



Annual Activity Report 2020

Annexes

DG JUST

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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 framework¹, I have reported my advice and recommendations on the overall state of internal control in the DG Justice and Consumers to the Acting Director-General.

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

Date 31/03/2021

Giles Goodall

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

(Signed)

¹ C(2017)2373 of 19.04.2017.

ANNEX 2: Performance tables

Specific objectives 1. *Strengthened rule of law in the Union*

General objective 6 : A new push for European democracy			
Impact indicator: Perceived independence of the national justice systems in the European Union ²			
Source of the data: Flash Eurobarometer 483 - Perceived independence of the national justice systems in the EU among the general public			
Baseline (2019)	Interim Milestone³ (2022)	Target (2024)	Latest known results (2020)
56% (EU 28) ⁴	Increase	Increase	54% (EU27)
Specific objective 1 : Strengthened rule of law in the union			Related to spending programme: Justice Programme
Result indicator 1.1: Degree of establishment of the new European Rule of Law Mechanism in line with the Political Guidelines			
Source of data: DG JUST monitoring			
Baseline (June 2020)	Interim Milestone (2021)	Target (2024)	Latest known results (2020)
Preparation of the first Annual Rule of Law Report	Fully established European Rule of Law Mechanism. First annual Rule of Law Report published and discussed in the Council and Parliament	Fully functioning European Rule of Law Mechanism. Yearly publication of the Annual Rule of Law Report. Rule of Law Report is used as a basis in the discussions at the Council, Parliament and national level.	Publication of the first annual Rule of Law Report in September 2020. Two follow-up discussions in the Council, presentation in the European Parliament and eight discussions in national Parliaments (BE, DE, DK, BG, FR, EE, ES, NL)
Result indicator 1.2: Strengthening of judicial independence in the Member States			
Source of data: Annual Rule of Law report, European Semester Country Specific			

² EU28 data. EU27 data not available.

³ In case of short- or medium-term objectives (all targets are set to be achieved in less than 3 years) the milestones column should be deleted from the table.

⁴ In 2019 figures for the survey were only available for EU 28

Recommendations, EU Justice Scoreboard, DG JUST monitoring			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
5 MS for which challenges related to the structural independence of courts and judges have been identified by the Commission	80% of the previously or newly identified challenges have been addressed through the Rule of Law Toolbox and are in the process of being resolved	100% of the previously or newly identified challenges have been addressed through the Rule of Law Toolbox and are in the process of being resolved	An exchange on structural independence has been launched with the Member States through the new Rule of Law Mechanism and the 2020 Rule of Law Report. The Commission also initiated infringement proceedings regarding judicial independence against one Member State and successfully made a request for interim measures concerning the functioning of the justice system in that Member State, which the Court of Justice granted on 8 April 2020.



Main outputs in 2020:			
New policy initiatives			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
2020 rule of law report	Adoption by the Commission	Q3 2020	Adopted on 30 September COM(2020)580
Other important outputs			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
2020 EU Justice Scoreboard (PLAN/2019/5413)	Adoption by the Commission	10 July 2020	Adopted on 10 July COM(2020)306
Monitoring of country-specific challenges for the effectiveness of justice	Delivery of DG Justice and Consumer contributions to the staff working	Q1 2020 Q2 2020	Q1: contribution to the staff working documents (country reports)

systems in the context of the European Semester	documents (Q1 for the 2020 European Semester and Q4 for the 2021 European Semester) and the country specific recommendations (Q2) in the context of the European Semester as well as to the Commission's Annual Sustainable Growth Strategy (Q3)	Q3 2020 Q4 2020	Q2: contribution to the draft country-specific recommendations (CSRs) Q3: contribution to the ASGS 2021 Q4: assessment of the implementation of the CSRs
Contribution to the negotiations on the proposal for a Regulation on the protection of the Union's budget in case of generalised deficiencies as regards the rule of law in the Member States	Adoption by the co-legislators	Q4 2020	Adopted on 16 December (Reg. (EU, Euratom) 2020/2092)

Specific objective 2: Strengthened application of fundamental rights

General objective 6 : A new push for European democracy			
Impact indicator: Citizens satisfied with how democracy works in the European Union			
Source of the data: Standard Eurobarometer 93			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
54% (EU27)	Increase	Increase	53% (EU 27)
Specific objective 2 : Strengthened application of fundamental rights		Related to spending programme: Prerogative Annual Work Programme	
Result indicator 2.1: Higher awareness of people's rights enshrined in the EU Charter of Fundamental Rights and where to turn in case of violation			
Source of data: Eurobarometer			
Baseline (2019)	Interim Milestone	Target (2024)	Latest known results (2020)

42% of citizens are aware about the EU Charter of Fundamental Rights. Out of those 12% know what it is.	-	20% of citizens know what the EU Charter of Fundamental Rights is	There is no more recent result than 2019
Result indicator 2.2: Proportion of proposed legislative revisions that include burden reduction measures Source of data: DG JUST			
Baseline	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
N/A	Positive trend	Positive trend	N/A

