



Annual Activity Report 2024

European Health and Digital Executive
Agency

Contents

- Contents 2
- HaDEA IN BRIEF 3
- EXECUTIVE SUMMARY 4
- 1. IMPLEMENTATION OF THE AGENCY’S ANNUAL WORK PROGRAMME – HIGHLIGHTS OF THE YEAR 10
 - 1.1. EU4Health 11
 - 1.2. Horizon Europe 13
 - 1.3. Single Market Programme: Food 18
 - 1.4. Digital Europe Programme 19
 - 1.5. Connecting Europe Facility: Digital 21
- 2. INTERNAL CONTROL AND FINANCIAL MANAGEMENT 23
 - 2.1. Control results 23
 - 2.1.1. Overview of the budget and relevant control systems (RCS) 23
 - 2.1.2. Effectiveness of controls 26
 - 2.1.3. Efficiency of controls 32
 - 2.1.4. Economy of controls 33
 - 2.1.5. Conclusion on the cost-effectiveness of controls 34
 - 2.2. Audit observations and recommendations 35
 - 2.3. Assessment of the effectiveness of internal control systems 36
 - 2.4. Conclusions on the assurance 37
 - 2.5. Declaration of Assurance 38
- 3. MODERNISING THE ADMINISTRATION 39
 - 3.1. Human resource management 39
 - 3.2. Digital transformation and information management 40
 - 3.3. Sound environmental management 41
 - 3.4. Examples of economy and efficiency 42

HaDEA IN BRIEF

Set up in 2021, the European Health and Digital Executive Agency (HaDEA) implements European programmes and initiatives on behalf of the European Commission, by managing projects that are related to health, digital, food, industry and space.

HaDEA is supervised by a Steering Committee composed of representatives of its six parent Directorates-General (DGs): DG Health and Food Safety (DG SANTE), DG Research and Innovation (DG RTD), DG Communication Networks, Content and Technology (DG CONNECT), DG Internal Market, Industry, Entrepreneurship and SMEs (DG GROW), DG Defence Industry and Space (DG DEFIS) and the Commission's European Health Emergency Preparedness and Response Authority (HERA).

HaDEA's mission is "to implement actions that strengthen Europe in the domains of health, food safety, digital technologies and networks, industrial capacities and space. We provide high quality and service-oriented support, with the aim to enable European society to become more healthy, resilient and fair and European industry to become more competitive. We ensure that the projects funded by the HaDEA deliver concrete results that benefit the lives of all EU citizens and provide the European Commission with valuable input for its policies".

The Commission has entrusted HaDEA with the implementation of the following programmes:

- the EU4Health Programme;
- the Health research strand of Horizon Europe (Cluster 1);
- the health-related components of the Single Market Programme (Food chain);
- Horizon Europe's Cluster 4 "Digital, Industry and Space";
- the digital strand of the Connecting Europe Facility Programme;
- the Digital Europe Programme (DIGITAL).

Located in Brussels, the Agency has its own legal identity and is entrusted with its own operating budget (EUR 55.5 million in 2024) financed by the EU General Budget. The financial contribution to the operating budget of the Agency (subsidy) is paid annually by the lead parent DG, DG SANTE in several instalments taking into account the cash needs of the Agency. The Director has overall responsibility for implementing HaDEA's budget, in accordance with the principles of sound financial management. At the end of 2024, HaDEA had an international team of 458 staff members.

EXECUTIVE SUMMARY

This annual activity report is a management report of the Director of the European Health and Digital Executive Agency to the College of Commissioners. Annual activity reports are the main instrument of management accountability within the Commission and constitute the basis on which the College takes political responsibility for the decisions it takes as well as for the coordinating, executive and management functions it exercises, as laid down in the Treaties ⁽¹⁾.

A. Key results and progress towards achieving the Commission's general objectives and departments' specific objectives

Contribution to Commission's policy objectives

HaDEA supports the Commission's policy objectives in the field of health, digital, food, industry and space. In total, the Agency signed **558 grant agreements and 35 procurement contracts**.

A key example of the Agency's contribution to the Commission's objectives in the field of health can be seen in **anti-microbial resistance (AMR)**, where HaDEA implemented actions under several programmes. Within the Health Cluster of Horizon Europe, HaDEA launched a call for a European partnership on "One Health Anti-Microbial Resistance", designed to coordinate Member States' research activities and funding in tackling AMR. Complementing this, the Agency signed a contract under EU4Health to speed up the development of a vaccine to reduce the use of antibiotics. The Agency also encouraged proposals for coordinated AMR control plans from all 27 Member States, funded through the Single Market Programme.

In 2024, HaDEA also furthered the Commission's **digital transformation objectives**. Under the Digital Europe Programme, HaDEA signed a contract aimed at bridging the digital skills gap among European citizens through the digital skills and jobs platform. Besides, HaDEA also strengthened Europe's digital infrastructure via CEF-Digital, launching the fourth wave of calls that focused on 5G large-scale pilots, digital global gateways and European quantum communication infrastructure.

Policy feedback and synergies

HaDEA provided its parent DGs with **policy feedback** by consolidating project outcomes in thematic portfolios, organising events, providing information on the results of past calls and contributing insights to future work programmes, and to the future research framework programme FP10.

⁽¹⁾ Article 17(1) of the Treaty on European Union.
hadea_aar_2024

One area where HaDEA's efforts were particularly impactful was within the space strand of Horizon Europe. The Agency analysed supply chains used by space project beneficiaries, focusing on technology domains critical for economic security or potential dual use. This work aligns with the Commission's priority of achieving **open strategic autonomy**.

In the health domain, HaDEA actively supported the **Europe's Beating Cancer Plan**, by hosting two cancer-related events in May. Both events, part of the quality-of-life pillar, addressed essential issues: the right to be forgotten and job retention and return to work for cancer patients and survivors. Additionally, as part of the Health Cluster of the research programme, HaDEA facilitated the creation of new thematic clusters. These clusters cover crucial topics such as tumour-host interactions, obesity prevention, the impact of micro- and nano-plastics on health, and topics under the Mission Cancer.

HaDEA also committed significant effort to promote the **synergies across programmes**, both internally and to external stakeholders. At the **Web Summit in Lisbon**, HaDEA highlighted the links between several programmes: CEF-Digital, the digital strand of Horizon Europe and DIGITAL. Likewise, a central theme of the showcase event on **Synergies for Integrated Care** organised by the Agency in Rome in cooperation with Horizon Europe and EU4Health-funded projects, was the importance of fostering synergies by implementation to address non-communicable diseases such as cardiovascular diseases, diabetes and mental health. HaDEA also manages projects on promoting mental health for **displaced people and refugees from Ukraine**. Throughout 2024, these projects have been building synergies with the contribution agreement that DG SANTE is managing to give support to the International Federation of Red Cross and Red Crescent Societies (IFRC).

Outreach and external communication

To attract applicants and to ensure that the Agency funds high-quality proposals, HaDEA invested significantly in outreach activities. Beyond its website and social media, the Agency advertised its funding opportunities at various events, cooperating with its parent DGs and national contact and focal points to enhance its presence at national level. During the **17th European Public Health Conference**, the Agency promoted the funding opportunities available through EU4Health and the Health Cluster of Horizon Europe, highlighting the complementary nature of these two programmes.

With the programmes becoming more mature, the Agency made sure to grant visibility to the projects it manages and to promote their results. At the **Hannover Messe**, the biggest industrial event in Europe, HaDEA presented the results of six Horizon Europe projects on SME's sustainability and skills development for the digital and green transition. Additionally, in March, HaDEA participated in the **PDAC Convention**, an international event on mineral exploration and mining, together with representatives from 13 projects funded under the industry strand of Horizon Europe.

Through initiatives like these, HaDEA continues to enhance the visibility and accessibility of its programmes, driving engagement and impact across Europe.

Client orientation

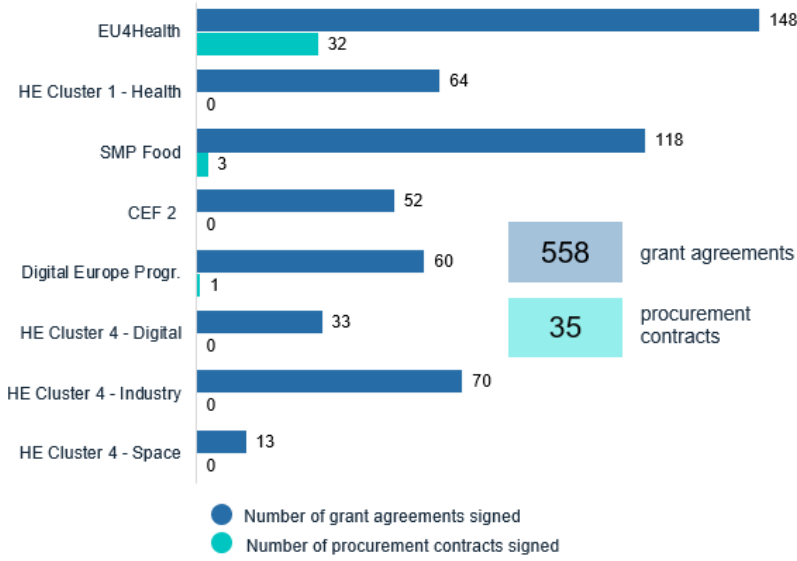
As part of its client-oriented approach, HaDEA ran its first survey to contractors and unsuccessful tenderers. The results showed a satisfaction level of 81% for contractors and 55% for unsuccessful tenderers. Furthermore, a survey of the experts engaged by the Agency revealed a 94% satisfaction rate. To further enhance service quality, HaDEA held several training sessions on service excellence for staff.

Challenges encountered

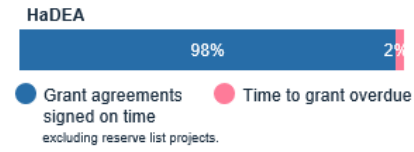
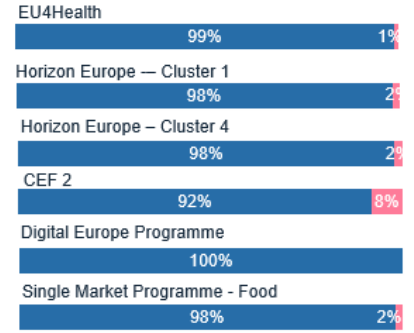
The Agency's main challenge remains delivering simultaneously on the implementation of the diverse programmes delegated, which include both grants and public procurements, some of them of complex nature.

