which are augmented by audit certification on the major items of expenditure in accordance with the Horizon 2020 methodology. *Ex post* audits after payment are performed on a representative and risk basis.

In addition to these building blocks, the EIT also maintained in 2021 an **in-house internal audit capability** to provide recommendations to improve sound financial management. This capability is in the process of being transferred to an Internal Control Coordinator with a modified mandate, following consultation of the EIT Audit Committee.

External to the EIT, the IAS is its internal auditor as defined in the framework financial regulation³⁴. The European Court of Auditors is the external auditor in the context of the EIT's annual discharge, covering the entire budget of operational and administrative appropriations, and also provides recommendations via special reports. These are

³⁴ OJ L 328, 7.12.2013, p. 42–68

therefore valuable inputs for DG EAC in evaluating the performance of the EIT.

Control, supervisory and audit results

As with Executive Agencies, DG EAC does not carry out direct audits or controls on the EIT or the KICs, but is able to carry out supervisory and monitoring visits in the context of its new MoU.

The **control results of the EIT's ex post audits showed a detected and residual error rate below 2% (0,08%)**, with no reservation being necessary in EIT's 2020 AAR (the EIT AAR 2021 will be finalised in June 2022). The Declaration of Assurance given by the European Court of Auditors for 2020 indicates that the EIT's accounts were true and fair and that the underlying transactions were legal and regular with no qualifications.

Nevertheless, and without qualifying their opinion, the Court included an "other matter" paragraph, in relation to handling amendment requests to the specific grant agreements (SGAs), an issue which has since been rectified in the approach to the reimbursement rate in subsequent years.

Benefits of control (EIT)

As reported in its annual activity report, the EIT performs the technical and financial assessment of all final reports to assess the adequacy of the implementation of Business Plans and to establish the final balances due. In line with its EIT's Grant Assurance Strategy, in terms of cost eligibility the EIT relies mostly on Certificates on Financial Statements (CFS) issued by independent auditors. Ineligible costs identified and corrected at the ex ante stage are estimated to be 2,18% of the amounts claimed by KICS.

DG EAC considers that its supervision responsibilities were fulfilled and in view of the positive assessment by the ECA, and that it has assurance for 2021 for the EIT.

F. Direct management

Governance

DG EAC has a **small remaining amount of direct expenditure** (<3% of executed payments during 2021) which is managed directly via centralised financial circuits..

Building blocks

As mentioned above, **financial initiation and verification tasks have been centralised** in a single financial cell in order to concentrate financial expertise and to benefit from economies of scale. **Ex post audits** of actions implemented by direct management by the DG through cost based grants (approximately 1,5% of executed payments) are carried out by an external audit firm and based on a random and risk selection methods across all such transactions of the DG, which provides a sound and conservative basis for applying the results of the controls to the full sub-population. In addition to ex-post grant audits, **additional ex post controls** are carried out for (immaterial) additional categories of transactions such as expenditure under procurement contracts and corporate services (Traineeship Office).

Control results

Authorising Officers by sub-delegation have reported no issues that would put into doubt the assurance on this management mode, and previous accounting controls indicate the regularity and legality of transactions introduced in ABAC are reliable.

The multi-annual residual error rate **for DG EAC's direct management by the DG is 1% over 2014-2020** (2021-27 error rates will become progressively available from 2023), which is below the 2% threshold. For the reasons above, it is considered that **DG EAC has reasonable assurance on direct management for 2021**.

Efficiency indicators

Assessment of the control efficiency: National Agencies

Once the costs and benefits of controls have been assessed, the question is whether the **optimal** relationship exists between the resources used and the outputs (or results) produced. In addition to the resources used, pertinent efficiency indicators include:

The workload in volume and value, i.e. the number of transactions (contracts, grants, payments etc.):

National Agencies deal with a high workload in volume which is generally of low value. This implies a generally higher cost of control, taking into account the need to be reactive to beneficiary needs.

The number of audits and their audited amounts, the size/fragmentation of the programme, any (dis)economies of scale:

To ensure economies of scale, systems checks are performed when justified by the volume in activity (so-called "top receivers"). Factors which result in diseconomies of scale include the diversity of sectors covered, and the need for there to be National Agencies in every programme country, regardless of country size. In some programme countries NAs are also split into different sectors (e.g. Youth and VET), despite the fact that DG EAC encourages single NAs to be formed where possible. The programme also involves many communication and policy-development aspects which require additional resources.

The workload in complexity, i.e. the level of (expensive) expertise required to verify the regularity (e.g., eligibility, conformity, etc.) of the transactions; any high-risk profile:

Due to the large number of applications and relatively low success rate, the volume of applications are initially assessed by experts who have to be guided, trained and managed by the National Agencies. The Commission has to provide extensive guidance and consultation to ensure a consistent approach is used across the programme countries.

The time required to complete the processes (i.e. "time-to-Indicators", number of processes completed within the legal deadlines):

On average, National Agencies meet the legal deadlines, but with some NAs there are ongoing issues with late payments, often for country specific reasons. Overall the situation has improved year-on-year, but 2021 has suffered from issues, related to the COVID-19 pandemic, and the late start of the programmes.

Call Year	Average Time to Award (days)	Average Time to Inform (days)	Average Time to Grant (days)
2014	122,5	27,1	88,1
2015	106,8	19,7	64,8
2016	109,5	15,2	67,4
2017	103,2	13,2	60,9
2018	110,7	11,6	63,4
2019	107,9	11,2	59,7
2020	115,2	11,5	75,0
From 2021, these indicators are calculated in total with reference to the submission deadline, so the numbers are not directly comparable:			
2021	122	157	193

Assessment of the control efficiency: EIT

Based on the information presented above, the *ex ante* (2,18 %) corrective capacity of the EIT is proportional to its total costs of control (2,55%), which makes the control efficiency high. This is achieved by the systematic framework of externalisation achieved by the EIT. This is further detailed in EIT's annual activity report.

Cost of controls

Per the Commission corporate policy, at least 90% of the 'payments made' are to be covered under all 'significant expenditure' and shown in your Annex 6 to the AAR as a relevant control system. For this reason, DG EAC's direct management which represents 3% of payments made, is not included, leaving only 2 relevant control systems: that related to National Agencies and to the EIT.

Cost estimates and sources: National Agencies

For the National Agencies (NAs), DG EAC discloses separately:

- i. the Commission's cost;
- ii. the estimated cost at Member States and/or Entrusted Entities level as well as the source of these figures and how they were calculated.

For Commission costs, DG EAC has quantified the full-time equivalents (FTEs) allocated to the relevant functions/activities using the best available data collection tool(s) at their

disposal (e.g. ATLAS³⁵, Unit Management Plans, surveys or studies). DG EAC therefore uses ATLAS figures applicable for 2021.

DG has estimated the related cost by using the average FTE costs communicated each year by DG Budget.

DG EAC also incurs control costs in the context of its external (ADEC) audits each year.

For the Entrusted Entities level (indirect management, i.e. National Agencies): these costs are estimated based on the management fees paid to them by the Commission, even though it is acknowledged in the guidance that these contributions cover broader elements than only control costs in the strict sense. The costs at Entrusted Entities (NAs) level is obtained via the National Authority October reports.