Main outputs in 2020:			
New policy initiatives			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Proposal for a Council Regulation amending Regulation (EC) 168/2007 establishing a European Union Agency for Fundamental Rights. (PLAN/2019/5405)	Adoption by the Commission	5 June 2020	Adopted on 5 June COM(2020)225
 New Strategy for the effective application of the Charter of Fundamental Rights in the EU (PLAN/2020/6593)	Adoption by the Commission	Q4 2020	Adopted on 2 December COM(2020)711
 EU Strategy on victims' rights 2020-2025 (PLAN/2020/6682)	Adoption by the Commission	Q2 2020	Adopted on 24 June COM(2020)258
Public consultations			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Targeted stakeholders consultations for the Charter of Fundamental Rights in the EU strategy	Summary report	Q1/Q2	Analysis report by FRA shared with the stakeholders in June. Published on the europa

			website on 2 December together with the strategy
Public consultation on the rights of the child strategy	Summary report	Q3/Q4 2020	Published in February
Enforcement actions			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Infringement proceedings against Estonia and Romania, as their national laws do not fully and accurately transpose that Framework Decision on combating racism and xenophobia by means of criminal law			Two infringement proceedings launched on 30 October
Other important outputs			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
EU Forum on the Rights of the Child – Stakeholders meeting and consultation	Number of online participants	200 online participants	400 participants 29 September – 1 October
Report on the Implementation of the Victims' Rights Directive (PLAN/2020/7143)	Adoption by the Commission	11 May 2020	Adopted on 11 May COM(2020)188
Report on the Implementation of the Directive on the European Protection Order (PLAN/2020/7144)	Adoption by the Commission	11 May 2020	Adopted on 11 May COM(2020)187
Preparation of an awareness raising campaign on the Charter of Fundamental Rights in the EU. Target countries: Malta, Cyprus, Sweden and the Netherlands.	Contract for the implementation signed	Q3-Q4 2020	Contract for the implementation signed in Q4 2020. Campaign under implementation.

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

Specific objective 3: Improved framework to protect democracy in the European Union		Related to spending programme: REC/CERV Programme	
Result indicator 3.1: Citizens perception on democratic participation “my voice counts” Source of data: Eurobarometer 93			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
48% (in EU) 61% (in my country) ⁵	Increase	Increase	42% (in EU) 57% (in my country) EU(27)
Result indicator 3.2: Proportion of proposed legislative revisions that include burden reduction measures Source of data: DG JUST			
Baseline	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
N/A	Positive trend	Positive trend	N/A

Main outputs in 2020:			
New policy initiatives			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Report on the 2019 elections to the European Parliament (PLAN/2019/5400)	Adoption by the Commission	19 June 2020	Adopted on 19 June COM(2020)252
Joint Communication by the Commission and the High	Adoption by the	Summer 2020	Adopted on 10 June

⁵ Baselines adjusted to EU27

Representative on Tackling COVID-19 disinformation - Getting the facts right EDAP	Commission		2020 JOIN(2020) 8 final
European Democracy Action Plan (with SG)	Adoption by the Commission	Q4 2020	Adopted on 3 December 2020 COM(2020)790 final
Other important outputs			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Sharing best practices in the European Cooperation Network on Elections	two meetings	June and September 2020	meetings on 24 June and 25 September

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

General objective 6: A new push for European democracy			
Impact indicator: Rights as citizens of the European Union			
Source of the data: Eurobarometer 93			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
55% (EU27)	Increase	Increase	57% (EU27)
Specific objective 4 : Increased perception of the status and of the rights conferred by European citizenship			Related to spending programme: REC/CERV Programme
Result indicator: Feeling being a citizen of the EU			
Source of data: Eurobarometer 93			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
73%	Increase	Increase	70%

Main outputs in 2020:
New policy initiatives

Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
EU Citizenship Report 2020 (PLAN/2019/6120)	Adoption by the Commission	Q4 2020	Adopted on 15 December COM(2020)730
Council Recommendation (EU) 2020/1475 on a coordinated approach to the restrictions of free movement in response to the COVID-19 pandemic			Adopted on 13 October
Public consultations			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Public consultation on EU citizenship rights	Summary report	Q3/Q4 2020	The report on the public consultation and a factsheet on the public consultation published on 15 December
Enforcement actions			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Infringement proceedings on citizenship for investment against MT and CY, political letter sent to BG			Letter of formal notice sent on 20 October

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

General objective 6: A new push for European democracy			
Impact indicator: Rights as citizens of the European Union			
Source of the data: Eurobarometer 93			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
55% (EU27)	Increase	Increase	57% (EU27)

Specific objective 5 : High level of personal data protection achieved and EU data protection promoted as a global model			Related to spending programme: REC/CERV Programme
Result indicator 5.1: Awareness of individuals of the General Data Protection Regulation			
Source of data: Eurobarometer			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
67%	Increase	Increase	67 %
Specific objective 5 : High level of personal data protection achieved and EU data protection promoted as a global model			Related to spending programme: REC/CERV Programme
Result indicator 5.2: Number of international transfer mechanisms (including adequacy decisions) concerning data protection in third countries			
Source of data: EU Commission			
Baseline (2019)	Interim Milestone (2021)	Target (2024)	Latest known results (2020)
1	Increase	Increase	1 Adequacy assessments for Korea and UK (with few remaining points of clarification) completed in 2020, adoption expected in Q2 2021. Adoption procedure for modernised SCCs triggered in Nov 2020. Invalidation of the adequacy decision for the United States (Privacy Shield) by CJEU in Q3 2020
Specific objective 5 : High level of personal data protection achieved and EU data protection promoted as a global model			Related to spending programme: REC/CERV Programme
Result indicator 5.3: Proportion of proposed legislative revisions that include burden			

reduction measures			
Source of data: DG JUST			
Baseline	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
N/A	Positive trend	Positive trend	N/A