In addition, it has been challenging to deal with the amendments to the work programmes and to manage the transition to the new corporate accounting software SUMMA. The key to taking up these challenges has been anticipation and continuous preparation, as well as the strong commitment of the Agency's staff.

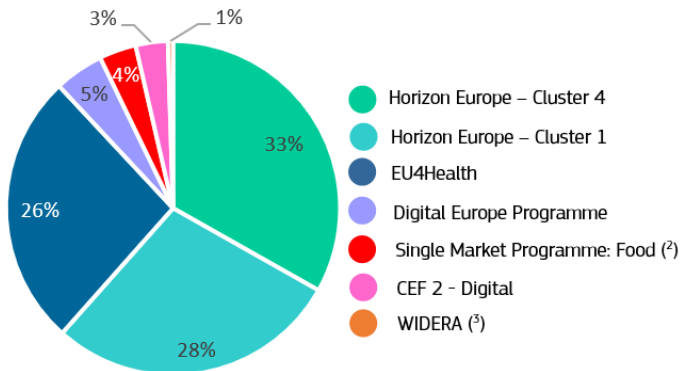
GRANT AGREEMENTS AND PROCUREMENT CONTRACTS SIGNED IN 2024



PERCENTAGE OF GRANT AGREEMENTS SIGNED ON TIME



COMMITMENT APPROPRIATIONS 2024 (All fund sources)



Programme	Amount committed (million EUR)	Percentage
Horizon Europe – Cluster 4	848,886	33%
Horizon Europe – Cluster 1 ⁽¹⁾	726,377	28%
EU4Health	677,564	26%
Digital Europe Programme	122,173	5%
SMP Food ⁽²⁾	91,515	4%
CEF 2 - Digital	79,716	3%
Horizon Europe – WIDERA ⁽³⁾	12,488	1%
Legacy	0,992	0.04%
Total committed	2 559,710	100%

⁽¹⁾ including Horizon missions

⁽²⁾ Including preparatory actions, covered under a separate financing decision

⁽³⁾ funding for widening participation and strengthening the European Research Area

B. Key performance indicators

Time to grant

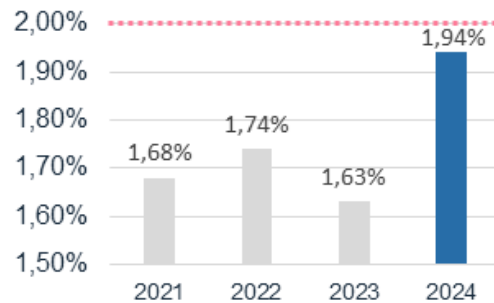


Target: 98% of grant agreements signed within deadlines

Time-to-grant per programme is available in Annex 2 and 3.

Source of data: HaDEA.001

Agency's overall risk at closure



Target: <2%

Source of data: HaDEA.C2.2

Time to pay



Target: 98% of timely payments (in amount)

Time-to-pay per programme is available in Annex 2.

Source of data: HaDEA.C1

Implementation of the operational budget

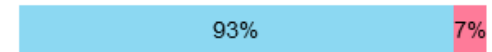


Target: 100% implementation (both for commitments and payments)

Source of data: HaDEA.C1

Client satisfaction

Satisfaction of participants in HaDEA's external events in 2024



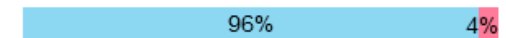
Target: 90%

Source of data: events' evaluation forms, HaDEA.001

Results of HaDEA's 2024 Client satisfaction survey

In 2024, HaDEA launched surveys to measure the satisfaction rate of experts, contractors and unsuccessful tenderers (for EU4Health and SMP Food). These results form the baseline for future years.

Satisfaction of experts



Satisfaction of contractors



Satisfaction of unsuccessful tenderers



Source of data: 2024 client satisfaction surveys, HaDEA.001

See details in Annex 2.

C. Key conclusions on internal control and financial management

HaDEA has systematically examined the available control results and indicators, as well as the observations and recommendations issued by the internal auditor and the European Court of Auditors. These elements have been assessed to determine their impact on management's assurance about the achievement of the control objectives. Please refer to Section 2 for further details.

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated, and necessary improvements and reinforcements are being implemented. The Director, in her capacity as Authorising Officer by Delegation, has signed the Declaration of Assurance.

D. Provision of information to the Commissioners

In the context of the regular meetings during the year between the Director and the parent DGs on management matters, the main elements of this report and assurance declaration have been brought to the attention of the Agency's Steering Committee and to the parent DGs Directors General.

1. IMPLEMENTATION OF THE AGENCY'S ANNUAL WORK PROGRAMME – HIGHLIGHTS OF THE YEAR

This section provides an overview of the activities carried out by HaDEA for the implementation of the programmes delegated to the Agency: EU4Health, Horizon Europe (Cluster 1 and 4), SMP Food, Digital Europe Programme (DIGITAL), and Connecting Europe Facility 2 – Digital (CEF-Digital).

In addition to ensuring proper implementation of the above programmes, in 2024, HaDEA continued to foster **thematic synergies** across its portfolio of programmes. These activities included the creation of an internal network of contact points for synergies, as well as the continuous update of the Agency's internal thematic inventory. HaDEA presented synergies between CEF-Digital, the digital strand of Horizon Europe and DIGITAL at the Web Summit in Lisbon. Moreover, concrete actions to increase cooperation and collaboration across HaDEA programmes in digital health were identified during the "Synergies Lab", a workshop bringing together HaDEA staff working on different programmes, which took place in October. HaDEA also highlighted the links between its projects and the opportunities for synergetic funding across its portfolio during the strategic mission in Greece in May 2024.

For the third consecutive year, HaDEA provided its parent DGs with **policy feedback** by consolidating project outcomes in thematic portfolios, organising events, providing information on past calls and contributing insights to future work programmes. The policy feedback activities conducted during the year are detailed under each programme's section.

As part of its **client-oriented approach**, HaDEA conducted its first survey to contractors and unsuccessful tenderers. The results showed a satisfaction level of 81% for contractors and 55% for unsuccessful tenderers. HaDEA held several training sessions on service excellence for staff. Following the survey addressed to beneficiaries and applicants conducted in 2023, HaDEA finalised an action plan in June 2024 to further raise client satisfaction levels.

The reliability of the performance information linked to the Agency-managed programmes is ensured in line with the European Commission's corporate criteria on the reliability of performance information, which includes the principles established in the 'Data governance and data policies at the European Commission' and the memoranda of understanding established between HaDEA and its parent DGs. Controls in this regard did not reveal any significant issues.

Exhaustive reporting on the achievement of the targets as planned in the AWP can be found in **Annex 2**.

1.1. EU4Health

The EU4Health Programme invests in key priorities of the European Health Union. The actions launched by HaDEA in 2024 ensure support for the Europe's Beating Cancer Plan ⁽²⁾, the Communication on a Comprehensive Approach to Mental Health ⁽³⁾, the Pharmaceutical Strategy for Europe ⁽⁴⁾, the [European Health Data Space](#), the activities of the European Health Emergency Preparedness and Response Authority (HERA) and the implementation of the Union's health legislation.

Grant management

In 2024 **HaDEA launched 14 calls for proposals** for a total budget of EUR 355 million. These calls cover several key policy priorities of the Commission, such as the fight against cancer and other non-communicable diseases, e-health, antimicrobial resistance (AMR) and crisis preparedness, including the newly designated European Reference Laboratories for human pathogens ⁽⁵⁾, set up in the framework of the serious cross-border health threats regulation ⁽⁶⁾.

In 2024, HaDEA successfully signed **148 grant agreements** for a total EU funding of EUR 390 million. These include eight **Joint Actions (JAs)**, for example, the EUnetCCC (European Comprehensive Cancer Centre Network), coordinated by the French National Cancer Institute (INCa), the largest ever EU4Health JA with a total EU contribution of almost EUR 90 million.

At the end of 2024, the Agency was managing 402 grants, 391 under the EU4Health Programme and 11 grants under the Third Health Programme, for a total EU co-funding of EUR 1,1 billion.

Procurement management

In 2024, HaDEA launched 37 procurement procedures ⁽⁷⁾ and signed 32 contracts worth EUR 214 million in total. HaDEA is currently managing 80 contracts addressing key Commission priorities, including global health, crisis preparedness, cancer, and digital health initiatives such as the eHealth data space.

In collaboration with DG SANTE, HaDEA started implementing a new **Health Union Fellowship** to promote knowledge exchange between public health experts nominated by Member States. Furthermore, HaDEA signed a contract to speed up the development of a

⁽²⁾ [Commission Communication on "Europe's Beating Cancer Plan"](#)

⁽³⁾ [Commission Communication on 'A comprehensive approach to mental health'](#)

⁽⁴⁾ [Pharmaceutical Strategy for Europe](#)

⁽⁵⁾ [Commission Implementing Regulation \(EU\) 2024/892 of 22 March 2024 designating European Union reference laboratories for certain specific areas of public health](#)

⁽⁶⁾ [Regulation \(EU\) 2022/2371 on serious cross-border threats to health](#)

⁽⁷⁾ 16 calls for tenders launched under the 2023 work programme and 21 from the 2024 work programme.

vaccine to combat anti-microbial resistance and reduce the use of antibiotics, in line with the Commission's commitment to the One Health approach.

Outreach and external communication

In 2024, HaDEA provided support and information to potential applicants and beneficiaries through 12 events. **The Agency worked with the EU4Health National Focal Points** (NFPs) and participated in seven national EU4Health info days to support health authorities and stakeholders from EU and associated countries to access EU4Health funds. Moreover, the Agency co-organised an info day on JAs in cooperation with DG SANTE and the JA NFP4Health.

HaDEA reached out to potential applicants, tenderers, stakeholders, and the public at large during major events including the European Health Forum (Gastein, September), the showcase event: Synergies for integrated care (Rome, October), and the 17th European Public Health Conference (Lisbon, November). HaDEA also promoted the EU4Health Programme at the HERA info days and at national promotion events.

In May, **HaDEA hosted two cancer-related events** under the quality-of-life pillar of the Europe's Beating Cancer Plan: the first one focused on the "right to be forgotten" while the second one tackled job retention and return to work for cancer patients and survivors.

Finally, HaDEA promoted project outcomes through a **video on mental health projects**.

Feedback-to-policy activities

Under the 2024 EU4Health feedback-to-policy plan, HaDEA shared with DG SANTE the results of the Third Health programme's **cluster of grants on health workforce**.