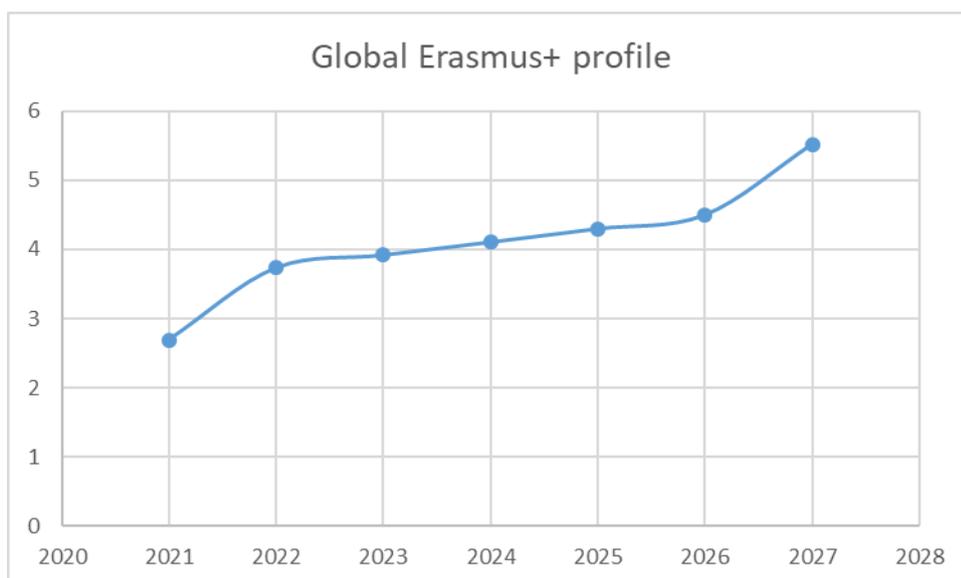
The costs are as follows:

Total payments 2021 DG EAC (without EIT)			2.284.392.832,03
NA Management Costs			
Commission FTE	295	52.303.500	
Commission Audits		257.835	
Total costs EC		52.561.335	
% Costs of control Commission			2,30%
NA Management Costs		146.150.141	
Costs of control NA paid by programme countries		70.384.299	
Global total		269.095.775	11,78%
Ex ante		9,1%	207.203.747
Ex post		2,7%	61.892.028

Percentage	Amount	Stage	Indicators (annual)	Description
11,78%	269.095.775	Overall indicator	Overall cost of control (€ and %)	Total cost of controls of process out of total amounts managed during the year (payments made, revenues, assets, liabilities); amounts delegated or subject to a distinct discharge procedure are excluded from the total amounts managed
9,1%	207.203.747	All ex ante controls	Cost of ex ante controls (€ and %)	Total cost related to ex ante controls out of total amounts managed
2,7%	61.892.028	ex post	Cost of control ex post verifications and/or audits (€ and %)	Total cost related to ex post verifications and/or audits out of total verified and/or audited value

For comparison, the absolute value of costs in 2020 was 248.887.513, therefore the year-on-year increase is 8,1%.

³⁵ Activity and Task Logging for Allocated Staff (DG HR's IT Tool in Sysper2).



The multi-annual cost of controls is expected to remain under 10% once the increasing profile of the amounts managed are taken into account.

Overall, the revised global DG EAC cost of control for **NAs** including an estimate of entrusted entity costs for 2021 is 11,78% of the budget managed (see table above) and is a prudent and conservative estimate. The structures in place are considered to be cost-effective, notwithstanding the fact that 2021 is a below-average year for payments (making the percentage higher) in the 2021-27 MFF, which increases progressively over the period.

Cost estimates and sources: European Institute of Innovation and Technology (EIT)

For EIT the cost calculation is more straightforward as it is monitored mainly by one unit and has a clearly distinguished administrative budget.

Total payments EIT			397.871.765,00	
EAC FTE	8	1.418.400		
% Costs of control Commission			0,36%	
EIT management costs		6.912.164		
EIT Audit certificates		1.646.4889		
EIT ex post audit		160.600	2,19%	
EIT costs total		8.719.253		
% Costs of control EIT				
Global total		10.137.653	2,55%	
		Ex ante	2,09%	8.330.564
		Ex post	0,45%	1.807.089

Overall, the revised global DG EAC cost of control for **EIT** including an estimate of entrusted entity costs for 2021 is 2,55% of the budget managed (see table above) and is a prudent and conservative estimate. The structures in place are considered to be cost-effective.

Cost effectiveness of controls

Based on the most relevant key indicators and control results, DG EAC has assessed the effectiveness, efficiency and economy of the control system and reached **a positive conclusion on the cost-effectiveness of controls**.

The applied control strategy is the best suited to fulfil the intended control objectives efficiently and at a reasonable cost. This control strategy ensures an adequate balance between low error rates, fast payments and low costs of controls, while taking into account that reducing controls will also reduce the costs and speed up processes, but may increase the risk of error (and vice-versa).

Cost of controls are being limited by i) the elimination of redundancy in certified correct workflows where necessary; ii) the use of electronic workflows (instead of paper workflows) iii) delegating low risk transactions to lower hierarchical levels; and iv) modifying the control strategy by limiting the frequency of control checks in case no substantial errors had been detected.

The above mentioned evolution over time of the estimated costs of controls at Commission and entrusted level and of the average time to pay/grant/sign can serve as a basis for the conclusion on the cost-effectiveness of controls.

DG EAC's control environment and control strategy remained stable during the reporting year, the conclusion on the cost-effectiveness of controls is unchanged compared to last year. The corporate methodology for the estimation, assessment and reporting on the cost-effectiveness of controls was revised in September 2018 and applied for the first time in the 2018 annual reporting. The difference in the estimated cost of controls as compared to previous years derives from this new methodology and does not reflect any substantial change in the DG's control strategy.

The factors contributing to the stability of the control environment include the continuity of the spending programmes and related types of transactions, and the stability of the DG's organisation. However, there are increasing risks related to the widening of the programme, increasing variety and heterogeneity of beneficiaries and the exponential growth in terms of budget in recent years. The costs of controls are reported on the basis of the latest available assessment.

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

The absolute values are presented in EUR

EXPENDITURE

EAC Relevant Control System (RCS) / Other as defined in Annex 6 of the AAR*	Ex ante controls***			Ex post controls			Total	
	(a) EC total costs	(b) related payments Made	(c) Ratio (%)** (a)/(b)	(d) EC total costs	(e) total value verified and/or audited	(f) Ratio (%) (d)/(e)	(g) EC total estimated cost of controls (a)+(d)	(h) Ratio (%)** (g)/(b)
Erasmus+ and European Solidarity Corps	52.303.500,00€	2.284.392.832,03	2,29%	257.835	380.732.138,67€	0,07%	52.561.335,00€	2,30%
EIT supervision	1.418.400,00€	397.871.765,00	0,36%	-€	-€	0,00%	1.418.400,00€	0,36%
OVERALL total estimated cost of control at EC level for expenditure	53.721.900,00€	2.682.264.597,03€	2,00%	257.835,00€	380.732.138,67€	0,07%	53.979.735,00€	2,01%

NB. The absolute values are presented in million EUR.

A. Detailed control results for all National Agencies

2021 Detailed control results (error rate)

Maximum individual NA error rate correcting potential miscodings in a prudent manner, and therefore not confined solely to random checks. These are indicative figures taking into account that primary checks for many delegation agreements are still ongoing.