Main outputs in 2020:			
New policy initiatives			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
GDPR evaluation report (PLAN/2019/6171)	Adoption by the Commission	24 June 2020	Adopted on 24 June COM(2020)264
Guidance on Apps supporting the fight against COVID-19 pandemic in relation to data protection	Adoption by the Commission	16 April 2020	Adopted on 16 April C(2020)2523
Adequacy decision for South Korea (PLAN/2017/2219)	Finalised talks and the adoption procedure triggered	Q3 2020 New target: Q1 2021	Talks finalised end 2020, adoption procedure will be triggered in Q1 2021
Adequacy decisions for the United Kingdom	Adoption by the Commission	Q4 2020 New target: Q1 2021	Talks close to finalisation end 2020, adoption procedure will be triggered in Q1 2021
New Standard Contractual Clauses (SCCs)	Adoption by the Commission	Q4 2020 New target: Q1 2021	College endorsement of draft SCCs and triggering of adoption procedure on 12 November 2020
Review of the adequacy decisions under GDPR	Adoption by the Commission	Q4 2020 New target: Q1 2021	Evaluation completed with a number of countries, while not yet finalised with all. Adoption procedure for joint report should be triggered in Q1 2021
Enforcement actions			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
 Communication 'Way	Adoption by the	24 June 2020	Adopted on 24 June

forward on aligning the former third pillar acquis with data protection rules (Plan/2020/6475)	Commission		COM(2020)262
Infringement proceedings against Slovenia and Germany for the lack of transposition of the Data Protection Law Enforcement Directive			Launched infringement proceedings against Slovenia and Germany

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

General objective 6 : A new push for European democracy			
Impact indicator: Rights as citizens of the European Union			
Source of the data: Eurobarometer 93			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
55% (EU27)	Increase	Increase	57% (EU27)
Specific objective 6: Eliminate inequalities and discrimination, and promote equality for all			Related to spending programme: REC/CERV Programme
Result indicator 6.1: Degree of implementation of Gender Equality Strategy			
Source of data: European Commission			
Baseline (2020)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
Strategy adopted	All measures within DG JUST competence due by 2022 implemented	All measures within DG JUST competence due by 2024 implemented	EU Victims' Rights Strategy adopted. Equal Pay Directive scheduled for adoption in March. Legislative measures on

			gender-based and domestic violence are underway.
<p>Result indicator 6.2: Percentage of EU citizens reporting having personally felt discriminated against or harassed within the previous 12 months in DG JUST area of competence</p> <p>Source of data: Special Eurobarometer on Discrimination in the EU (most recent: special EB 493, 2019) In addition, the Fundamental Rights Agency collects data on experiences of discrimination on several grounds through large-scale surveys, such as EU-MIDIS II or EU LGBT survey.</p>			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
17% of the general population 58% of LGBTI people 49% of Roma population	Decrease	Decrease	17% of the general population 58% of LGBTI people 49% of Roma population
<p>Result indicator 6.3: Proportion of proposed legislative revisions that include burden reduction measures</p> <p>Source of data: DG JUST</p>			
Baseline	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
N/A	Positive trend	Positive trend	N/A

Main outputs in 2020:			
New policy initiatives			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
 Gender Equality Strategy 2020-2025 (PLAN/2019/5425)	Adoption by the Commission	5 March 2020	Adopted on 5 March COM(2020)152
 Communication on LGBTI+ equality	Adoption by the Commission	Q4 2020	Adopted on 12 November

strategy (PLAN/2019/5399)			COM(2020)698
Post-2020 EU Strategic Framework for equality, inclusion and participation of Roma (PLAN/2019/5484)	Adoption by the Commission	Q4 2020	Adopted 7 October COM(2020)620
Proposal for a revised Council Recommendation on national strategic frameworks for Roma equality, inclusion and participation that will accompany the EU Strategic Framework (PLAN/2019/5484)	Adoption by the Commission	Q4 2020	Adopted on 7 October COM(2020)620
Strengthening the principle of equal pay between men and women through pay transparency (PLAN/2019/5818)	Adoption by the Commission	Q4 2020 New target: Q1 2021	Positive opinion on the impact assessment received in January 2021. Planned for adoption in March 2021.
Evaluations and fitness checks			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Fitness check of the EU legislation on preventing and combatting violence against women and domestic violence (PLAN/2020/8279)	Contract for the study signed	Q4 2020	Political decision on combining the Fitness Check with a new legislative proposal had impact on the timing. A comprehensive study for both initiatives to be carried out. The signature of the contract planned in Q1 2021
Public consultations			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Public consultation on pay transparency	Synopsis report	Q3 2020	Available
Fitness check of the EU legislation on violence against women and domestic violence	Launch open public consultation	Q4 2020 New target: Q1 2021	OPC launched in February 2021 (delay due to back-to-back initiative)
External communication actions			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Citizens from RO, BG, CZ,	Reach: Number of	1 million	Number of video views

SK, HR, ES, EL, HU being aware of EU Roma policies on inclusion and equal opportunities (social media campaign)	contacts made during the campaign		<p>15'': 2,177,486 VTR 15'': 14.8% CPV 15'': 0.03€</p> <p>Number of completed video views: 677,109 VTR completed: 5.4% CPV completed: 0.09€</p> <p>Number of reactions: 13,085 Number of shares: 1,813 Number of comments: 1,724</p> <p>Number of link clicks: 69,059 Cost per click: 0.92€ Click through rate: 0.47%</p>
Citizens being aware of the actions aiming to advance LGBTI+ equality	Reach: Number of contacts made during the campaign	4 million	Contract for implementation signed in Q4 2020 Campaign under implementation
Other important outputs			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
MF2021-20027 – Support to inter-institutional negotiations on the CERV programme	Adoption by the co-legislators	End 2020	Political agreement reached on 17 December

General objective:

A European Green Deal



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

General objective 1: A European Green Deal			
Impact indicator 1: Size of the green economy			
Source of the data: Eurostat (Eurostat online data code: env_ac_egss3)			
Baseline (2017)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
Gross value-added: € 286 940 million ⁶	Increase	Increase	€ 286 940 million
Full-time equivalent employment: 4 152 000 ⁷	Increase	Increase	4 152 000
Impact indicator 2: Circular material use rate			
Source of the data: Eurostat (Eurostat online data code: sdg_12_41)			
Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2020)
11.5% ⁸	Increase	Increase	11,9% ⁹
Specific objective 1 : Improved sustainable consumption by empowering consumers and improved integration of sustainability considerations into companies' and companies' boards behaviour through an upgraded corporate governance framework			Related to spending programme(s): Consumer / Single Market Programme (only for result indicator 1.1)
Result indicator 1.1: Percentage of consumers declaring that the environmental impact of goods and services influenced their purchases in the last two weeks.			
Source of data: Consumer Conditions scoreboard			


⁶ Corrected based on extraction from ESTAT data in January 2021.