In the context of the **Europe's Beating Cancer Plan**, HaDEA presented the first outcomes of EU4Health projects contributing to the 'Quality of Life' and the 'Diagnosis and Treatment' pillars. HaDEA also supported DG SANTE in carrying out a study to assess the situation of job retention and return to work for cancer patients and survivors, with a particular focus on young people, women and small and medium-sized enterprises.

HaDEA is managing projects on promoting mental health for **displaced people and refugees from Ukraine**. Throughout 2024, these projects have been building synergies with the contribution agreement that DG SANTE is managing to give support to the International Federation of Red Cross and Red Crescent Societies (IFRC).

1.2. Horizon Europe

Cluster 1: Health

Projects financed by HaDEA under Horizon Europe Cluster 1: Health advance EU health research goals including disease prevention, improved diagnostics, the development of more effective therapies and vaccines, access to healthcare, and the take-up of digital health technologies. The Agency supports the implementation of the EU Mission on Cancer and contributes to the “Hop-on Facility” under the WIDERA work programme.

Call and grant management

In the first half of 2024, HaDEA launched four calls for proposals under Horizon Cluster 1, including two calls for **European partnerships** on “One Health Anti-Microbial Resistance” and on “Pandemic preparedness”, which were evaluated in the second half of the year.

HaDEA also finalised the evaluation of the call on “Coalition for Epidemic Preparedness Innovations” and evaluated both 2024 two-stage calls and single-stage calls. The interest in EU funding under Cluster 1 is high, and the calls very competitive: from an impressive 1002 proposals received for stage 1 of the two-stage calls, 38 proposals were selected for funding (3.8%). For the first time for Cluster 1, a lump sum approach for costs was applied for these calls.

HaDEA also launched and evaluated the 2024 **Mission Cancer** call: 12 out of the 89 submitted proposals have been selected for funding.

Following the evaluation of the proposals submitted under the 2023 **WIDERA Hop-On Facility** call, 17 amendments to the grant agreements were signed. 20 additional proposals were selected during the second round of applications.

Project management

At the end of 2024, the Agency was managing **700 projects**, 65% of which (452) are Horizon Europe projects, while the remaining 35% (248) are funded under the legacy programme Horizon 2020. These projects cover a wide range of issues, including next generation of vaccines, pandemic preparedness, and the development of new screening and early detection methods and technologies.

Communication activities

In 2024, HaDEA organised a “Horizon Europe Cluster 1 Health Info Day” in collaboration with DG RTD and National Contact Points. HaDEA also participated in the 2024 Cancer Mission call info day. Together with DG RTD, HaDEA organised a **communication and dissemination webinar** to equip project coordinators with strategies for effectively

sharing and promoting project results. The Agency also effectively contributed to the Brain Innovation Days. Furthermore, HaDEA organised three networking meetings for projects funded under 2022 and 2023 calls, to enhance collaboration with the Agency and promote cooperation and synergies among consortia. Finally, the Agency promoted the registration of experts to evaluate its calls via social media.

Feedback-to-policy activities

In line with its 2024 feedback-to-policy plan, HaDEA regularly provided its parent DGs with input on projects and portfolios, notably on pandemic preparedness, mental health, rare diseases, artificial intelligence, digital health, the Cancer Mission and co-funded partnerships. Furthermore, the Agency facilitated the **establishment of new thematic clusters**, including on tumour-host interactions, obesity prevention, the impact of micro- and nano-plastics on health, as well as some clusters under the Mission Cancer. Lastly, HaDEA actively contributed to drafting work programmes under Cluster 1, leveraging its expertise in topic evaluation and programme implementation.

Cluster 4: Digital, Industry and Space

Digital

The actions implemented by HaDEA within the digital strand of Horizon Europe are listed in the 2023-2025 work programme ⁽⁸⁾. They aim to deliver on the green and digital transformation, increasing digital capacities and developing human-centred and ethical digital technologies contributing to the Commission's objective "A Europe fit for the digital age".

Call and grant management

Throughout 2024, HaDEA evaluated proposals submitted under nine topics from five different calls. The eligible proposals requested an EU contribution of EUR 2.4 billion, while the budget available was EUR 198 million. In total, out of the 385 proposals received, 31 projects were selected for funding (a success rate of 8%). A third of these grants will be funded through lump sums.

The signature of 27 grants from the calls on digital and emerging technologies and on twin green and digital transition was completed by November 2024. The signature of the remaining two grants ⁽⁹⁾ from the calls on digital humanism and on support for transnational activities of National Contact Points in the digital area is expected in 2025.

⁽⁸⁾ [Commission Decision C\(2024\)2371](#)

⁽⁹⁾ The management of 2 grants stemming from the HORIZON-CL4-2024-HUMAN-02-34 (NCP) topic were allocated to the industry and space units in HaDEA.

The signature of six additional projects from the 2023 reserve lists was finalised in 2024. This brings up the number of projects funded through the HaDEA 2023 calls from 30 to 36.

Project management

In 2024, the number of grants managed by the Agency for the digital strand of Horizon Europe increased from 111 projects to 166, for a total EU funding of EUR 967 million. This increase is due to the projects recently signed from the 2024 calls and 2023 reserve lists, but also to the delegation to HaDEA of the management of 27 additional projects on **artificial intelligence** in September 2024.

In addition, HaDEA still manages 40 projects funded under the legacy programme Horizon 2020, for a total of EUR 243.25 million.

Feedback to policy activities

In line with the 2024 plan developed with DG CONNECT, HaDEA delivered policy inputs on the preparation of work programmes and call evaluation, notably on the photonics' topics. Other feedback-to-policy highlights include the organisation of workshops on Made in Europe-related projects and an in-depth analysis of the Internet of Things portfolio.

Communication activities

In 2024, HaDEA promoted its work by participating in and co-organising events. The Agency showcased successful Horizon 2020 projects during the [HiPEAC 2024 Conference](#), [Manufacturing Partnership Day](#), and organised a [workshop on digital tools in manufacturing](#).

In addition, the Agency participated with projects in the [European Open-Source Policy Summit and FOSDEM 2024](#), the [Mobile World Congress](#), the [RISC-V Summit](#), the [Photonics Partnership Annual Meeting](#), the [Web summit](#), the [International Workshop on converged Computing on Edge, Cloud and HPC](#), and organised a [webinar on Cognitive Computing Continuum](#) to provide information to potential applicants.

HaDEA also published 14 articles on its website, highlighting successful projects funded under Horizon 2020 and Horizon Europe and increased their visibility through social media.

Industry

The Agency contributes to the European research and innovation agenda by funding actions that aim at increased industrial competitiveness, sustainability and resilience for the benefit and prosperity of Europe and its citizens. These projects focus on research and implementation of breakthrough technologies and advanced solutions for substitution,

resource and energy efficiency, effective reuse and recycling and clean primary production of raw materials, including critical raw materials, and leadership in circular economy.

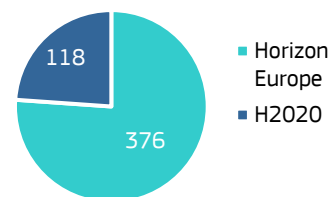
Call and project management

In 2024, HaDEA launched two calls for proposals for a budget of EUR 11.15 million. The Agency also managed the outcomes of four open calls for proposals and one identified beneficiary action (IBA), launched in 2023. In total, 548 proposals were submitted, demonstrating the continuous interest in Horizon Europe funding among industrial stakeholders. HaDEA conducted more than 500 remote consensus and panel review meetings, all in a timely manner.

Following the evaluation of the proposals, HaDEA signed **70 grant agreements**: 46 from the 2024 single-stage calls, 6 from the 2023 single-stage and 18 from the 2023 two-stage calls.

Based on its experience in call management, HaDEA also assisted DG GROW in establishing the process and evaluating the first call for proposals for the Strategic Projects under the Critical Raw Materials Act.

At the end of 2024, **HaDEA was managing a total of 494 projects under the industry strand**, for a total EU funding contribution of almost EUR 3.54 billion.



Promotion and dissemination

HaDEA coordinated and participated in several events to promote project results and funding opportunities under the industry strand. In January, HaDEA joined the European Research Executive Agency for a workshop on **European clean steel**. In March, representatives from 13 projects managed by the Agency participated in the international [PDAC Convention](#), where HaDEA organised a workshop on **research and innovation in mineral exploration and extraction in the EU**.

At the [2024 Hannover Messe](#), the biggest industrial event in Europe, HaDEA presented the results of six projects on SMEs' sustainability and the development of skills to achieve the green and digital transitions. In June, HaDEA and DG RTD participated to [INDTech 2024](#), hosted under the Belgian Presidency. HaDEA also organised a [workshop on efficient lightweight, sustainable advanced materials](#), showcasing 13 relevant projects. In November, HaDEA presented funding opportunities and project results at [ECOMONDO](#), a key event for the green and circular economy. Finally, in December, HaDEA highlighted the results of six projects on raw materials at the [EU Raw Materials Week](#).

To promote the results of HaDEA projects, the Agency also created three new CORDIS results packs ⁽¹⁰⁾.

Feedback to policy activities

The Agency implemented 28 out of the 29 activities included in the 2024 feedback-to-policy plan. Four thematic portfolio reports (on raw materials, energy-intensive-industries, advanced materials, and manufacturing) providing quantitative and qualitative input on ongoing projects have been delivered to the parent DGs.

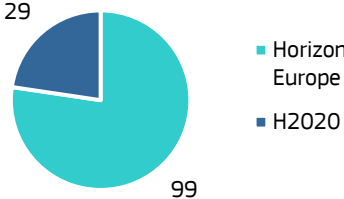
Space

Call and grant management

The **Horizon Europe 2024 Space call** (four topics and a budget of EUR 46.3 million) closed in March 2024. HaDEA evaluated the 28 submitted proposals and started grant agreement preparations with the 11 selected ones (a 39% success rate, with 96% call budget consumption). Nine proposals went to security scrutiny and 55 entities underwent an ownership and control assessment (two of them are under non-EU control and the Agency requested guarantees). Ten grant agreements could be signed within the eight months target (EUR 30.3 million total funding, all via lump sums). Seven of them – under two different topics - were awarded a “[STEP Seal of Sovereignty](#)”. One key proposal contributing to an upcoming quantum gravimetry space mission lost a lead beneficiary after successful evaluation. A suitable replacement is being discussed; this grant agreement signature is postponed to 2025.