NA	2014	2015	2016	2017	2018	2019	2020	Global
AT01	-0,64%	-0,51%	-0,68%	-0,26%	-0,10%	-0,27%	0,00%	-0,39%
AT02	-0,34%	0,00%	-0,30%	-1,46%	-3,35%	-1,45%	n/a	-0,97%
BE01	-0,03%	-0,44%	-0,39%	-0,20%	-0,10%	0,00%	n/a	-0,21%
BE02	-0,94%	-1,29%	-1,10%	-1,83%	-0,12%	0,00%	n/a	-1,04%
BE03	0,00%	-58,71%	0,00%	-1,29%	-8,37%	-0,85%	-0,59%	-4,95%
BE04	-0,28%	0,49%	-1,16%	-0,53%	0,00%	0,00%	0,00%	-0,26%
BE05	0,00%	0,00%	0,00%	-1,11%	-0,10%	0,69%	0,00%	-0,23%
BG01	0,00%	-3,14%	-1,24%	-0,13%	-0,24%	-0,12%	-0,28%	-1,02%
CY01	-0,10%	-0,58%	-0,47%	-0,25%	-0,14%	-0,49%	n/a	-0,31%
CY02	0,00%	-0,25%	-0,38%	0,00%	-0,23%	0,00%	n/a	-0,20%
CZ01	-0,05%	0,00%	-0,02%	0,00%	-0,02%	0,00%	0,00%	-0,02%
DE01	-0,67%	-0,65%	-0,02%	-0,35%	-0,02%	n/a	n/a	-0,33%
DE02	-0,19%	-1,20%	-0,80%	0,02%	-0,28%	0,00%	0,00%	-0,56%
DE03	-2,12%	-5,84%	-3,44%	-2,07%	-0,36%	0,00%	0,00%	-2,63%
DE04	-5,46%	-1,02%	-2,37%	-0,28%	-0,11%	-2,59%	n/a	-1,92%
DK01	-0,62%	-2,54%	-1,53%	-0,68%	-2,22%	0,00%	0,00%	-1,48%
EE01	0,00%	-0,07%	-0,23%	-1,04%	-0,35%	0,00%	0,00%	-0,31%
EL01	-0,77%	-0,06%	-0,22%	-0,35%	-0,81%	0,00%	n/a	-0,40%
EL02	-7,01%	n/a	-0,23%	-0,01%	-0,02%	-0,26%	n/a	-0,82%
ES01	-0,60%	-2,53%	-1,85%	-2,19%	-1,95%	-2,11%	n/a	-1,73%
ES02	0,00%	-0,09%	-0,44%	0,00%	-0,05%	-0,09%	0,00%	-0,10%
FI01	-0,34%	-0,26%	-3,49%	-0,48%	-0,93%	-0,03%	0,00%	-1,14%
FR01	-1,71%	-1,66%	-1,44%	-1,07%	-1,04%	-0,47%	n/a	-1,28%
FR02	-5,84%	-1,33%	1,24%	-2,44%	-4,62%	-0,22%	0,00%	-2,53%
HR01	-0,31%	-0,30%	-0,27%	-0,31%	-0,06%	0,00%	0,00%	-0,25%
HU01	-0,92%	-0,03%	-0,27%	-0,31%	-0,55%	-0,21%	n/a	-0,40%
IE01	-1,08%	-2,64%	-2,26%	-0,97%	-3,09%	0,00%	n/a	-1,83%
IE02	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	n/a	0,00%
IS01	-0,07%	-7,18%	-0,40%	-0,66%	-0,30%	0,00%	n/a	-1,85%
IT01	0,00%	-0,42%	0,00%	0,00%	0,00%	0,00%	n/a	-0,07%
IT02	-0,35%	-0,09%	-0,33%	-0,84%	-0,42%	-0,14%	n/a	-0,39%
IT03	-6,13%	-2,27%	1,66%	-2,59%	-1,74%	-0,44%	n/a	-2,21%
LI01	-0,59%	-0,40%	-1,06%	-0,41%	-2,65%	0,00%	n/a	-1,08%
LI02	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	n/a	0,00%
LT01	-0,21%	-0,10%	-0,07%	-0,02%	-0,01%	0,00%	0,00%	-0,08%
LT02	0,00%	0,00%	0,00%	-0,08%	0,00%	0,00%	n/a	-0,01%
LU01	-6,51%	-4,70%	-1,10%	-1,46%	-0,47%	-0,10%	n/a	-2,68%
LU02	0,00%	-0,17%	-0,48%	n/a	n/a	n/a	n/a	-0,25%
LV01	-0,53%	-0,02%	-0,85%	0,00%	-0,25%	-1,85%	0,00%	-0,44%
LV02	-0,51%	0,07%	-0,03%	-0,10%	0,00%	0,00%	0,00%	-0,10%
MK01	-0,55%	-0,33%	-0,01%	-0,10%	-0,08%	-0,19%	0,00%	-0,16%
MT01	-0,65%	-0,42%	-0,26%	-0,60%	-0,39%	-0,04%	n/a	-0,47%
NL01	-0,02%	-0,55%	-1,23%	-0,58%	-0,43%	-0,29%	n/a	-0,56%

NA	2014	2015	2016	2017	2018	2019	2020	Global
NL02	-0,40%	0,00%	-0,09%	-2,37%	-3,72%	0,00%	n/a	-1,37%
NO01	-0,82%	-0,25%	-1,53%	-0,47%	-1,33%	0,00%	n/a	-0,81%
NO02	-13,55%	-1,38%	-1,94%	-2,18%	-0,06%	0,00%	0,00%	-4,20%
PL01	-0,38%	-0,48%	-0,22%	-0,10%	-0,17%	-0,03%	0,00%	-0,25%
PT01	-2,03%	-0,82%	0,07%	-0,99%	-1,62%	n/a	n/a	-1,13%
PT02	-0,85%	-0,12%	0,02%	-0,13%	-0,74%	n/a	n/a	-0,37%
RO01	0,54%	-0,01%	-0,19%	-0,08%	-0,32%	0,00%	0,00%	0,00%
RS01	n/a	n/a	n/a	0,00%	-0,24%	0,00%	-3,23%	-0,11%
SE01	-4,15%	-0,92%	-0,44%	-1,23%	-0,86%	-1,80%	n/a	-1,30%
SE02	0,00%	0,00%	0,00%	-0,12%	-1,10%	0,00%	0,00%	-0,14%
SI01	-1,13%	-0,60%	-0,04%	-0,90%	-0,89%	0,00%	0,00%	-0,70%
SI02	-6,18%	-3,48%	-3,93%	-9,76%	-0,47%	-1,61%	n/a	-4,79%
SK01	-0,08%	0,00%	0,00%	-0,12%	0,00%	0,00%	0,00%	-0,03%
SK02	-0,75%	-1,45%	-0,66%	-3,82%	-0,32%	-0,27%	0,00%	-1,44%
TR01	-1,06%	-1,63%	-0,56%	-1,09%	-0,26%	-0,29%	-4,37%	-0,97%
UK01	-1,55%	-1,20%	-0,46%	-0,36%	-0,94%	-0,13%	n/a	-0,84%
Grand Total	-1,03%	-1,08%	-0,68%	-0,64%	-0,69%	-0,27%	-0,24%	-0,80%

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

1.1 Audit observations and recommendations

Opinion of the Internal Auditor/ IAS Audits

As of March 2022, DG EAC has a total of seven open audit recommendations: four very important and three important recommendations on 2 audits from the IAS.