⁷ Corrected based on extraction from ESTAT data in January 2021

⁸ Eurostat estimate

⁹ Eurostat estimate

Baseline (2018)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
55% overall ¹⁰ , 19% for most purchases (EU27)	Increase	Increase	56% overall, 23% for most purchases
Result indicator 1.2: Percentage of companies carrying out due diligence to prevent, mitigate and account for adverse sustainability impacts in their value chain. Source of data: DG JUST data			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
33% of business respondents to Commission study	Increase	Increase	33%
Result indicator 1.3: Proportion of proposed legislative revisions that include burden reduction measures. Source of data: DG JUST			
Baseline	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
N/A	Positive trend	Positive trend	N/A

Main outputs in 2020:			
Public consultations			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
 Empowering the consumer for the green transition: public consultation and impact	Summary report	Q3 2020	Public consultation results published on 9 November

¹⁰ 2018 baseline figures corrected to refer to EU27 (the initial figures included the UK)

assessment (PLAN/2020/7019)	Impact assessment (IA) completed for submission to the Regulatory Scrutiny Board (RSB)	Q4 2020	IA submitted to RSB on 6 January 2021
Sustainable corporate governance initiative (PLAN/2019/5404)	Launch of the open public consultation	Q3 2020	Launched on 26 October
Enforcement actions			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Develop a common approach among the Consumer Protection Cooperation network to assess how to enforce misleading green claim	Availability of the common approach	End 2020	A CPC sweep on green claims was completed end 2020 and published end January 2021.
Other important outputs			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Evaluate the interest for sustainability considerations in various economic sectors	Availability of EU level consumer surveys, representative at Member States level (the Market Monitoring Surveys)	Five sectoral surveys available by end 2020	Results published on 25 January 2021
Guidelines on the presentation of the remuneration report (follow-up to Shareholders Rights Directive) (PLAN/2018/2969)	Adoption of Commission notice	Q4 2020	Current target date is Q4 2021, due to review of priorities in light of the Sustainable Corporate Governance legislative initiative in CWP 2021

General objective:

A Europe fit for the digital age



Specific objectives 1: Consumers are empowered and better protected


General objective 2: A Europe fit for the digital age			
Impact indicator: Consumer conditions index ¹¹			
Source of the data: Consumer Conditions Scoreboard (based on consumer and retailer surveys with biennial frequency)			
Baseline (2018)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
63	Increase	Increase	-0.24 percentage points (based on fully comparable indicators) ¹²
Specific objective 1: Consumers are empowered and better protected		Related to spending programme(s): Consumer / Single Market Programme	
Result indicator 1.1: Percentage of consumers who think that in general retailers/providers respect their rights as consumers			
Source of data: Consumer Conditions scoreboard			
Baseline (2018)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
71,3% ¹³	Increase	Increase	80%
Result indicator 1.2: Proportion of proposed legislative revisions that include burden reduction measures			
Source of data: DG JUST			

¹¹ Reassessment of the Consumer Conditions Scoreboard is envisaged before 2024


¹² The methodology for the Consumer Conditions Index has changed. For the purpose of this report, the comparison of the 2020 result with the baseline (2018) is done only based on the fully comparable indicators.

¹³ The figure corrected to refer to EU27 in 2018 (previous referred to EU28)

Baseline	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
N/A ¹⁴	Positive trend	Positive trend	N/A

Main outputs in 2020:			
New policy initiatives			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
 A new Consumer Agenda (PLAN/2020/7016)	Adoption by the Commission	Q4 2020	Adopted on 13 November COM(2020)696
Recommendation on vouchers offered to passengers and travellers as an alternative to reimbursement for cancelled package travel and transport services in the context of the COVID-19 pandemic	Adoption by the Commission	13 May 2020	Recommendation (EU) 2020/648 adopted on 13 May C(2020)3125
Consumer aspects well reflected and engagement with key stakeholders successful (the Digital Services Act package)	Proposal for a Digital Services Act adopted by the Commission	End 2020	Adopted on 15 December with extensive coverage of consumer aspects
Public consultations			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Commission Proposal to review Directive 2008/48/EC on credit agreement for consumers: public consultation and impact assessment (PLAN/2020/6978)	Summary report	Q3 2020	Public consultation results published on 9 November IA submitted to RSB on 6 January 2021
	Impact assessment (IA) completed for submission to the Regulatory Scrutiny Board (RSB)	Q4 2020	
Revision of the Directive 2001/95/EC on general	Summary report	End 2020	Public consultation results published on 9


¹⁴ We indicated “N/A” in the policy areas where Commission did not adopt any legislative proposal (excluding implementing and delegated acts). COVID-19 emergency measures were not considered for this indicator, as these measures are aimed to address a COVID-specific situation.