In March 2024, after clarifying complicated ownership and control issues, HaDEA signed the last two grant agreements from **the 2023 Space call**. The **2023 Identified Beneficiary Action** for the management and coordination of the European Partnership Globally Competitive Space System was signed in November 2024 after delays with the legal establishment of the partnership (EU funding EUR 1.5 million).

With this, the number of HaDEA’s Horizon Europe Cluster 4 space grants increased from 86 to 99 ongoing projects over the year 2024. In addition, at the end of 2024, 29 projects from the legacy programme Horizon 2020 were still ongoing, bringing the **total number of space projects managed by the Agency to 128**.



⁽¹⁰⁾ [CORDIS results pack on green manufacturing](#); [CORDIS results pack on energy-intensive industries](#); [CORDIS results pack on raw materials production](#).

Communication

HaDEA’s Space research communication was done mainly via the HaDEA website and social media posts. To attract new external experts, HaDEA recorded some testimonial videos. Successful portfolios were featured via two CORDIS Results Packs and one in-house portfolio publication ⁽¹¹⁾. The Space research team contributed to various events, including the 16th European Space Conference.

Feedback to policy

HaDEA fully implemented the tasks of its 2024 feedback-to-policy plan, with activities in a broad range of focal areas and in continuation of the previous years. One example, very relevant to the political priorities of the new Commission regarding “open strategic autonomy”, is **HaDEA’s analysis of supply chains used by space project beneficiaries in technology domains that are critical for economic security or potential dual use**. This was a contribution to the Observatory on Critical Space Technologies ⁽¹²⁾. Another example is the contribution to the development of the Strategic Research Agenda for the Copernicus Security Service.

1.3. Single Market Programme: Food

The Agency implements the food safety strand of the Single Market Programme, which supports the safe production of food, the prevention and eradication of animal diseases and plant pests, and the improvement of animal welfare in the EU. The actions also include the fight against anti-microbial resistance as well as the organisation of reliable official controls by the national competent authorities.

Grant management

In total, **HADEA signed 118 grants in 2024 under the SMP Food programme**, for a total budget of around EUR 92 million.



SMP Food: Grants signed in 2024

⁽¹¹⁾ CORDIS Results Packs on In-Space Electric Propulsion and the Evolution of Copernicus Services, and the publication ‘An overview of EU-funded R&I projects supporting the development of In-Space Operations and Services (ISOS) capabilities’.

⁽¹²⁾ Observatory on Critical Space Technologies (OCT), replacing the former Joint Task Force on critical space technologies.

The Agency also launched eight invitations to submit proposals in 2024:

- In April, HaDEA invited all Member States to submit proposals for the 2025-2027 **veterinary and phytosanitary programmes**. In addition, nine third countries were invited to submit proposals for the veterinary programmes.
- In May, HaDEA sent invitations to submit proposals for the 2025-2027 activities of the **European Reference Laboratories (EURLs) and Centres (EURCs)**, targeting 52 designated entities. Furthermore, in March, the Agency sent an invitation to submit a proposal for the funding of the newly designated European Reference Centre for aquatic animal welfare under the 2024 work programme.
- In June, the Agency invited the European Food Bank Association, and the Member States' competent authorities to submit their proposals on **food waste prevention**. In addition, an open call for proposals targeting stakeholders was launched.
- Also in June, the Agency invited the 27 Member States to submit a proposal for their **anti-microbial resistance coordinated control plan** for the period 2025-2027.

Procurement management

Beyond the grants, HaDEA also signed two procurement contracts in 2024: one under the **“Better Training for Safer Food” (BTSF) initiative** to train Member States' officials on the non-sanitary and phytosanitary EU legislation, and another on sustainable food contact materials.

In addition, the Agency launched two new calls for tender from the 2024 work programme, both on animal welfare.

In addition to these new actions, HaDEA continued to manage existing grants and contracts, executing payments and reviewing reports submitted by the beneficiaries.

Feedback to policy activities

As foreseen in the agreed plan with the parent DG, HaDEA provided several reports to DG SANTE on the veterinary and phytosanitary programmes, as well as on the monitoring of the implemented activities within the BTSF initiative. The Agency also provided feedback on the newly launched **‘Farm to Fork’ initiative**, notably on the applications received on food waste prevention.

1.4. Digital Europe Programme

The Digital Europe Programme (DIGITAL) aims to strengthen the EU's digital sovereignty, by reinforcing key capacity areas through strategic deployments in artificial intelligence, data infrastructure, governance and processing, as well as their best use for critical sectors like environment, manufacturing, and health.

Call management

During the first half of 2024, HaDEA evaluated two sets of calls from the 2023 budget, covering data spaces and specialised education programmes in key capacity areas - the very first call topic using lump sums under DIGITAL. The calls were oversubscribed. In summer, HaDEA also evaluated the first set of calls from the 2024 budget, covering the digital skills and jobs platform; data spaces for skills and manufacturing; and support for health data access bodies on pathways for AI in healthcare. All resulting projects were signed well on time. Still in summer, HaDEA evaluated the first call on blockchain and completed the related grant agreement in record time. Finally, in December, HaDEA evaluated the call on European Digital Identity and Trust Ecosystem⁽¹³⁾. HaDEA also selected the successful tenderer and signed a contract to run **the European digital skills and jobs platform**, a process that went very smoothly.

Project management

60 grants were signed in 2024, that is 10 more than initially planned, thanks to additional budget made available for proposals originally placed on the reserve list. At the end of 2024, **HaDEA managed more than 120 ongoing DIGITAL grants** and one procurement contract, worth a total of EUR 333 million in EU contribution.

In addition, at the end of 2024, HaDEA still managed 20 projects for generic services funded under the legacy programme CEF-Telecom, which aims at facilitating cross-border digital interaction between public administrations, businesses, and citizens.

Feedback to policy activities

The main contribution from HaDEA in the context of the CEF Telecom programme, was the provision of data and analyses on the performance of the different Digital Service Infrastructures (DSIs) and Building Blocks (BBs) in the context of the ex-post assessment of the programme (launched collaboratively by DG MOVE, DG CONNECT and DG ENER). In addition to that, HaDEA prepared reports on lessons learnt and good practices for those DSIs or BBs closed in 2024.

Concerning DIGITAL, HaDEA answered all requests from Commission's policy units, preparing reports on the drivers and barriers of the programme and on the synergies among DIGITAL topics, other programmes and national and regional initiatives. HaDEA provided to the parent DGs the requested information on the projects' portfolios related to **digital skills, safer internet and AI for law enforcement**.

⁽¹³⁾ DIGITAL-2024-BESTUSE-TECH-06-TRUST
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1.5. Connecting Europe Facility: Digital

The objective of the CEF-Digital programme is to support large-scale projects deploying high-capacity digital infrastructures (notably backbone networks), as well as innovative 5G systems for local communities and in cross-border areas.

Call and project management

From March to May, HaDEA coordinated the external evaluation of the third wave of CEF-Digital calls, covering 5G for transport corridors, smart communities and digital global gateways - in particular submarine cables. Specific input was provided by digital security experts to integrate the high digital security standards of the programme. Following the internal evaluation by DG CONNECT, 53 proposals were selected by mid-July. **52 grant agreements had been signed by the end of the year** ⁽¹⁴⁾. 30 of these projects started in 2024, bringing the number of projects in the CEF-Digital portfolio managed by the Agency up to 104.

Additionally, the Agency launched a fourth wave of calls under CEF-Digital in October, covering **5G large-scale pilots, digital global gateways and European quantum communication infrastructure**.

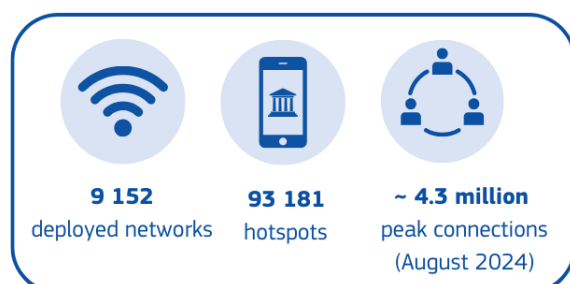
Promotion and dissemination

HaDEA organised the main CEF-Digital info day in November 2024. In addition, the Agency also contributed to 11 national or topic-specific info days.

Furthermore, HaDEA participated in the **Submarine Networks EMEA Conference in London** in May. The Agency also presented CEF-Digital topics and project outcomes at the 5G conference, the EU OCT forum for Gateways, the Subsea World conference, the Atlantic convergence conference, the European Week of Regions and Cities, and the EU-Greenland dialogue in December. Finally, HaDEA contributed to the CEF-Digital days organised by DG CONNECT in October.

WiFi4EU initiative (legacy activity)

The WiFi4EU initiative, which provides free Wi-Fi to citizens in public spaces, has entered its final implementation phase: 23% of beneficiaries (1700 municipalities) were under operational monitoring by the end of the year (down from 4 200 at the start of 2024). This does not mean a



⁽¹⁴⁾ One grant agreement was terminated during the preparation phase.
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decrease in the networks' use: more than 90% of municipalities keep their WiFi4EU network active beyond the 3-year monitoring period ⁽¹⁵⁾.

In September, **HaDEA published a mobile application** ([WiFi4EU app](#)) which had reached over 65 700 downloads by the end of the year. This success was made possible thanks to HaDEA's targeted communication campaigns. This activity complemented other communication campaigns ⁽¹⁶⁾ and the publication of a [dynamic map](#) showing the exact location of hotspots, which contributed to increase WiFi4EU's visibility.

Feedback to policy activities

HaDEA coordinated the definition of the key performance indicators to monitor the impact of the CEF-Digital Programme. On digital global gateways, HaDEA reported regularly on the deployment of its projects worldwide. HaDEA also conducted a survey of CEF-Digital funded projects to assess their use of smart cables.

In line with the 2024 feedback to policy plan, HaDEA shared lessons learned from the operational implementation of the WiFi4EU initiative and from its communication activities.

⁽¹⁵⁾ At least one connection recorded since 01/01/2024.

⁽¹⁶⁾ #10YearsofCEF, National Days posts, Wondering where to find free wifi?, Connecting Europe with WiFi4EU.

2. INTERNAL CONTROL AND FINANCIAL MANAGEMENT

Management monitors the functioning of the internal control systems on a continuous basis and carries out an objective assessment of their efficiency and effectiveness. In annex 7, there is a list and details of the reports that have been considered. The results of the above assessment are explicitly documented and reported to the Director.