The IAS has concluded that the internal control systems in place for the audited processes are effective except for data protection (transfer of personal data to third countries).

The most recently completed audit was on data protection and finalised in January 2021: 'Audit on the effectiveness of the protection of personal data of beneficiaries and participants of programmes under the responsibility of Directorate-General for Education, Youth, Sport and Culture'.

IAS audits in EACEA

During 2021 EACEA the agreed action plan covering all remaining recommendations was fully implemented by the given deadline of 30 June 2021. On the 26 October 2021, EACEA was formally notified by the IAS that the follow up was concluded and that all recommendations were adequately and effectively implemented.

A new audit on the protection of personal data of beneficiaries and participants of programmes under the responsibility of EACEA, EASME and INEA was launched in 2021, and is still ongoing.

European Court of Auditors' findings and recommendations

The 2020 Annual Report from the Court of Auditors (ECA) was published end 2021 and is overall positive for the programmes managed by DG EAC with no references regarding legality and regularity for any of our programmes.

For the Chapter 4 (ex-5 in previous years) 'Competitiveness for growth and jobs', the principal programmes covered are Horizon 2020 (H2020) for research and innovation (and its predecessor FP7) and Erasmus+ for education, training, youth and sport.

The estimated most likely level of error for the Chapter was 3,9 % in 2020 (compared to 4,0% in 2019). However, this is in line with the rates found in prior years.

The total sample of 133 consisted of 84 transactions in the area of research and innovation and 49 under other programmes and activities, notably Erasmus+, CEF and space programmes. 64 of these 133 transactions examined for the Chapter were affected by errors. The main source of error comes from research and innovation (66 %). In the case of other programmes and activities, ECA detected quantifiable errors in 9 of the 49 transactions in the sample. The errors found in the sampled projects under the Erasmus+ related to beneficiaries using the incorrect unit cost rate and declaring ineligible costs.

The average error rate for EAC on the transactions selected was in line with the rates presented in this AAR.

The Erasmus+ programme was the focus of chapter 2 in the ECA annual report on performance³⁶. The ECA emphasised that their own audit work and the opinion held by stakeholders underlines the overall positive added value of the programme as evidenced by the quantitative and qualitative performance indicators. Assessing Erasmus+ overall, the ECA concluded that the programme is characterised by high EU added value, but there is room for further improvement in simplification and in addressing gender equality in programming and reporting. The ECA also noted that while it is a highly valued and popular programme, the oversubscription means not all proposals can be funded (para 2.41).

The adoption of the Commission's 2020 discharge in European Parliament plenary is planned for end of April 2022.

A small number of recommendations have been raised by the European Parliament in the context of the 2019 discharge; many were closed or are closely followed up in the DG, together with those from previous discharge processes.

DG EAC is involved in following up as main or associated DG in a number of performance audits.

Special Report No 35 2018 "Transparency of EU funds implemented by NGOs more effort needed"³⁷. The European Court of Auditors concluded that the Commission was not sufficiently transparent regarding the implementation of EU funds by NGOs, and that more efforts are needed to improve it.

Special Report 08/2020 "*EU Investments in cultural sites: a topic that deserves more focus and coordination*"³⁸, published in April 2020. This audit involved both DG REGIO and DG EAC and covered mainly two aspects: suitability of the EU cultural policy framework and coordination with funding arrangements and the implementation of the ERDF funding and synergies with other EU funds.

Special report No 09 2021 "Disinformation affecting the EU: tackled but not tamed"³⁹. The main conclusion of the special report was that the EU action plan against disinformation was relevant at the time it was drawn up but incomplete. Even though its implementation is broadly on track and there is evidence of positive developments, it has not delivered all its intended results.

Special report 10/2021: "*Gender mainstreaming in the EU budget: time to turn words into action*"⁴⁰. This report covers several funds such as ESF, EAGF, ERDF and Erasmus. The broad conclusion was that the Commission did not take gender equality into account across all aspects of Erasmus+. In particular the report highlighted the existence of a significant gender gap in Erasmus+, finding that more women than men participate, with significant

³⁶ [Report of the European Court of Auditors on the performance of the EU budget – Status at the end of 2020 \(europa.eu\)](https://ec.europa.eu/eudc/info/documents/report-performance-eu-budget-status-end-2020)

³⁷ Special report no 35/2018: Transparency of EU funds implemented by NGOs: more effort needed

³⁸ [Special report 08/2020: EU investments in cultural sites: topic that deserves more focus and coordination \(europa.eu\)](https://ec.europa.eu/eudc/info/documents/special-report-08-2020-eu-investments-cultural-sites-topic-deserves-more-focus-and-coordination)

³⁹ Special report No 09 2021 "Disinformation affecting the EU: tackled but not tamed".

⁴⁰ [Special Report 10/2021: Gender mainstreaming in the EU budget: time to turn words into action \(europa.eu\)](https://ec.europa.eu/eudc/info/documents/special-report-10-2021-gender-mainstreaming-eu-budget-time-turn-words-action)

gender differences between study fields. This suggests that there is a need to take gender into account in planning the Erasmus+ programme, and to carry out broad analyses going beyond the overall number of participants, broken down by specific subject areas. DG EAC has already partly addressed this by including such analysis in the 2020 Erasmus+ Annual Report.⁴¹

Review No 02/2021: "*EU actions to address low digital skills*"⁴² This review presents the recent development of basic digital skills among the active population between 25 and 64 since 2010, examines what the EU has done to improve the situation, and what it has planned for the 2021-2027 period. The report emphasises the need to address gaps in digital skills and notes the role of the Erasmus+ programme and the Digital Education Action Plan in contributing to the solution.

Overall, there are seven recommendations open⁴³ where DG EAC is the main address of the recommendations:

- Six Important recommendations issued by the European Court of Auditors in relation to the Special Report No 08 2020 "EU investments in cultural sites a topic that deserves more focus and coordination" and
- One additional important recommendation issued by the European Parliament in the context of the 2019 discharge.

European Institute of Innovation and Technology (EIT)'s audits

The European Court of Auditors adopted its Annual Audit Report for 2020 on the EIT on 21 September 2021, issuing an unqualified (clean) opinion stating that all expenditure and revenue presented in the EIT's 2020 accounts are legal and regular in all material respects. The Discharge 2019 for the EIT was granted on 28 April 2021⁴⁴.

Internal Audit Service (IAS), Internal Audit Capability (IAC) and Internal Control Coordinator in the EIT

The IAS finalised its audit on human resource management (HRM) on 26 May 2021 and the EIT Director adopted an action plan on 30 June 2021. This audit has three findings rated important and two issues for consideration. The discussion of the IAS audit on HRM in the Audit Committee was postponed at IAS's request. The IAS also adopted its 2019-2021 Strategic Audit Plan for the EIT in July 2019, however this planning needs revision in view of the transition of the EIT's Internal Audit Capability (IAC) into a KIC monitoring body. The IAC finalized its report on ABAC validation on 18 June 2021, which was accepted by the EIT Director, who also drew up an action plan to implement the report's findings.