product safety (GPSD) (PLAN/2019/6283)	Two workshops with stakeholders	End 2020	November together with the New Consumer Agenda 8, 10, 13 July Workshop online marketplaces with DG CNECT 19 November Workshop with Member States
	Evaluation and Impact assessment (IA) completed for submission to the Regulatory Scrutiny Board (RSB)	Q4 2020	18 December: submission of evaluation and impact assessment to Regulatory Scrutiny Board
 A new Consumer Agenda	Summary report	Q4 2020	Public consultation results published on 9 November

Enforcement actions

Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Services to support cooperation and uniform application of EU consumer product safety legislation including international aspects	Number of product-specific activities under the 2019 annual work programme Percentage of Member States participating	3-4 product specific market surveillance activities and 66% of Member States participating in overall actions	Coordinated Activities on the Safety of Products (CASP) 2019 included 5 product specific activities, 3 horizontal activities and an additional activity on slime toys. Closed in July 2020. The CASP 2020 was launched in January 2020 and includes 7 product specific activities, and 6 horizontal activities, as well as an activity on CORONA products such as protective masks, hand sanitizers and protective gloves. Closure of CASP 2020 is foreseen for mid-2021. All Member States have participated.
Commission (implementing)	Adoption by the	End 2020	Adopted on 30

decisions under the General Product Safety Directive 2001/95/EC on safety requirements to be met by European standards, on the publication of references of certain standards, on standardisation requests to the European Committee for Standardisation	Commission and publication in the EU Official Journal		November 2020 - Commission Implementing Decision (EU) 2020/1808
Address consumer scams and other misleading activities in relation to the Covid-19 crisis	Reduction of the number of scams on platforms	by July 2020	Millions of listing were removed by major platforms
Ensuring travel operators respect consumer and passenger rights	Consumer Protection Cooperation common approach to cancellation practices of travel operators available	September 2020	Adopted on 7 December, delay due to political uncertainty
Continuous coordination of the work of Member States to ensure that consumer rights across the EU are enforced and that the Member States implement the Consumer Protection Cooperation Regulation efficiently	Coordination of various activities tackling EU level infringements to consumer rights	Ongoing	Achieved, for example press release published on Booking.Com and Expedia change of practices end 2020
Resuming negotiations of a Consumer Protection Cooperation enforcement cooperation agreement with the US	Agreement by the US Federal Trade Commission to resume negotiations	End 2020 (after US presidential elections)	Not achieved due to other priorities on the US side related to data protection issues and the presidential election
DG JUST opened 11 infringement procedures against Member States' unilateral COVID-19 related measures contrary to the Package Travel Directive			In May 2020
External communication actions			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Citizens of Belgium, France, Ireland, Sweden and Bulgaria having higher awareness of consumer rights Limited extension of your	Reach: Number of contacts made during the campaign	4 million	The campaign is under implementation

EUright consumer campaign in the five countries.			
Citizens being more informed about specific consumer related topics: sustainable consumption, financial literacy, internet safety, data protection	Number of views Other KPIs we are proposing are view through rates, cost/view on all channels, but at this stage they have not been agreed on. We will have a better view on the specific in autumn 2020.	2 million	The campaign is under implementation
International Product Safety Week Assemble stakeholders and officials from all over the world to discuss product safety issues	Number of attendees (physical and online)	120	The International Product Safety Week (IPSW) 2020 was held online for the first time due to the COVID-19 crisis. More than 500 people from 78 countries signed up for the event.
Umbrella initiative to promote the European Consumer Centres Network activities on DG JUST social media channels targeting Brussels based journalists from all EU Member States + the UK, Norway, Iceland and ECC Net Anniversary event	Number of views Number of attendees	2 million 100	Reach 1.3 million (5 videos produced and disseminated) 179 ECC-Net anniversary event held online in November with the participation of the Commissioner.
Other important outputs			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
 Directive on representative actions for the protection of the collective interests of consumers and repealing Directive 2009/22/EC	Adoption by the co-legislators	Q3/Q4 2020	Directive (EU) 2020/1828 adopted on 25 November
MFF 2021-2027 – support to inter-institutional negotiations on the Single Market Programme (DG GROW in the lead, DG JUST)	Adoption by the co-legislators	End 2020	Last trilogue (8 Dec), slight delay in formal adoption due to MFF final agreement
Completion of the study on	Report by the consultant	Q4 2020	Final report submitted


the transposition of Directive 2015/2302 on package travel and linked travel arrangements			by contractor in December
New information system to evaluate Member States enforcement capacities, completion of the three waves of market monitoring consumer surveys and publication of ranked results	Feasibility study launched for new enforcement capacity indicators	Q3 2020	Terms of Reference finalised and sent out in November
Coordinated advice to consumers to help them identify most common Covid-19 related frauds and scams	Advice available	May 2020	Achieved in April
Consumer Law ready (training of SMEs in consumer law)	Number of trainings of trainers and SMEs, including online	10	13 trainings in 2020, more are being prepared

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

General objective 2 : A Europe fit for the digital age			
Impact indicator: The share of companies adopting artificial intelligence			
Source of the data: European Commission Study on AI			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
25%	Increase	Increase	25%
Specific objective 2 : A human-centric legal framework for Artificial intelligence that protects citizens and promotes cross-border trade			Related to spending programme(s): Not applicable
Result indicator 2.1: A high level of prevention of AI-related breaches of citizens' fundamental rights and effective enforcement of fundamental rights where AI is			