2.1. Control results

Management uses control results to support its assurance ⁽¹⁷⁾ and reach a conclusion about the cost-effectiveness of those controls, meaning whether the right balance between the following elements is achieved:

- **Effectiveness** - The level of error found, based on the controls carried out.
- **Efficiency** - The average time taken to inform, grant or pay.
- **Economy** - The proportionality between the costs of controls and the funds managed.

2.1.1. Overview of the budget and relevant control systems (RCS)

HaDEA has established a system of controls to ensure sound financial management and to build reasonable assurance on the legality and regularity of financial transactions, taking into account the multiannual character of programmes and the nature of payments concerned.

The control activities constitute one of the five components of the Internal Control Framework of the European Commission ⁽¹⁸⁾. The controls are designed to provide reasonable assurance of achieving the five objectives set in Article 36.2 of the Financial Regulation ⁽¹⁹⁾.

Controls are integrated in the roles and responsibilities of different Agency's actors as per HaDEA's Control Strategy and cover budget implementation through grants and procurement, both with respect to the operational and administrative budgets.

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

⁽¹⁸⁾ <https://myintracomm.ec.europa.eu/corp/budget/financial-rules/internal-control/Pages/internal-control.aspx>

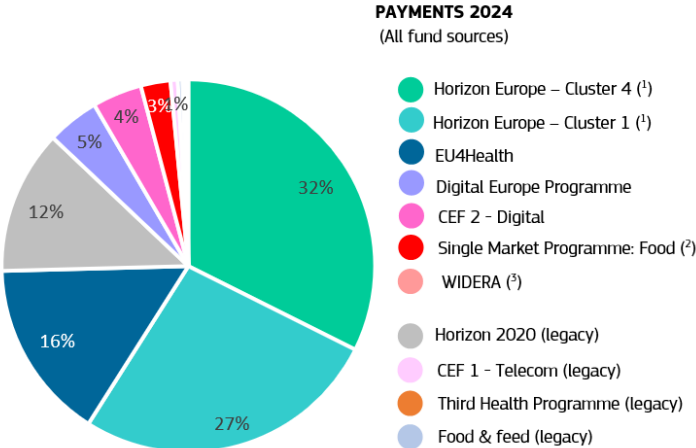
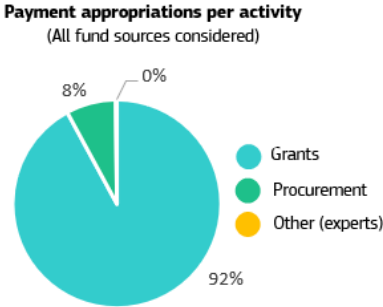
⁽¹⁹⁾ Regulation (EU, Euratom) 2018/1046 on the financial rules applicable to the general budget of the Union, repealing Regulation (EU, Euratom) No 966/2012 (2012 Financial Regulation).

The Agency's assurance-building and materiality criteria are outlined in Annex 5. Annex 6 outlines the main risks together with the control processes to mitigate them and the indicators used to measure the performance of the relevant control systems.

Expenditure overview

Operational budget

The programmes managed by the Agency are implemented under the direct management scheme. Grants cover 92% of HaDEA's expenditure whereas 8% of the Agency's budget was spent on procurement and experts in 2024. The share of legacy programmes has decreased from 22.1% in 2023 to 13.7% of the total expenditure, while current programmes represent 86.3%.



Programme	Amount paid (million EUR)	% of payments
Horizon Europe – Cluster 4	871,410	32%
Horizon Europe – Cluster 1 ⁽¹⁾	715,773	27%
EU4Health	419,804	16%
Horizon 2020 (legacy)	335,853	12%
Digital Europe Programme	121,634	5%
CEF 2 – Digital	115,696	4%
SMP Food ⁽²⁾	69,098	3%
CEF 1 – Telecom (legacy)	16,834	0.6%
Food & Feed (legacy)	11,117	0.4%
Horizon Europe – WIDERA ⁽³⁾	7,648	0.3%
Third Health Programme (legacy)	5,697	0.2%
Total paid	2 690,565	100%

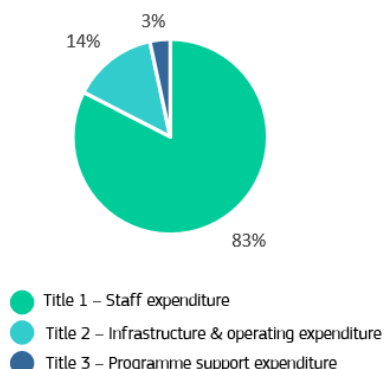
⁽¹⁾ Including Horizon missions
⁽²⁾ Including preparatory actions, covered under a separate financing decision
⁽³⁾ Funding for widening participation and strengthening the European Research Area

Administrative budget

The Agency has its own administrative budget for which it receives from the EU an annual subsidy (EUR 55.5 million in 2024). The administrative budget covers the running costs of the Agency, mainly staff expenditure, office related costs, IT and other services. In 2024, HaDEA implemented 99% of its commitment appropriations. The final rate of implementation for payments is 94% ⁽²⁰⁾.

⁽²⁰⁾ C1 credits.
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Payments per activity 2024
HADEA'S ADMINISTRATIVE BUDGET
(C1+C8 credits)



Item	Amount paid (million EUR)
Title 1 – Staff expenditure	44,36
Salaries	42,38
Professional development and social expenditure	1,97
Title 2 – Infrastructure & operating expenditure	7,57
Building expenditure	4,49
ICT expenditure	2,76
Movable property and current operations expenditure	0,32
Title 3 – Programme support expenditure (experts, missions, external audits, communications...)	1,81
TOTAL	53,74

Relevant Control Systems (RCSs) overview

As per its Control Strategy, the Agency distinguishes between the two following Relevant Control Systems for budget implementation:

- Grants direct management
- Procurement

The Agency further uses one relevant control system per ongoing programme for the management of grants.

The Agency's Control Strategy comprises all control activities of the Agency carried out as part of operational and financial implementation of Agency's programmes. It covers a variety of checks, including supervision arrangements, and aims to have a balanced approach to mitigate risks, considering manual and automated controls as well as preventive and detective controls.

As shown above, the vast majority of HaDEA's activities fall under grants in direct management. Considering the limited amount of procurements managed by the Agency, this section focuses on cost of controls of grants in direct management. Having said this, controls are in place for procurements as well and are detailed in annex 6.

The controls focus mainly on the legality and regularity of transactions, as well as on fraud prevention, detection and correction. Ex-ante and ex-post controls are carried out through the following four stages:

- Programming, evaluation ranking and selection of proposals;
- Contracting, grant agreement preparation (GAP);
- Monitoring of the execution;
- Ex-post controls/audits.

These stages are applicable to both the legacy programmes and the new programmes, taking into account the level of maturity of each programme. The assurance building process reflects the principles and corporate guidance, adapted to the specificities of each programme.

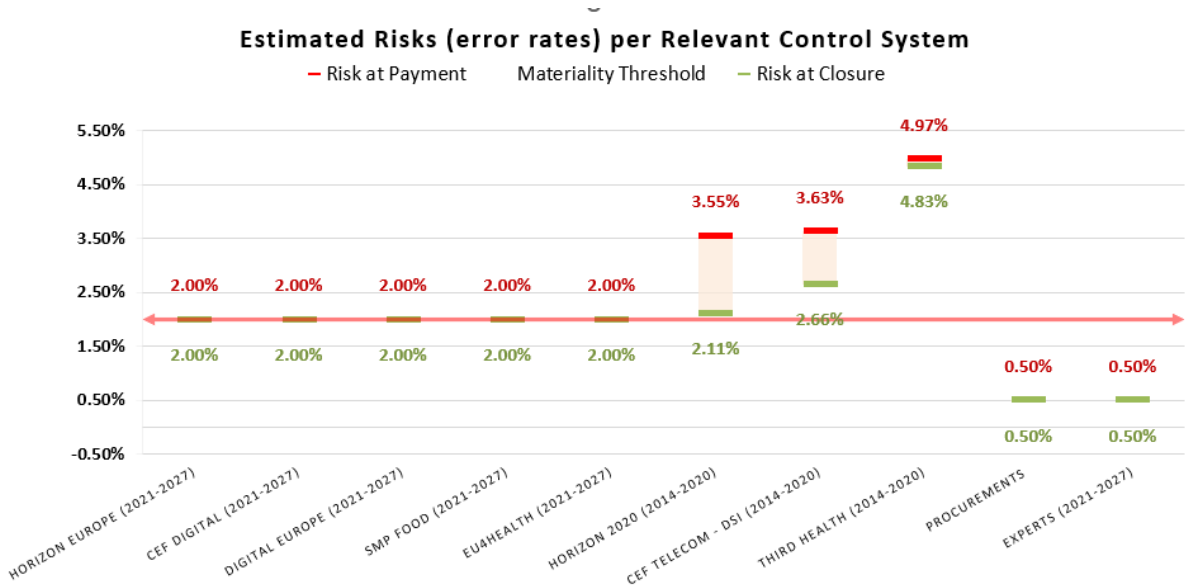
Legality and regularity of the transactions

HaDEA uses internal control processes to ensure sound management of risks relating to the legality and regularity of the underlying transactions it is responsible for, taking into account the multiannual character of programmes and the nature of the payments concerned. The main indicator used is the residual error rate detected by ex-post audits. In qualitative terms, the following factors are considered: nature and scope of any significant weaknesses, duration, compensatory measures such as mitigating controls, and existence of corrective actions to correct any significant weaknesses. Further details on HaDEA’s assurance-building and materiality criteria are outlined in annex 5.

2.1.2. Effectiveness of controls

This section describes the effectiveness of the control system for the main expenditure items, i.e., direct grant management, unless indicated that it applies also for the other expenditure items. The effectiveness of the control systems assessed is based on (i) the legality and regularity of transactions, (ii) fraud prevention, protection and detection measures and (iii) other control objectives, namely safeguarding of assets and information and reliability of reporting.

a) Assessment of control results per RCS for expenditure



The Agency measures the effectiveness of ex ante controls by ex post controls (audits). It should be noted, however, that due to its multiannual nature, the effectiveness of the ex-post control strategies, both for Horizon programmes and other programmes managed by the Agency, can only be measured and assessed fully in the final stages of the programming period, once the ex-post audit strategy has been fully implemented, and errors, including those of a systemic nature, have been detected and corrected.