The IAC audit on external communications, stakeholder relations and dissemination is still ongoing. The GB adopted the IAC 2021-2023 Strategic Internal Audit Plan in June 2021. The EIT's Internal Control Coordinator (ICC) issued a report on 30 September 2021 on the status of the 29 open recommendations due by 30 June 2021. The report shows that out

⁴¹ <https://op.europa.eu/en/publication-detail/-/publication/7bda9285-5cc4-11ec-91ac-01aa75ed71a1/language-en>

⁴² [Review No 02/2021: EU actions to address low digital skills \(europa.eu\)](#)

⁴³ The RAD application (recommendation, action, discharge) is an IT tool used by the Commission to monitor its follow-up of audit recommendations by the Court and requests made by the discharge authority in the framework of the discharge procedure.

⁴⁴ [Procedure File: 2020/2179\(DEC\) | Legislative Observatory | European Parliament \(europa.eu\)](#)

of the 29 open recommendations, 19 are implemented, 10 are ongoing. All very important and important recommendations are implemented according to the report, which is pending IAC acceptance.

1.2 Assessment of the effectiveness of internal control systems

Methodology of DG EAC's annual assessment of internal control systems in 2021

The 2021 annual assessment of the functioning of the internal control system is performed according to the methodology established in the 'Implementation Guide of the Internal Control Framework of the Commission'⁴⁵.

This assessment was based on

(1) the outcome of a workshop organised within DG EAC with assistants to Directors and representatives of the units responsible for the implementation and coordination of internal control, to assess the implementation of the internal control principles, with particular attention to the impact of the Covid-19 pandemic on the functioning of EAC's internal control and management systems.

(2) the assessment of the implementation of DG EAC's internal control monitoring criteria for 2021.

(3) secondary sources such as assessment of exceptions and non-compliance events and mitigating measures in 2021, ongoing monitoring of the implementation of control and anti-fraud strategies, AOSD reports, and state of play of internal control actions implemented in during the year (DG EAC Internal Control Action plan as part of continuous internal control monitoring), indicators in DG EAC's Strategic Dashboard and results of the corporate indicators in the Annex 4, the internal control assessment results and risks of DG EAC's Agencies.

In February 2022, desk reviews, written consultations and bilateral meetings on the assessment outcome of each principle took place, followed by discussions with units responsible for the implementation and coordination of internal control in DG EAC to consolidate the draft assessment at DG EAC level prior to validation by senior management.

The results of this assessment are reported here below. The final validation by senior management of the assessment by principle including actions for improvement in 2021 took place in February 2022.

Continuous internal control monitoring in DG EAC

DG EAC's management assesses on a continuous basis the effectiveness of the internal control systems in order to determine whether they work as intended and ensuring that any control weaknesses in the system are detected, analysed and considered for improvement.

DG EAC's detailed **Internal Control Action plan** is validated each year and is monitored on a regular basis, as well as the audit recommendations. Besides the fact that management of risks is part of daily management in DG EAC, two risk and internal control assessment exercises were performed, i.e. at the beginning of the year, and at mid-term.

⁴⁵ https://myintracomm.ec.europa.eu/budgweb/EN/man/icrm/Documents/icf_implementation_guide.pdf

Exceptions and non-compliances are continuously monitored. These deviations, including the state of play of mitigating measures were assessed and any deficiencies have been communicated, corrected and reported to senior management as part of the internal control assessment exercise in the context of the AAR⁴⁶. In terms of **reporting to senior management**, the annual and mid-term reporting on internal control was complemented by two quarterly reports on the functioning of internal control and management systems and focus on the follow-up of critical items identified during specific and continuous monitoring of the performance of internal control. To strengthen internal control accountability, **4 training sessions for heads and deputy heads of unit** were organised. This virtual platform for exchange on internal control brought internal control knowledge and awareness closer to units in DG EAC. Topics were carefully selected according to EAC's needs. Workshops were organised on ethics and sensitive posts, financial management and the anti-fraud strategy, HR strategy and M365 champions, unconscious bias and internal control monitoring criteria.

Assessment of the functioning of DG EAC's internal control systems in 2021

DG EAC has assessed its internal control system during the reporting year and **has concluded that it is partially effective as regards internal control principle 13** in relation to:

- ICF 13 Information and document management. Information systems process relevant data, captured from both internal and external sources, to obtain the required and expected quality information, in compliance with applicable security, document management and **data protection rules**.

This principle is partially present and functioning, as a number of very important recommendations are ongoing as part of the 2020 audit of the IAS as regards compliance with the internal data protection regulation (IDPR), in particular for transfers outside the EU/EEA. ICF 13 is selected as the data is primarily collected in order to provide detailed information on the achievement of programme objectives. This has a significant impact on the assurance.

As the main operational objective of international actions is sending participants outside the EU/EEA, this issue regarding data protection and the surrounding legal context has to be resolved to enable these successful operational activities to continue.

This assessment has been performed on the basis of the 17 internal control principles and 5 components of the internal control framework, taking into account the deficiencies identified based on the above mentioned methodology and sources and their remedial measures where necessary.

As main **remedial measure**, a **DG EAC internal task force** has met throughout the year to address the audit findings and recommendations as a matter of priority. This task force jointly elaborated and is monitoring the action plan to address the IAS audit recommendations, liaise with the DPO and other Commission central services to ensure a corporate approach to the various steps of the implementation of the actions, monitor these and report regularly on the status of the actions to senior management. As at the

⁴⁶ Exceptions and non-compliance events registered in 2021 do not have a material impact on the implementation of the budget, and have no bearing on the Director-General's declaration of assurance. Overall, the existing controls are sufficient. Some additional mitigating actions are still to be followed up with the authorising officers concerned, in order to avoid similar situations in the future.

end of March 2022, 5 out of 6 actions of the action plan have been submitted as “ready for review”, of which one was closed by the IAS in March 2022. The final action on the transfer tool for 3rd countries is close to completion via a legally binding annex to the contribution agreement with 3rd country National Agencies.

Risk Assessment regarding data transfers to 3rd countries

For international data transfers to 3rd countries, the nature, scope, context and purposes of the processing has been examined to establish whether it is likely to result in a high risk to the rights and freedoms of natural persons, by analogy with Article 39 of Regulation (EU) 2018/1725. This assessment has been carried out in alignment with generalised guidance from the DPO’s office.

Participants in international transfers generally physically travel (except for virtual mobilities, which have recently increased due to the COVID pandemic) by choice, and have also chosen to attend an education, training, or youth institution in the 3rd country to which their data is being transferred.

It is important to note that the international transfers of data, especially for participants are limited and **does not involve any of the high risk cases specified in the regulation** which are:

- a systematic and extensive evaluation of personal aspects relating to natural persons which is based on automated processing, including profiling, and on which decisions are based that produce legal effects concerning the natural person or similarly significantly affect the natural person;
- processing on a large scale of special categories of data referred to in Article 10 , or of personal data relating to criminal convictions and offences referred to in Article 11 ; or
- a systematic monitoring of a publicly accessible area on a large scale.

The transfers made in the context of DG EAC’s programmes are necessary and proportional for the purposes of carrying out the mobilities under the respective Erasmus+ and European Solidarity Corps actions.