used			
Source of data: The target will be assessed based on Member States' application of new legislation with respect to the human and ethical dimensions of AI use			
Baseline (2020)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
Lack of coordinated approach to the human and ethical dimensions of AI use. [The EU has a comprehensive framework to protect fundamental rights and ensure a high level of consumer protection. However, it can be challenging to ascertain AI compliance with this framework, as AI applications can be difficult to understand (opacity) or foresee in their "behaviour". Further issues relating to effective enforcement need to be explored during the impact assessment.]	The Commission's proposal for a coordinated approach to the human and ethical dimensions of AI use.	Application of new EU legislation with the aim that AI systems posing risks to fundamental rights are adequately documented and competent third parties can test the systems.	Progress was made with the preparatory work towards a legislative proposal in cooperation with other DGs. Adoption envisaged in Q1 of 2021.
Result indicator 2.2: Civil liability challenges posed by AI are addressed through harmonised rules			
Source of data: With respect to liability for AI, the baseline relies on the report from the Expert Group on Liability and New Technologies (New Technologies Formation) as well as the White Paper on AI and the Commission Report on the safety and liability implications of AI. The target will be assessed based on the transposition measures to be notified by Member States in accordance with a possible Directive.			
Baseline (2020)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
Lack of AI-specific civil liability rules addressing the challenges posed by AI.	Adoption of an EU-instrument with harmonised civil liability rules addressing the specific challenges posed by AI.	Implementation / transposition of harmonised civil liability rules addressing the specific challenges posed by AI.	Preparatory work on an initiative for civil liability for AI – adoption: Q4, 2021- Q1, 2022

Result indicator 2.3: Proportion of proposed legislative revisions that include burden reduction measures			
Source of data: DG JUST			
Baseline	Interim Milestone	Target	Latest known results
	(2022)	(2024)	(2020)
N/A	Positive trend	Positive trend	N/A

Main outputs in 2020:			
New policy initiatives			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
White Paper on Artificial Intelligence	Adoption by the Commission	19 February 2020	Adopted on 19 February
Report on safety and liability implications of AI, the Internet of Things and Robotics	Adoption by the Commission	19 February 2020	Adopted on 19 February COM(2020)64 final
Public consultations			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
 Initiative on civil law liability for Artificial Intelligence applications	Summary report	Q4 2020/Q1 2021	Preparatory work launched

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

General objective 2: A Europe fit for the digital age			
Impact indicator: Enterprises selling online for at least 1% of their turnover			
Source of the data: Eurostat (Eurostat online data code: isoc_ec_eseln2)			
Baseline	Interim Milestone	Target	Latest known results
(2019)	(2022)	(2024)	(2020)
17%	Increase	Increase	18%

Specific objective 3 : Company law improves conditions for companies, including SMEs, in particular to operate and expand cross-border and to use digital tools			Related to spending programme(s): SMP as from 2021
Result indicator 3.1: Number of cross-border operations of companies (mergers, conversions, divisions)			
Source of data: Business registers interconnection system (BRIS)			
Baseline	Interim Milestone	Target	Latest known results (2020)
(2019) 499 Cross-border mergers (N.B. this figure includes cross-border mergers of UK companies)		(2024) Increase	556 Cross-border mergers (N.B. this figure includes cross-border mergers of UK companies)
(2018) 162 Cross-border conversions (N.B. this figure includes cross-border conversions of UK companies)		(2024) Increase	Data on cross-border conversions will be available on BRIS starting from August 2021
(2018) 235 Cross-border divisions (N.B. this figure includes cross-border divisions of UK companies)		(2024) Increase	Data on cross-border divisions will be available on BRIS starting from August 2021
Result indicator 3.2: Number of simple searches for company information in Business Registers Interconnection system (BRIS)			
Source of data: Business registers interconnection system (BRIS)			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
334,490 ¹⁵ of company simple searches, including UK companies	Increase	Increase	325,962

¹⁵ The searches created by attempts to connect automatically to the system have been removed

Result indicator 3.2: Proportion of proposed legislative revisions that include burden reduction measures			
Source of data: DG JUST			
Baseline	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
N/A	Positive trend	Positive trend	N/A
Main outputs in 2020:			
New policy initiatives			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Implementing Act under Digital Tools Directive (EU) 2019/1151 (PLAN/2019/5710)	Committee's opinion under comitology procedure	Q4 2020	Commission Implementing Regulation (EU) 2020/2244 adopted on 17 December 2020 C(2020)8972
Other important outputs			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Commission proposal for a Council Regulation on temporary measures concerning the general meetings of European companies (SEs) and of European Cooperative Societies (SCEs)	Adoption by the Council after the European Parliament's consent	25 May 2020	Adopted on 25 May EU(2020)/699

General objective:

Promoting our European way of life



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

Specific objective 1: Improved cross-border cooperation in civil and criminal matters			Related to spending programme(s): Justice Programme, Digital Europe Programme
Result indicator 1.1: Annual number of legal practitioners participating in training on EU law in the EU			
Source of data: DG Justice Annual report on European judicial training, based on data collected from the national training institutions for legal practitioners.			
Baseline (2018)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
190 000	245 000	300 000	182 000 (2019 data)
Result indicator 1.2: Number of hits on the e-Justice Portal / pages addressing the need for information on cross-border civil and criminal cases			
Source of data: European e-Justice Portal			
Baseline (2020)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
5 million (projected)	7 million	9 million	4 619 548
Result indicator 1.3: Number of exchanges via the European Criminal Records Information System (ECRIS)			
Source of data: Member State and eu-LISA statistics			
Baseline (2020)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)

4.1 million	4.5 million	5 million	4.1 million
Result indicator 1.4: Number of the hits on the guides and factsheets on the e-Justice Portal			
Source of data: e-Justice Portal			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
963 428	Increase	Increase	1 134 202
Result indicator 1.5: The average time of the surrender procedure (number of days between the arrest and the decision on the surrender of the person sought) under the European Arrest			
Source of data: EAW annual statistics			
Baseline (2018)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
16,5	14	10	16,5
Result indicator 1.6: Proportion of proposed legislative revisions that include burden reduction measures			
Source of data: DG JUST			
Baseline	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
1 legislative proposal adopted in 2020	Positive trend	Positive trend	1