The state of play is assessed annually, taking into account the results of the implementation of ex-post audit strategies, the frequency and significance of the errors detected, as well as a cost-benefit analysis of the effort needed to detect and correct them. An explanation of the methodology for ex-post controls for each programme managed by the Agency is provided in Annex 5, while details of the sources and results of the controls are provided in Annex 7.

Ex-ante and ex-post controls are carried out through four stages, detailed below.

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

The overall control objective of this stage is to ensure that the most promising projects, meeting the policy objectives, are among the selected proposals. To achieve this control objective, HaDEA has put in place a set of rules and procedures that are objective, transparent and ensure equal treatment of all applicants.

Following a robust evaluation process, only the best proposals with the highest value for money return are selected. Therefore, the quantitative benefits of this stage are defined by taking into account the funding requested for the ineligible proposals which have been rejected during the evaluation process. **For 2024, the benefits for this stage amounted to EUR 24,27 million.**

Annex 7 provides further details about the related calculations and checks.

Stage 2: Preparation of grants

The overall control objective of this stage is to translate each of the selected proposals into legally binding grant agreements, allowing for the management of both the scientific and financial aspects of the projects and to ensure the best value for money output for each of the contracted projects. This stage is referred to as the “grant agreement preparation” process, which may result in grant reductions compared to the initial proposals.

In 2024, the related quantitative benefits are estimated at EUR 550,87 million which corresponds to funds not contracted due to reductions made at grant agreement preparation stage.

Stage 3: Monitoring the execution

The overall control objective of this stage is to ensure that the projects are performing according to their schedule and that the financial operations comply with regulatory and contractual provisions. The execution of the projects is monitored through different tools, ex-ante controls being one of the most important ones at the time of cost claims submitted by the beneficiaries.

In 2024, 0,49% of costs over the amount claimed were detected and rejected in ex-ante controls, corresponding to EUR 11.58 million.

Stage 4: Ex-post controls

The ex-post controls (audits) are carried out on the costs declared to the Agency. Their objective is to verify the legality and regularity of the underlying transactions and consequently, the final eligible EU contribution of the grants. The main indicator used is the residual error rate detected by ex-post audits.

The final control objective is to have a cumulative residual error rate which does not exceed 2% for the programmes managed by the Agency. The control system established for Horizon 2020 is designed to ensure that the cumulative detected error rate remains within a range of 2-5 %, and as close as possible to 2%.

In 2024, the programmes audited with calculated error rate were the legacy programmes CEF Telecom, the Third Health Programme and Horizon 2020 ⁽²¹⁾.

Multiannual error rates calculated per programme at the end of 2024 are shown in the table below:

Programmes (2014-2020)	Detected error rates	Residual error rates
Horizon 2020 (HaDEA) ⁽²²⁾	3.55%	2.11%
CEF Telecom DSI	3.63%	3.27%
Third Health Programme	4.97%	4.83%

For **CEF-Telecom DSI**, the assessment of the legality and regularity shows a high level of detected error, similarly to previous years. This is due to the inherent risk related to the programme (notably a grant reimbursement mechanism based on eligible actual costs and the related risk of errors in cost reimbursement claims submitted by the beneficiaries). Most of the errors relate to incorrect claims for personnel costs, mainly due to beneficiaries' lack of understanding of the rules.

⁽²¹⁾ For the Food and Feed programme, the audit strategy was fully implemented and closed in 2023.

⁽²²⁾ The residual error rate for the whole Research and Innovation family is at 1.79%.

In the past, management actions were taken by the predecessor Agency INEA and by HaDEA to address these weaknesses identified both at ex-ante and ex-post levels ⁽²³⁾. In this context, the improvements made since the reporting year 2019 resulted in the continuous decrease of the error rate until 2023. In 2024, the residual error rate increased from 2.46% to 3.27% primarily due to one audit result. The Agency closely monitors the multi-annual residual error rate and will still carry out a few ex-post audits on CEF-Telecom (DSI) in 2025. Considering the gradual phasing out of the programme, HaDEA has implemented all possible suitable ex-ante and ex-post controls, to the extent that they remain cost-effective and do not affect the other policy/programme objectives. The identified residual weaknesses are not considered as significant in terms of monetary loss or possible reputational risks and are below the established exposure limits. As CEF-Telecom DSI falls within the '*de minimis*' criteria for reporting, there is no reservation required for CEF-Telecom DSI in the current report ⁽²⁴⁾. See Annex 7 and 9 for further details.

Regarding the **Third Health programme**, the residual error rate amounts to 4.83%, compared to 1.79% at the end of 2023. This is mainly due to three audit reports closed in 2024 with a high error rate. The main cause of the errors is related to the personnel costs category linked to the inexperience of beneficiaries, including affiliated entities in implementing projects with EU funding. The second main source of errors are weaknesses detected under subcontracting relating to the absence of any evidence that value for money was achieved. HaDEA closely monitors the multiannual residual error rate and will still perform a few ex-post audits for the Third Health Programme, bearing in mind the programme's gradual phase-out. At the end of 2024, even though the residual error rate was above the 2% materiality threshold, the cumulative conditions of the de-minimis rule were met. ⁽²⁵⁾ There is therefore no reservation for the Third Health Programme.

As regards **Horizon 2020** grants, the relatively high level of error is linked to the funding model applicable, which is based on the reimbursement of eligible actual costs. Most of the errors relate to incorrect claims for personnel costs, mainly due to beneficiaries' lack of understanding of the complex rules. Newcomers and Small and Medium Enterprises (SMEs) are more prone to errors in comparison to more experienced/large size beneficiaries.

⁽²³⁾ At ex-ante level, by updating the guidelines on costs eligibility under CEF-Telecom and through increased communication campaigns towards the beneficiaries; at ex-post level, by increasing audit coverage, by monitoring and analysing closely the identified findings and applying the lessons learnt in the ex-ante controls.

⁽²⁴⁾ The '*de minimis*' rule states that: quantified reservations, related to residual error rates above the materiality threshold, are deemed not substantial for segments representing less than 5% of the total payments made and with a financial impact below EUR 5 million. At the end of 2024, the share of the programme in budget implementation represented 0.63% of the total payments of the Agency and the financial exposure was below EUR 5 million (EUR 1.4 million).

⁽²⁵⁾ At the end of 2024, the share of the programme in budget implementation represented 0.21% of the total payments of the Agency and the financial exposure was below EUR 5 million (EUR 1.1 million).

Nevertheless, the cumulative detected error rate for Horizon 2020 remained within a range of 2-5 %, and as close as possible to 2%.

There is evidence that the simplifications introduced under Horizon 2020, along with the ever-increasing experience, help reducing the number of errors made by the beneficiaries, especially when compared to the Seventh Framework Programme. Notwithstanding these efforts, errors cannot be fully avoided. Actions carried out to address these weaknesses are reported in annex 7.

No representative error rates were available by the end of 2024 for **the 2021-2027 programmes** (Connecting Europe Facility-Digital, the Digital Europe Programme, EU4Health, the Single Market Programme and Horizon Europe), due to the limited number of audit results or the lack of a sufficient number of payments available to audit ⁽²⁶⁾.

Consequently, without elements allowing an assessment of the level of errors, as well as considering the simplifications introduced that aim to reduce the error rate, a 2% detected and residual error rate will be considered for the 2021-2027 programmes ⁽²⁷⁾.

We expect the representative error rates for the Digital Europe Programme, EU4Health, the Single Market Programme and Horizon Europe will be available in the first half of 2025. For Connecting Europe Facility-Digital, the first audit results will be available only at the end of 2025, due to the limited number of payments made for this programme.

The benefits of this stage can be quantified by the amount of EU contribution affected by errors detected in ex-post control activities. **In 2024, the overall amount was estimated at EUR 2.40 million.**

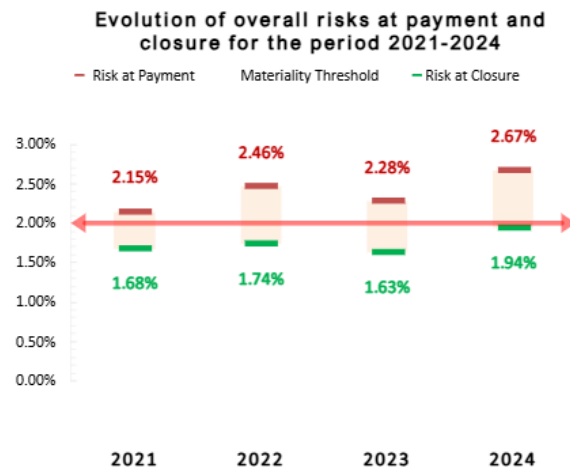
For types of low-risk expenditure with indications that the equivalent error rate might be close to 'zero' (**administrative expenditure, procurement and experts**), following DG BUDG instructions HaDEA uses 0.5% as a conservative estimate.

⁽²⁶⁾ 4 final audit reports for EU4Health and 4 final audit reports for SMP Food are available at the end of 2024.

⁽²⁷⁾ This rate corresponds to the objective set for the new programmes.
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b) Estimation of the overall risk at payment and risk at closure

The estimated overall risk at payment for 2024 expenditure is the AOD's best conservative estimate of the amount of relevant expenditure during the year, not in conformity with the contractual and regulatory provisions applicable at the time the payment was made. This expenditure will subsequently be subject to ex-post controls and a proportion of the underlying errors will be detected and corrected in subsequent years, corresponding to the conservatively estimated future corrections for 2024 expenditure. The difference between those two results in the estimated overall risk at closure ⁽²⁸⁾.



There is an increasing trend since 2023 mainly due to an increase of the detected error rates in the legacy programmes (especially of Horizon 2020 with the largest relevant expenditure in HaDEA).

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

c) Quantitative benefits of controls: Preventive and corrective measures

With its ex-ante and ex-post controls, HaDEA has an effective mechanism in place for detecting and correcting errors, reaching in total EUR 14.45 million of corrections for 2024. Ex-ante controls resulted to EUR 10.64 ⁽²⁹⁾ million and ex-post controls resulted to EUR 3.80 million ⁽³⁰⁾. Please see details in annex 3 table 8.

This is similar to last year with EUR 11.53 million and EUR 2.31 million respectively. The increase in relation to ex-post audits compared to 2023, is mostly explained by an overall increase of financial errors detected during the audits finalised in 2024. For further details please see annex 7.

⁽²⁸⁾ This is the AOD's best, conservative estimation of the expenditure authorised during the year that would remain not in conformity of applicable regulatory and contractual provisions by the end of implementation of the programme.

⁽²⁹⁾ Elements highlighted in yellow to check and ensure with final version of Annex 3.