Transfers to 3rd countries vary in magnitude. In particular the transfers to 3rd countries participating in the programme (Turkey, North Macedonia, Serbia), which make up 60% of international transfers, are governed by contractual safeguards, monitoring and audit by an Independent Audit Body. For other 3rd countries where transfers are smaller in number for each individual country, read-only access to the Commission reporting database is provided in order to ensure accuracy of the data. While it would be possible for the Commission to restrict access to this data by the 3rd country institution, doing so would result in the data being transmitted via other, less secure, less transparent, heterogeneous and ad hoc processes, which would be likely to pose a greater risk to the rights and freedoms of the data subjects participating in the action. These arrangements therefore frame the type and number of data transfers to 3rd countries and limit the risks to the rights and freedoms of natural persons.

In the context of the IAS audit, DG EAC, following interservice consultation, has identified the potential legal ‘transfer tool’, for the third countries with NAs, as a legally binding annex to their existing contribution agreements. Following consultation with the central services, DG EAC does not consider the data transfers need to be stopped.

Information systems

For the **principle 11 as regards selecting and developing general control activities over technology, some improvements are needed. Continued follow-up** will be given to **the remaining audit recommendations from the 2019 IAS audit on information technology governance and project management**, notably regarding continuous improvement practices, project management methodology, secure development practices and monitoring the total cost of ownership of projects. In 2022 DG EAC will continue to assess IT systems according to the new IT Security Risk Management Methodology (ITSRM) of central services. Potential security-related shortcomings will be identified and security of systems will be upgraded where needed, with special focus on access to IT tools in the context of the new data protection regulation. These improvements have high priority, in the context of the mitigation of DG EAC's high risk in relation to the availability of well-functioning IT business solutions that satisfactorily support the implementation of DG EAC's programmes.

DG EAC has assessed its internal control system during the reporting year and has concluded that it is partially effective, as the principle 13 is partially present and functioning. Due to the comprehensive actions described above, as well as the risk analysis regarding the 5% of mobilities affected by the issue on 3rd country data transfers, the assessment of partial effectiveness during 2022 does not justify a reservation.

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

DG EAC	'payments made' (2021;MEUR)	minus new prefinancing [plus retentions made] (in 2021;MEUR)	plus cleared prefinancing [minus retentions released and deductions of expenditure made by MS] (in 2021;MEUR)	'relevant expenditure' (for 2021;MEUR)	Detected error rate or equivalent estimates			estimated risk at payment (2021;MEUR)			Adjusted Average Recoveries and Corrections (adjusted ARC; %)			estimated future corrections [and deductions] (for 2021;MEUR)			estimated risk at Closure (2021;MEUR)		
					-6	-7	-8	-9	-10										
-1	-2	-3	-4	-5	-6			-7			-8			-9			-10		
Erasmus indirect	2 084,16	-2 084,09	1 429,86	1 429,93	1,00%	-	1,00%	14,30	-	14,30	0,01%	-	0,01%	0,19	-	0,19	14,11	-	14,11
Erasmus direct	36,29	- 2,92	4,22	37,59	1,00%	-	1,00%	0,38	-	0,38	0,00%	-	0,00%	0,00	-	0,00	0,38	-	0,38
European Solidarity Corps indirect	82,24	- 82,67	12,36	11,93	1,00%	-	1,00%	0,12	-	0,12	0,00%	-	0,00%	0,00	-	0,00	0,12	-	0,12
European Solidarity Corps direct	5,12	0,00	0,00	5,12	1,00%	-	1,00%	0,05	-	0,05	0,00%	-	0,00%	0,00	-	0,00	0,05	-	0,05
EIT	397,87	- 397,87	550,51	550,51	2,00%	-	2,00%	11,01	-	11,01	0,00%	-	0,00%	0,00	-	0,00	11,01	-	11,01
Horizon and EIT	2,17	- 0,12	1,57	3,62	1,00%	-	1,00%	0,04	-	0,04	0,00%	-	0,00%	0,00	-	0,00	0,04	-	0,04
Creative Europe	6,54	- 2,01	2,51	7,03	1,00%	-	1,00%	0,07	-	0,07	0,00%	-	0,00%	0,00	-	0,00	0,07	-	0,07
Other	22,34	- 8,85	7,10	20,58	1,00%	-	1,00%	0,21	-	0,21	0,00%	-	0,00%	0,00	-	0,00	0,21	-	0,21
Total without contribution to EA's operating budget	2 636,73	-2 578,53	2 008,13	2 066,32				26,17	-	26,17	0,01%	-	0,01%	0,19	-	0,19	25,97	-	25,97
					Overall risk at payment in %			1,27%	-	1,27%				Overall risk at closure in %			1,26%	-	1,26%
								<i>(7) / (5)</i>						<i>(10) / (5)</i>					
EACEA	48,27	- 48,27	46,33	46,33	0,01%	-	0,01%	0,00	-	0,00	0,00%	-	0,00%	0,00	-	0,00	0,00	-	0,00

Sub-total contributions (if more than one)	48,27	- 48,27	46,33	46,33			0,00		0,00			0,00	0,00	0,00	0,00
Total DG (with contributions to EAs)	2 684,99	-2 626,80	2 054,46	2 112,65											
Additional information to be provided by the DGs managing EDF and contributing to and/or managing EUTF															
EAC	payments made' (2021;MEUR)	minus new prefinancing (in 2021;MEUR)	plus cleared prefinancing (in 2021;MEUR)	'relevant expenditure' (for 2021;MEUR)	Average Error Rate (weighted AER; %)		estimated risk at payment (2021;MEUR)		Adjusted Average Recoveries and Corrections (adjusted ARC; %)		estimated future corrections [and deductions] (for 2021;MEUR)		estimated risk at Closure (2021;MEUR)		
	-1	-2	-3	-4	-5	-6	-7		-8		-9		-10		
Total EDF	2,73	2,73	4,18	4,18	2%	2%	,084	,084					,084	,084	

Notes to the table

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

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

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

(3) New pre-financing actually paid by out by the department itself during the financial year (i.e. excluding any pre-financing received as a transfer from another department). as per note 2.5.1 to the Commission annual accounts

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

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

(6) In this column, we disclose the detected error rates or equivalent estimates.

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

(8) The adjusted average recovery and corrections percentage is to some extent based on the 7 years historic Average of Recoveries and financial Corrections (ARC), which is the best available indication of the corrective capacity of the ex-post control systems implemented by the DG over the past years. This has been adjusted on a prudential basis to take into account the fact that future recoveries may not necessarily be in line with the current level.

(9) For multiannual programmes for which corrections are still possible afterwards, all corrections that remain possible are considered for this estimate.

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

In 2021, the BC function was placed at the level of Head of Unit in order to strengthen its strategic role.

A significant achievement in 2021 was the set-up of a local HR strategy and the implementation of a HR Annual Plan; the BC also followed up the development of the corporate HR strategy and organised a local consultation.

In order to optimise the organisational structure of the DG and achieve its political objectives, the BC supervised the limited but effective reorganisation at the beginning of 2021, accompanied by a middle-management mobility exercise; furthermore, as a follow-up of the January 2021 reorganisation, the BC implemented a mini-reorganisation of the sectors in some units.

A major achievement was the implementation of a 360-feedback exercise, responding to the strategic priority to focus on managerial excellence. Building on a pilot carried out in 2020, in total 16 out of 20 middle-managers participated (80% vs target of 50%). The exercise included individual and group coaching; it was very successful not only for the individual participants but also to create a sense of community among the participants.