Main outputs in 2020:			
New policy initiatives			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Proposal for a sustainable arrangement for the	Adoption by the Commission	Q4 2020	Adopted on 2 December COM(2020)712

maintenance, and where applicable the development, of the computerised system for cross-border communication in judicial proceedings and between judicial authorities (e-CODEX) (PLAN/2017/794)			
Commission Delegated Act on the categories of operational personal data and the categories of data subjects pursuant to Article 49(3) of Regulation (EU) 2017/1939 (the "EPPO Regulation")	Adoption by the Commission	Q3 2020	Adopted on 14 October 2020 (Commission Delegated Regulation (EU) 2020/2153)
Proposal for a Recommendation to the Council on the opening of negotiations with ten third States concerning cooperation with Eurojust	Adoption by the Commission	Q3 2020	Adopted on 19 November 2020 COM/2020/743 final
Communication on the 2021-2027 European judicial training strategy (PLAN/2017/1303)	Adoption by the Commission	Q4 2020	Communication 'Ensuring justice in the EU — a European judicial training strategy for 2021-2024' adopted on 2 December COM(2020)713
Evaluations and fitness checks			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Evaluation of Directive 2008/99/EC of the European Parliament and of the Council of 19 November 2008 on the protection of the environment through criminal law (PLAN/2018/3394)	Staff Working Document	Q3 2020	SWD(2020)259 of 28 October
Public consultations			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Public consultation on enhancing the convergence of insolvency laws (PLAN/2020/8631)	Launching the public consultation	Q4 2020	Launched on 18 December

Public consultation for evaluation of the European Enforcement Order Regulation (PLAN/2019/6007)	Summary report	Q4 2020	To be published Q2 2021
Public consultation on EU accession to the Hague Judgments Convention (PLAN/2019/5402)	Summary report	Q4 2020	Published 2 December
Enforcement actions			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Statistical Report concerning the exchange through the European Criminal Records Information System (ECRIS) of information extracted from criminal records between the Member States (PLAN/2019/6097)	Adoption by the Commission	Q3 2020	Adopted on 21 December COM(2020)778
Report on the implementation of Council Framework Decision of 13 June 2002 on the European Arrest Warrant	Adoption by the Commission	Q2 2020	Adopted on 2 July 2020 COM(2020)270 final
Replies to the questionnaire on quantitative information on the practical operation of the European Arrest Warrant – year 2018	Adoption by the Commission	Q2 2020	Adopted on 2 July 2020 SWD(2020) 127 final
Infringement proceedings to ensure compliance of Member States legislations with Council Framework Decision of 13 June 2002 on the European Arrest Warrant	Adoption by the Commission	Q2 and 3 2020	Infringement proceedings have been launched against IE (October 2020), and EE, IT, CZ, AT, LT and PL (December 2020)
Support Member States in transposition of 2019 Insolvency and Restructuring Directive	2 workshops + guidance to Member States	Q1-Q4 2020	2 workshops organised on 20 February and 28 October
Other important outputs			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Revision of the Regulation on service of documents	Adoption by co-legislators	Q4 2020	Adopted on 25 November, Regulation (EU) 2020/1784 (service

			of documents recast)
Revision of the Regulation on taking of evidence	Adoption by co-legislators	Q4 2020	Adopted on 25 November Regulation (EU) 2020/1783 (taking of evidence recast)
Regulation on law applicable to third-party claims	Adoption by co-legislators	Q4 2020 New target: Q4 2021	Negotiations delayed due to Covid. General Approach expected in Q2 2021, adoption by Q4 2021.
MFF 2021-2027 – Support to inter-institutional negotiations on the Justice programme	Adoption by the co-legislators	End 2020	Political agreement reached on 18 December
European Arrest Warrant (EAW) coordination group	Swift exchange of information and cooperation between different actors involved in the operation of the EAW, i.e. practitioners and policy-makers from Member States, Eurojust, EJM, Council and Commission.		Presentation of the concept note planned for Q1 2021
Support to stakeholders for transnational projects on judicial training covering civil law, criminal law or fundamental rights	Number of grants agreement signed in 2020	15	14 grant agreements
Support to stakeholders operating grant to the European Judicial Training Network (EJTN)	Number of judges and prosecutors trained by the EJTN in 2020	7900	7935 (planned participants)
Annual report on European judicial training	DG JUST report publication Cumulative number of legal professionals receiving training on EU law or law of another Member State, including Civil Justice, Criminal Justice and Fundamental Rights	Q4 2020 800 000 trained legal practitioners	2020 report (2019 data): 1.19 million trained legal practitioners between 2011 and 2019

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

General objective 4: Promoting our European way of life			
Specific objective 2: Improved access to justice for citizens and facilitated cross-border cooperation for judicial authorities through better use of digital technologies		Related to spending programme(s): Digital Europe Programme, Justice Programme, other relevant MFF 2021-2027 funding instruments.	
Result indicator 2.1: Availability of electronic means in courts			
Source of data: EU Justice Scoreboard 2020			
Baseline (2018)	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
Electronic means are not fully available in any MS ¹⁶	Increased availability of electronic means in more MS	Electronic means available in most courts in a majority of MS	Electronic means are not fully available in the any MS
Result indicator 2.2: Proportion of proposed legislative revisions that include burden reduction measures			
Source of data: DG JUST			
Baseline	Interim Milestone (2022)	Target (2024)	Latest known results (2020)
N/A	Positive trend	Positive trend	N/A

Main outputs in 2020:			
New policy initiatives			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)

¹⁶ Updated baseline as the change in the [CEPEJ](#) assessment methodology provided for more accurate data.