⁽³⁰⁾ Corrections implemented after payment during the reporting year following ex-post controls.

d) Fraud: prevention, detection, and correction

In 2021, HaDEA has developed its first Anti-fraud Strategy and Action plan, for the period 2022-2024, based on the methodology provided by the European Anti-Fraud Office (OLAF). In 2024, HaDEA performed a fraud risk assessment, which confirmed that HaDEA has adequate controls in place, adapted to its control environment and risks identified.

With regards to the 2022-24 anti-fraud action plan: 17 out of 19 actions have been fully implemented, while 2 actions have been partially implemented.

HaDEA drafted and approved a new anti-fraud strategy and action plan covering the period 2025-2027. HaDEA's new actions are directly linked to the ones of the Commission Anti-Fraud Strategy revised in 2023 ⁽³¹⁾. HaDEA's management is informed annually about the status of implementation of the action plan.

HaDEA has taken action in the following areas targeting fraud prevention, detection and correction: ethical behaviour of staff; awareness of fraud risks for Project and Financial Officers; good cooperation with stakeholders (other Commission services, OLAF and EPPO) and implementation of OLAF recommendations.

HaDEA received 10 OLAF financial recommendations during the period 2020-2024. During the year 2024, HaDEA:

- fully implemented two financial recommendations;
- decided not to follow one OLAF financial recommendation. The reasons were communication to the Director-General of OLAF.
- The implementation of seven OLAF financial recommendations is ongoing.

The results achieved during the year are described in more detail in Annex 7.

On the basis of the available information, HaDEA has reasonable assurance that the anti-fraud measures in place are effective and that an adequate fraud prevention, detection and correction system is in place.

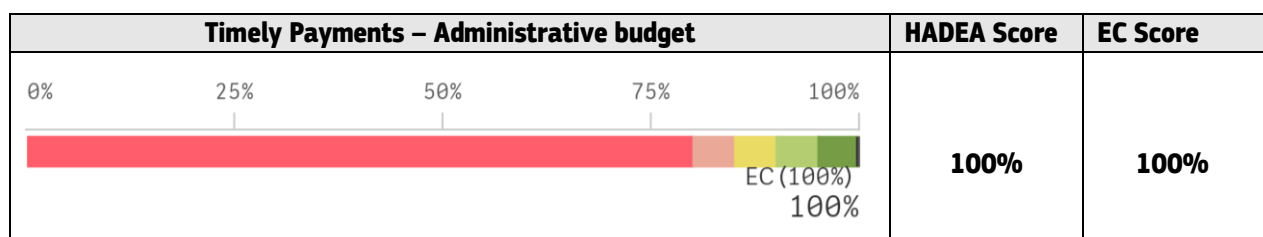
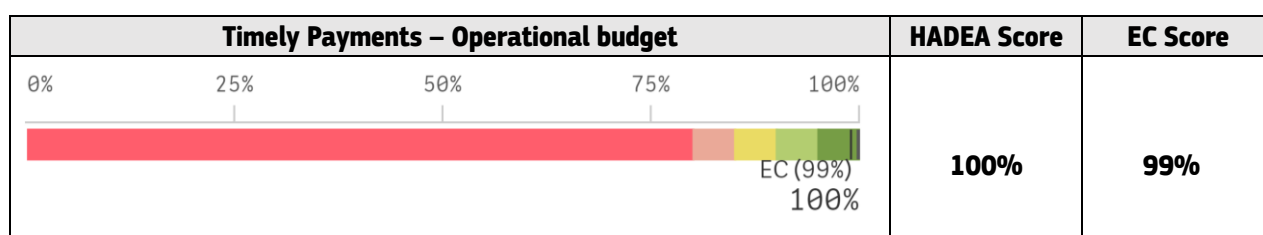
2.1.3. Efficiency of controls

The Agency uses the following three indicators to address efficiency in programme implementation and budget execution: time-to-inform, time-to-grant and time-to-pay.

- **Time-to-inform:** applicants were informed within deadlines in 100% of cases. The average time to inform was 112 days.

⁽³¹⁾ COM(2023) 245 – 11/07/2023.
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- **Time-to-grant:** 98% of the grant agreements were signed within deadlines. The average time to grant was 228 days. The delay in the signature of 11 grant agreements is due to the complexity of the projects, last-minute change in consortia, or issues on the beneficiaries' side ⁽³²⁾.
- **Timely payments:** HaDEA paid 100% of its operational and operating appropriations on time, demonstrating an effective monitoring of payment deadlines. The average time to pay was 27 days for payments related to the operational budget, and 11 days for payments related to the administrative budget.



2.1.4. Economy of controls

The table below provides an estimate of the total costs of control for direct grant management within HaDEA. The cost of controls is estimated for each of the four control system stages. It was calculated based on the corporate methodology for the estimation, assessment and reporting on the cost-effectiveness of controls. The details of the calculation are available in Annex 7.

The total cost of control within HaDEA for the operational payments of 2024 can be estimated at approximately EUR 49.99 million (48.22 million for ex-ante controls and 1.77 million for ex-post controls and recoveries), corresponding to 1.86% of the total operational payments made in 2024 (EUR 2 690.56 million).

⁽³²⁾ See details in Annex 3, table 17.
hadea_aar_2024

HaDEA costs of controls grant management	Costs (M€)			Operational Payments 2024 (M€)	Overall rate (total costs/total amount paid)
	Internal costs	External costs	Total		
Stage 1 – programming and evaluation	7.02	0.96	7.98	2,690.56	0.30%
Stage 2 – contracting	4.85	0.08	4.93	2,690.56	0.18%
Stage 3 – monitoring the execution	30.79	4.53	35.32	2,690.56	1.31%
Stage 4 – ex-post controls and recoveries	1.38	0.39	1.77	2,690.56	0.07%
TOTAL	44.04	5.95	49.99	2,690.56	1.86%

Details of the estimated cost related to shared/pooled control activities carried out by REA and hosted by DG RTD (Common Implementation Centre; Common Audit Service; Common Policy Centre) for the Research and Innovation family are reported in the Annual Activity Reports of REA and RTD.

The increase of the overall rate in 2024 is mainly linked to the increase of the average cost for FTEs and a slight increase of the FTEs from 376.40 in 2023 to 379.55 in 2024.

HaDEA costs of controls grant management	Overall rate 2021	Overall rate 2022	Overall rate 2023	Overall rate 2024
Rate of costs of controls compared to overall payments	1.94%	1.41%	1.71%	1.86%

2.1.5. Conclusion on the cost-effectiveness of controls

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

When comparing the cost of controls (EUR 49.9 million) with the total operational payments made in this control environment in 2024 (EUR 2,690.56 million), the ratio is set at around 1.86%.

The comprehensive analysis reveals that the benefits of the control measures substantially outweigh their overall costs, demonstrating a favourable cost-benefit ratio. The effectiveness and efficiency of these controls are well-aligned with the programme objectives, and their scope is proportionate to the underlying risks, ensuring a balanced approach to risk management. The existing control system has been deemed suitable and efficient in achieving its intended objectives, while maintaining reasonable costs. This is evidenced by a satisfactory balance between error rates, which are within established materiality thresholds, swift time-to-pay and low costs of controls.

The control environment and control strategy remained stable during the reporting year, with no significant changes or deviations from the previous year. This stability is attributed to several key elements, such as the low number of significant control issues identified during the reporting year, and the satisfactory balance between error rates, time-to-pay, and costs of controls. Overall, the control environment and control strategy have provided a solid foundation for achieving programme objectives, while minimising risks and ensuring the effective use of resources.

2.2. Audit observations and recommendations

This section sets out briefly the state of play for all audit observations and recommendations reported by auditors related to internal control and financial management – including the limited conclusion of the Internal Auditor on the state of internal control. Further details for IAS and ECA audits can be found in Annex 8.

Where an audit has detected weaknesses affecting any internal control principle or the department’s assurance, a detailed analysis is provided further below in section 2.3 and 2.4, accordingly.

Internal Audit Service

In its contribution to the 2024 Annual Activity Report process, the Internal Audit Service concluded that the internal controls systems in place for the audited processes are effective.

No new very important or critical recommendations were addressed to HaDEA since the last reporting period. The limited number of “important” audit recommendations addressed to HaDEA in 2023 are being implemented.

European Court of Auditors

Reported	Audit Title	Accepted Recommendation	State of play in 2024	Impact on the assurance for 2024
2022	Operational budget – Statement of Assurance (DAS)	12	12	
2023	Operational budget – Statement of Assurance (DAS)	6 ⁽³³⁾	5 1	
2023	Administrative budget	None		

- Action plan implemented and closed by IAS or ECA / No impact on the assurance
- Action plan implementation is ongoing or awaiting review from IAS or ECA
- Preparation of the action plan
- Impact on the assurance

⁽³³⁾ Out of 16 transactions sampled – see Annex 8 for more details.
hadea_aar_2024

2.3. Assessment of the effectiveness of internal control systems

The Commission has adopted an Internal Control Framework (ICF) based on the highest international standards ⁽³⁴⁾.

HaDEA has adapted the Internal Control Framework to its specific characteristics and organisational structure. The internal control systems are suited to achieving its policy and internal control objectives in accordance with the internal control principles, having due regard to the risks associated with the environment in which it operates.

As regards risk assessment, the Agency monitored and updated its risk register in May 2024. The Agency implemented appropriate measures to mitigate the risks and to support the effective achievement of its objectives. In October 2024, HaDEA performed a new risk assessment exercise to identify and assess risks related to the objectives to be achieved in 2025. During the exercise, several risks related to the implementation of the programmes delegated to the Agency were identified. To mitigate these risks, specific measures were defined.

In line with the implementation guide of the Commission's Internal Control Framework, HaDEA conducted a self-assessment of its internal control framework. The Agency concluded that its internal control system is effective: the components and principles are present and functioning well overall. In November, the internal control team conducted a survey focusing on the 'Control Environment' principle, specifically on the progress of the implementation of the Management Charter. The survey provided an opportunity for staff members to share their thoughts and suggest improvements. Although the overall satisfaction score was high (76%), HaDEA identified minor deficiencies and proposed several enhancements.

Furthermore, a follow-up of the 2023 internal control survey's action plan revealed significant progress in all previously identified areas. Notably, procedures have been updated and new ones created, made more visible and accessible. Additionally, the Manual of Procedures has been revised to be more user-friendly. Furthermore, the reinforcement of measures related to expert management has led to a significant reduction in the number of exceptions and non-compliance events.