The BC also executed the Learning and Development budget as planned, with only a small under-execution due to the uncertainties caused by the covid-19 pandemic. This affected mostly team events where in-situ events were maximized to the extent possible to maintain team connections. Nevertheless a significant number had to be moved online or postponed to comply with sanitary restrictions.

DG EAC achieved most targets and maintained those that had already been achieved in 2020. This was the case for the first female appointments to middle-management positions (target for 2022 was reached in 2020 and maintained in 2021). An annual 1% increase of the staff engagement index was also achieved, reaching 69% from 66% in the 2018 survey. Activities relating to the EAC Values pledge were reshaped due to the pandemic and will continue in 2022, taking into account the results of the 2021 staff opinion survey.

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

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

Source of data: SEC(2020) 146

Baseline (female representation in management) 2019	Target 2022 ⁵⁰ : 3 2024: to be defined	Latest known results (2021)
6 female middle managers (35%)		3 (50%)

Indicator 2: DG EAC staff engagement index

Source of data: Commission staff survey 2018 and 2021

Baseline 2018	Target 2024	Latest known results (2021)
66%	At least 66%	69%

Main outputs in 2021:

Description	Indicator	Target	Latest known results (2021)
First time appointments of female middle managers [SEC(2020)146]	3 new appointments of female middle managers (50% of total middle managers in the DG) (by 2022 as per COM requirement).	By end of 2020, 3 first time appointments of female middle managers have already taken place (COM target has already been achieved)	The target reached by the end of 2020 was maintained in 2021
Increase the staff engagement index (66% in Staff Survey 2018)	1% of increase each year	By 2024, 70%	Target reached: 69% in the 2021 survey (annual increase of 1%)
EAC Values pledge for staff and management. Values were voted for and a communication campaign took place in 2020 on intranet and via posters	COVID-19 lockdown had a big impact on the awareness raising level among staff. In 2021, all Senior and Middle Management to put forward actions promoting EAC values.	By end of 2021, 80% of staff to be aware of EAC values and how they are implemented in our DG	The survey carried out to assess the perception of the values and discussion at senior-management level served the purpose of awareness-raising. The pandemic has hindered the full deployment of subsequent activities, which will continue in 2022.

Description	Indicator	Target	Latest known results (2021)
360° exercise for middle managers on a voluntary basis to promote managerial excellence and satisfaction survey to assess the 360° exercise	% of middle managers (MM) participating in the exercise. Q3 2021 at least 50% of middle managers to participate in this exercise % of positive feedback on the exercise by MM partaking in the exercise and colleagues involved in the 360° process	By Q4 2021, to have 70% positive feedback regarding the value-added of the 360° exercise	In addition to the 2020 pilot, 12 heads of unit participated actively in the exercise (80% in total). General feedback (though not measured in %) is very positive; satisfaction is proved by their intention to continue exchanging around this exercise next year.

Objective: DG EAC targets using innovative, trusted digital solutions for better policy-shaping, information management and administrative processes to forge a truly digitally transformed, user-focused and data-driven Commission Main outputs in 2021: Digital transformation and information management Output Indicator Target 2021 Implementation of the Single Entry Point % of IT Modules accessible via Single Entry Point 90% Implementation of Compass Corporate workflows Number of workflows fully automated per business process 90% Implementation of EU Access Number of IT Modules using EU Access 90% Implementation of HERMES/ ARES for Records' management Number of IT Modules using Hermes/Ares 95% Data Analytics & AI modernisation Rate of realisation of the 20 data modernisation projects 2020-2022 2021: 70% Implementation of Data Governance Minimum percentage of DG EAC key data assets for which corporate principles for data governance have been implemented 20%

Objective: DG EAC is using innovative, trusted digital solutions for better policy-shaping, information management and administrative processes to forge a truly digitally transformed, user-focused and data-driven Commission		
Indicator 1: Degree of implementation of the digital solutions modernisation plan		
Source of data: DG EAC		
Baseline	Target	Latest known results
2019	2024	31/12/2021
EAC IT Landscape \approx 20%	75%	45%
Data Analytics & AI \approx 20%	95%	50%
Traineeship Office system \approx 15%	70%	19 %
Indicator 2: Percentage of DG EAC key data assets for which corporate principles for data governance have been implemented		
Source of data: DG EAC		
Baseline	Target	Latest known results
2019	2024	31/12/2021
0%	80%	50%

Indicator 3: Percentage of staff attending awareness raising activities on data protection compliance			
Source of data: DG EAC			
Baseline	Target	Latest known results	
2018	2024	31/12/2021	
Newcomers: 0%	100%	80%	
Other staff: 0%	90%	Not yet available	
Indicator 4: Percentage of staff using new generation of digital tools for knowledge management purposes and participate at least in one training or coaching session			
Baseline	Target	Latest known results	
2018	2024	31/12/2021	
30%	100% of staff	Not yet available	
Main outputs in 2021:			
Description	Indicator	Target 2021	Latest known results
Implementation of the Single Entry Point	% of IT Modules accessible via Single Entry Point	90%	Achieved
Implementation of Compass Corporate workflows	Number of workflows fully automated per business process	90%	Achieved
Implementation of EU Access	Number of IT Modules using EU Access	90%	Achieved
Implementation of HERMES/ ARES for Records' management	Number of IT Modules using Hermes/Ares	95%	Achieved
Data Analytics & AI modernisation	Rate of realisation of the 20 data modernisation projects 2020-2022	2021: 70%	45%
Implementation of Data Governance	Minimum percentage of DG EAC key data assets for which corporate principles for data governance have been implemented	20%	20%

Objective: DG EAC takes full account of its environmental impact in all its actions and actively promotes measures to reduce the related day-to-day impact of the administration and its work account of its environmental impact in all its actions and actively.

Objective: DG EAC takes full account of its environmental impact in all its actions and actively promotes measures to reduce the related day-to-day impact of the administration and its work account of its environmental impact in all its actions and actively

Indicator 1: Degree of implementation of the digital solutions modernisation plan		
Source of data: DG EAC		
Baseline	Target	Latest known results
There is no information in the Strategic Plan		

Main outputs in 2021:

Description	Indicator	Target 2021	Latest known results
Communication on switching off the lights	One publication on EAC intranet	Q3 2021	Postponed to Q2/Q3 2022 due to ongoing Covid crisis
Advertise on alternative transportation	One publication on EAC intranet	Q2 2021	Postponed to Q2/Q3 2022 due to ongoing Covid crisis
Inform on possible uses of qualified electronic signature (QES)	One publication on EAC intranet	Q4 2021	Postponed to 2022, as this needs an in-depth analysis / exploitation
Increase awareness about environmental information	One publication on EAC intranet	Q1 2021	Postponed to Q2/Q3 2022 due to ongoing Covid crisis

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

This annex includes information about implementing tasks entrusted to (i) national or (ii) international public sector bodies and to (iii) bodies governed by private law with a public sector mission. In practice, this includes (a) national agencies, (b) international organisations and their agencies, and (c) Private-Public-Partnerships (PPPs, such as Joint Undertakings).

This annex provides the following details for all national or international implementing entities, which implemented programmes in the reporting year:

1. **Programmes concerned:** Erasmus+ (2021-2027 and European Solidarity Corps (2021-2027)).
2. **Annual budgetary amount entrusted to these bodies in 2021:** €2,335.7 million for Erasmus+ and €114.4 million for European Solidarity Corps which is in total €2.450, 1 million (see table for breakdown by national agency).
3. **Duration of the delegation:** 2021-2027 (Erasmus+) and 2021-2027 (European Solidarity Corps)
4. **Justification of the recourse to indirect management:** the recourse to national agencies and their appointment by the Member States/participant countries are set in the legal bases of the Erasmus+ programme and of the European Solidarity Corps programme.⁴⁷
5. **Justification of the selection of the bodies (identity, selection criteria, possible indication in the legal basis, etc.):** see point 4 above.
6. **Summary description of the implementing tasks entrusted to these bodies:**
 - i. Management of the project life cycle of the decentralised actions of the Erasmus+ and European Solidarity Corps programmes: Information and publicity at national level on the Programme and, where applicable, the calls for proposals; Information and counselling of potential applicants; Receipt and evaluation of grant applications; Establishment and supervision of evaluation committees; Decision on the award of grants; Publication of information on supported projects; Commitment of funds for projects and signing of contracts with project beneficiaries; Pre-financing payments to beneficiaries; Monitoring projects, including visits to projects and thematic monitoring meetings; Analysis and control of final activity and final financial reports; Balance payments and recovery of funds; On-the-spot checks on projects; Reporting to the Commission and to the National authority.
 - ii. Monitoring and evaluating the decentralised actions of the Erasmus+ and European Solidarity Corps programmes: Organisation of national thematic monitoring meetings between projects and of national participation in European thematic monitoring meetings; Organisation of national valorisation meetings bringing together project coordinators and potential users and of national participation in European valorisation events; Reporting on the impact of both programmes actions at national level; Studies, analyses and surveys on the Programmes' actions at national level; Contribution to national reports on

⁴⁷ OJ L 189, 28.5.2021, p. 1–33 and OJ L 202, 8.6.2021, p. 32 respectively

implementation of the Programme and to evaluation of both programmes; Contribution to achieving synergies at national level with other Community programmes.

National Agency Code	National Agency Name	Erasmus+	European Solidarity Corps
BE03	Jugendburo der Deutschsprachigen Gemeinschaft VoG	2.321.100	181.006
BE01	Agence francophone pour l'Education et la Formation tout au long de la vie	24.725.585	-
BE04	Bureau International Jeunesse	3.603.749	1.328.951
BE02	EPOS vzw	32.525.352	-
BE05	JINT vzw	5.517.481	1.873.340
BG01	Human Resources Development Centre	44.664.190	2.782.453
CZ01	Czech National Agency for International Education and Research (Dům zahraniční spolupráce)	62.416.580	2.895.957
DK01	Danish Agency for Higher Education and Science	37.485.279	1.831.440
DE01	Nationale Agentur für EU-Hochschulzusammenarbeit im Deutschen Akademischen Austauschdienst	120.487.655	-
DE02	Nationale Agentur Bildung für Europa beim Bundesinstitut für Berufsbildung	95.433.904	-
DE03	Nationale Agentur für EU-Programme im Schulbereich im Pädagogischen Austauschdienst der Kultusministerkonferenz	57.513.422	-
DE04	Jugend für Europa	32.941.066	15.424.061
EE01	Education and Youth Board (Haridus-Ja Noorteamet -HARNO)	24.545.385	1.333.874
IE01	Léargas	23.153.404	1.700.981
IE02	Higher Education Authority	12.162.333	-
EL01	IKY - State Scholarships' Foundation	51.953.829	-
EL02	Youth and Lifelong Learning Foundation (INEDIVIM)	7.223.815	2.708.937
ES01	Servicio español para la Internacionalización de la Educación	193.938.466	-
ES02	Agencia Nacional Española para la Juventud	21.113.453	10.723.887
FR01	Agence Erasmus+ France / Education Formation	230.238.498	-
FR02	Agence Nationale Erasmus+ France Jeunesse & Sport - Agence du service civique	24.837.101	11.940.970
HR01	National Agency for Mobility and European Union Programmes	29.583.020	1.837.321
IT02	Agenzia Nazionale Erasmus + - INDIRE	153.986.882	-
IT01	Istituto per l'analisi delle politiche pubbliche (INAPP)	57.200.094	-
IT03	Agenzia Nazionale per i Giovani	22.124.933	10.894.200
CY01	Foundation for the Management of European Lifelong Learning Programmes	11.301.533	-
CY02	Youth Board of Cyprus	4.287.218	1.093.036
LV01	Valsts izglītības attīstības aģentūra	22.868.714	-
LV02	Jaunatnes starptautisko programmu aģentūra	5.157.249	1.380.588
LT01	Education Exchanges Support Foundation	29.674.857	-
LT02	Department of Youth Affairs under the Ministry of Social Security and Labour of the Republic of Lithuania	5.191.962	1.690.611
LU01	Anefore a.s.b.l	11.248.988	810.003
HU01	Tempus Public Foundation	56.837.060	2.974.582
MT01	European union Programmes Agency	11.369.421	852.977

National Agency Code	National Agency Name	Erasmus+	European Solidarity Corps
NL01	National Agency Erasmus+ Education and Training	72.966.842	-
NL02	Nederlands Jeugdinstituut Erasmus+ Youth and European Solidarity Corps	8.676.447	3.672.989
AT01	OeAD-GmbH – Agentur für Bildung und Internationalisierung	52.670.961	2.642.754
PL01	Erasmus+ and European Solidarity Corps National Agency (Foundation for the Development of the Education System)	169.393.966	8.937.167
PT01	Agência Nacional para a Gestao do Programa Erasmus+ Educação e Formação	56.273.336	-
PT02	Erasmus+ Juventude/DesportoeCorpoEuropeude Solidariedade	8.641.254	3.409.096
RO01	Agentia Nationala pentru Programe Comunitare in Domeniul Educatiei si Formarii Profesionale	96.181.972	5.130.689
SI01	Center Republike Slovenije za mobilnost in evropske programe izobraževanja in usposabljanja	21.912.272	-
SI02	Institute MOVIT Institute for Development of Youth Mobility	5.054.709	1.696.168
SK01	Slovak Academic Association for International Cooperation	34.268.341	-
SK02	IUVENTA – Slovak Youth Institute	6.156.333	2.029.396
FI01	Finnish National Agency for Education	44.776.215	2.151.798
SE01	Swedish Council for Higher Education	45.734.586	-
SE02	Swedish Agency for Youth and Civil Society	7.353.822	2.480.861
IS01	Landskrifstofa Erasmus+	12.176.248	741.608
LI01	Agentur für Internationale Bildungsangelegenheiten	5.812.965	301.230
NO01	Norwegian Directorate for Higher Education and Skills	28.877.320	-
NO02	Barne- ungdoms og familiedirektoratet	5.292.815	-
TR01	The Centre for European Union Education and Youth Programmes	109.408.627	4.841.414
MK01	National agency for European Educational Programmes and Mobility	7.445.838	62.655
RS01	Fondacija Tempus	7.032.045	-
		2.335.740.492	114.357.000

ANNEX 12: EAMR of the Union Delegations (not applicable)

ANNEX 13: Decentralised agencies: EIT

Policy area concerned	Contribution to the Operating (administrative) budget	Contribution to the Operational Budget
European Institute of Innovation and Technology (policy area: innovation)	€6,9m	€391,0m