Annex 8 provides details on the assessment of the Agency's internal control system, including the various sources of information.

HaDEA also continued internal control awareness-raising activities in 2024, via its dedicated internal control network. Members of this network come from across the Agency,

⁽³⁴⁾ The Committee of Sponsoring Organizations of the Treadway Commission Internal Control Integrated Framework, the golden standard for internal control systems.

allowing staff members to be informed about the latest developments on internal control issues, and allowing the coordination of control exercises across the Agency.

The European Health and Digital Executive Agency has assessed its internal control system during the reporting year and has concluded that it is effective, and that the components and principles are present and functioning as intended.

2.4. Conclusions on the assurance

The information reported in this section results 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 comprehensive coverage of the budget delegated to the Director of HaDEA. This is confirmed by the statement of the Head of Department in charge of risk management and internal control in Annex 1. The audit results, the internal control assessment and the control indicators do not reveal any significant weaknesses and do not fulfil any of the materiality criteria laid down in Annex 5 of this report. The resources assigned in 2024 to the activities described in this report are used for the intended purpose following sound financial management and the control system in place provides the necessary guarantees concerning the legality and regularity of the transactions.

The relatively high error rate of the CEF-Telecom DSI segment and the Third Health Programmes (legacy programmes 2014-2020) do not lead to a financial reservation, considering its limited financial impact (described in section 2.1.1 of this report) and thus does not have impact on the assurance. Therefore, no quantified reservation is required for the current annual activity report.

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

2.5. Declaration of Assurance

Declaration of Assurance

I, the undersigned,

Executive Director of the European Health and Digital Executive Agency,

In my capacity as authorising officer for the operating (administrative) budget and authorising officer by delegation for the operational budget

Declare that the information contained in this report gives a true and fair view ⁽³⁵⁾.

State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of the self-assessment, ex-post controls, the work of the Internal Audit Service and the lessons learnt from the reports of the Court of Auditors for years prior to the year of this declaration.

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

Brussels, 31 March 2025

e-signed in Ares

Marina Zanchi

⁽³⁵⁾ True and fair in this context means a reliable, complete and correct view on the state of affairs in the executive agency.

3. MODERNISING THE ADMINISTRATION

3.1. Human resource management

Staff remains HaDEA's most valuable asset. Throughout 2024, the Agency focused on attracting and retaining top quality colleagues.

Staffing and recruitment

Out of the 474 posts foreseen in its yearly establishment plan, the Agency filled 458, achieving a 97% filling rate. Taking into account the 17 additional posts granted to the Agency in June ⁽³⁶⁾, this brings the **overall filling rate to 94%**.

The Agency was faced with an unusually high turnover rate (10%, up from 7,6% in 2023), which put additional pressure on recruitment efforts ⁽³⁷⁾.

HaDEA and other Executive Agencies developed an **outreach plan targeting 11 Member States** to ensure a broad geographical base for staff selection. The plan's effectiveness will be assessed and adjusted in 2025.

Attractiveness and staff retention

Building on the 2024 Staff Survey results, the Agency conducted a broad consultation to prioritise actions focused on Professional Future and Change & Innovation. HaDEA also led the annual inter-Executive Agency **BE WELL programme**, organising two keynote mental health events with EACEA to promote resilience. Additionally, the Agency implemented an external training programme across all Executive Agencies, fostering professional development.

In line with its commitment to inclusivity, HaDEA appointed a **Diversity and Inclusion Correspondent** to champion diversity initiatives.

The Agency also launched a comprehensive communication campaign to promote the **Management Charter**, which outlines key principles for effective management.

Career prospects

As part of its career development initiatives, **the Agency launched the 2024-25 Inter-Agency Talent Programme** to support staff in advancing towards coordination and leadership roles. HaDEA also collaborated with other Executive Agencies to draft guidelines

⁽³⁶⁾ stemming from EFTA and third-country participation.

⁽³⁷⁾ Several explanations can be found to the high turnover rate: a lot of staff members became eligible for internal mobility, while others passed competitions and joined the Commission.

for the secondment of Temporary Agents (Article 2f) from the Agencies to the Commission and other institutions. This initiative aims to enhance staff motivation and strengthen knowledge-sharing. HaDEA continues to advocate for the benefits of external mobility, emphasising its role in broadening professional experience and supporting career growth.

Work environment

HaDEA reorganised its office space to meet its growing needs and provide a modern and attractive work environment to all staff members. In particular, the Agency set up new collaborative meeting spaces and increased the number of rooms equipped for hybrid meetings.

Internal communications

In 2024, HaDEA's internal communication strategy significantly enhanced staff engagement and cohesion. The transition to SharePoint Online on 1 May, improved accessibility and interaction, driving a **91.35% increase in intranet visits**. The weekly newsletter saw an 18.42% rise in output with 45 editions. Staff surveys showed higher engagement, with a 75.23% rise in response rates. HaDEA delivered 13 events in 2024—an 85.71% increase—including visits from Commissioner Kyriakides, Director-General Gallina, and Director-General Pesonen.

3.2. Digital transformation and information management

In 2024, HaDEA made good progress on the implementation of the five strategic objectives defined by the **European Commission Digital Strategy**. The Agency notably developed an automatic lump sum calculator tool for the SMP Food programme. HaDEA also developed a mobile application for the WiFi4EU initiative ⁽³⁸⁾, displaying the 93 000 public hotspots across Europe via a [dynamic map](#).

HaDEA completed the **migration to SharePoint Online** by the end of April. HaDEA DG hub, which replaces the Intranet, went live in May 2024. The Agency prepared for the migration from the accounting software ABAC to SUMMA, with the cleaning of data, user acceptance testing and training of users.

HaDEA strengthened the **cybersecurity preparedness** of its staff through an awareness-raising campaign on phishing and presentations on IT security targeted to HaDEA managers.

⁽³⁸⁾ funded under the legacy programme CEF-Telecom.
hadea_aar_2024

As for **IT infrastructure**, HaDEA became fully independent with the completion of the local IT server's installation and the migration of different applications and data from the EISMEA environment.

With regards to **information management**, throughout 2024, HaDEA regularly updated the Agency data assets inventory. In the context of its Data Intelligence Network, HaDEA also started developing an internal dashboard, aiming to ease the reporting on performance indicators.

Moreover, the Agency focused on managing its records and archives, ensuring compliance with the corporate e-Domec policy and the HaDEA action plan for document and archives management. The Document Management Team maintained daily communication with system users to foster a collaborative culture and held one meeting with all the document management correspondents. The Agency also organised two in-house mini-training sessions for 38 staff members, and ten ad-hoc coaching sessions for 86 staff members to enhance efficiency and skills in records and archives management.

As for **data protection**, in 2024, HaDEA adopted and successfully implemented its first data protection action plan to strengthen its adherence to the Data Protection Regulation ⁽³⁹⁾. The Agency also established a data protection contact point network where each Agency's unit is represented.

Multiple training sessions were organised to raise awareness about data protection principles, including on the handling of personal data breaches and requests of data subjects. As a result, 100% of HaDEA staff attended at least one event on data protection.

The Agency actively interacted with the European Data Protection Supervisor and participated in various data protection networks, bringing together data protection officers from other Executive Agencies, the parent DGs and the Commission central services.

In 2024, HaDEA handled a total of 41 requests for access to documents and one confirmatory request, all within the prescribed legal deadlines.

3.3. Sound environmental management

In 2024 and following the Agency's integration into the EU Eco-Management and Audit Scheme (EMAS), HaDEA received its EMAS Registration Certificate from Bruxelles Environnement.

HaDEA continued its efforts to keep its environmental impact low, applying the guidelines for sustainable meetings, encouraging sustainable ways of commuting and joining energy-savings actions whenever possible. The Agency exceeded the corporate target of reduction

⁽³⁹⁾ Regulation (EU) N° 2018/1725.
hadea_aar_2024

of CO₂ emissions from staff business travel, but the Agency wants to go further and accepted an initiative from the greening community that aims to encourage colleagues to have greener travel habits.

Other main achievements for this year include the participation in the Executive Agencies (EAs) Green Week and the organisation of the first Summer Challenge, where colleagues were encouraged to take action for the environment during the summer holidays.

All the actions mentioned above, together with the participation in corporate actions such as VeloMai, or the Walking Challenge, helped stimulate sustainable practices in the Agency.

3.4. Examples of economy and efficiency

HaDEA is committed to continuously improving and simplifying internal processes and procedures.

Under the umbrella of **HaDEAns for Efficiency**, the Agency organised a training on lean management for all staff which took place in the second half of the year. To further understand how simplification can be achieved in practice in HaDEA, the Agency facilitated a workshop with operational and finance staff to discuss and identify concrete actions that can lead to simplification of internal processes and procedures in grant management, focusing on amendment and grant agreement preparation.

The Agency also organised tailored training sessions on the **HaDEA Work Etiquette** introduced in 2023 to promote efficient email and meeting practices, enhancing staff well-being by reducing stress and improving time management and productivity.

The Agency also developed an **automatic lump sum calculator tool** for the SMP programme, with the support of DG RTD. This tool, embedded in eGrant, has been positively welcomed by the Member States as a major simplification of the funding process. As requested by the Member States, work on simplification of the reporting requirements for veterinary programmes has also started in 2024 and will continue in 2025.

In the field of human resources, **HaDEA coordinated the first ever inter-executive agencies selection procedure**, resulting in a substantial reserve list open to all six agencies and paving the way to other joint selections between Executive Agencies. This process highlighted the Agency's capacity to manage a complex and large-scale recruitment initiative, with 1 140 applications received, 251 interviews conducted, and 184 candidates ultimately selected for inclusion on the reserve list.

Another example of the interagency cooperation is the **application form** developed by HaDEA and shared with other Executive Agencies. This form streamlines CV screening by requiring candidates to answer specific questions aligned with the eligibility, essential, and

advantageous criteria for a given selection procedure. It will be reviewed as part of the upcoming interagency talent selection and recruitment manual.

In July 2024, HaDEA facilitated the signing of a Memorandum of Understanding by executive agencies to establish a **Disciplinary Board**. HaDEA then coordinated the identification of candidates for these lists, enhancing collaboration among the Executive Agencies, and ensuring compliance with the staff regulations.

Finally, HaDEA actively contributed to the initial phase of the Commission HRT (HR Modernisation and Digital Transformation) tool development, a project aimed at automating processes, improving efficiency, and strengthening collaboration across EU services.