Communication on the digitalisation of justice in the European Union (PLAN/2020/7861)	Adoption by Commission	Q4 2020	Adopted on 2 December COM(2020)710
Public consultations			
Output description	Indicator	Target	Latest known results (situation on 31/12/2020)
Targeted consultation aiming to map the state of digitalisation of justice in Member States	Available mapping	Q4 2020	Published on 2 December SWD(2020) 540 final

ANNEX 3- Financial Reports - DG JUST - Financial Year 2020

AAR 2020 Version 1

Annex 3 Financial Reports - DG JUST - Financial Year 2020

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 16 : Table 16 : Commitments co-delegation type 3 in 2020

Additional comments

1. Financial Reports

Commitments (Table 1)

In terms of the use of commitment appropriations, 98% (EUR198.97 million out of EUR 202.78million) of the budget available was implemented, including the use of global commitments, which is in line with previous years' implementation rates (98%).

Payments (Table 2)

As far as payment appropriations are concerned 95% (EUR 206.32 million out of EUR 216.66 million) have been implemented during the year 2020.

Breakdown of commitments to be settled (Table 3)

The total amount of open commitments to be settled decreased by 12.66% as compared to 2019 and a rate of settled commitments which reached 33.91%

Income (Table 7)

The DG JUST income increased by 9.1% comparing with 2019 (EUR 5,2 million vs EUR 4,8 million). The overall amount to be recovered remains at the same level compared to the previous year EUR 2.3 million

2. Draft Annual Accounts

Methodology

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

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

Balance Sheet (Table 4)

The accounting situation presented in the Balance Sheet and Statement of Financial Performance does not include the accruals and deferrals calculated centrally by the services of the Accounting Officer. Non-current assets show the long-term share of pre-financings. In 2020, there is an decrease of 7.5% of non-current assets compared to 2019

explained by the fact that this year DG JUST didn't record any long term pre-financing.

Economic outturn account (Table 5)

Operating Revenues

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

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

3. Management reporting

Payment times (Table 6)

2% of payments were made late: 34 out of 1403 payments (vs. 10% in 2019). Due to sustained efforts that were put in place and actions taken to closely monitor the payments

Recovery Context (Table 8)

This table shows recovery orders and invoices recorded in the financial system 2020 with a mentioning of error or irregularity as reason for issuing the recovery or reducing the invoice.

Most of the undue payments recovered in 2020 are referring to old transaction awarded in 2012 and 2017 (EUR 0.525 million)

Ageing Balance of Recovery Orders (Table 9)

It should be noted that during 2020, 7 (new) recovery orders have been issued for a total amount of EUR 0.3 million (i.e. 20% of the total amount still to be recovered).

Negotiated Procedures (Tables 11 and 12)

3 open procedure contracts with a total value of EUR 56.1 million were awarded by the relevant Authorising Officer

1 Negotiated procedure middle value contract (Annex 1 - 14.2) with a value of EUR 0.119 million

TABLE 1. OUTTURN ON COMMITMENT APPROPRIATIONS IN 2020 (in Mio €) for DG JUST					
			Commitment appropriations authorised	Commitments made	%
			1	2	3=2/1
Title 09 Communications networks, content and technology					
09 03	Connecting Europe Facility (CEF) - Telecommunications networks		2,53	2,53	100,00 %
Total Title 09			2,53	2,53	100,00 %
Title 18 Migration and home affairs					
18	18 01	Administrative expenditure of the 'Migration and home affairs' policy area	2,39	2,32	97,29 %
	18 02	Internal security	0,23	0,23	100,00 %
	18 03	Asylum and migration	1,49	1,49	100,00 %
	18 04	Fostering European citizenship	0,04	0,00	0,00 %
Total Title 18			4,15	4,04	97,36 %
Title 33 Justice and consumers					
33	33 01	Administrative expenditure of the 'Justice and consumers' policy area	2,40	1,40	58,44 %
	33 02	Rights, equality and citizenship	95,69	94,20	98,44 %
	33 03	Justice	89,89	88,76	98,74 %
	33 04	Consumer programme	8,12	8,04	99,04 %
Total Title 33			196,11	192,40	98,11 %
Total DG JUST			202,78	198,97	98,12 %

· Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous commitment appropriations for the period (e.g.

% Outturn on Commitment Appropriations in 2020 for DG JUST



TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS in 2020 (in Mio €) for DG JUST					
			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 09 Communications networks, content and technology					
09	09 03	Connecting Europe Facility (CEF) - Telecommunications networks	1,11	1,09	99,09 %
Total Title 09			1,11	1,09	99,09%
Title 18 Migration and home affairs					
18	18 01	Administrative expenditure of the 'Migration and home affairs' policy area	2,49	2,33	93,54 %
	18 02	Internal security	0,19	0,19	100,00 %
	18 03	Asylum and migration	0,73	0,73	100,00 %
	18 04	Fostering European citizenship	0,02	0,00	0,00 %
Total Title 18			3,43	3,25	94,78%
Title 33 Justice and consumers					
33	33 01	Administrative expenditure of the 'Justice and consumers' policy area	3,11	0,86	27,55 %
	33 02	Rights, equality and citizenship	101,45	98,61	97,20 %
	33 03	Justice	98,05	93,07	94,92 %
	33 04	Consumer programme	9,51	9,44	99,26 %
Total Title 33			212,12	201,97	95,22%
Total DG JUST			216,66	206,32	95,23 %

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).

120% % Outturn on Payment Appi opilations in 2020 for DG JUST

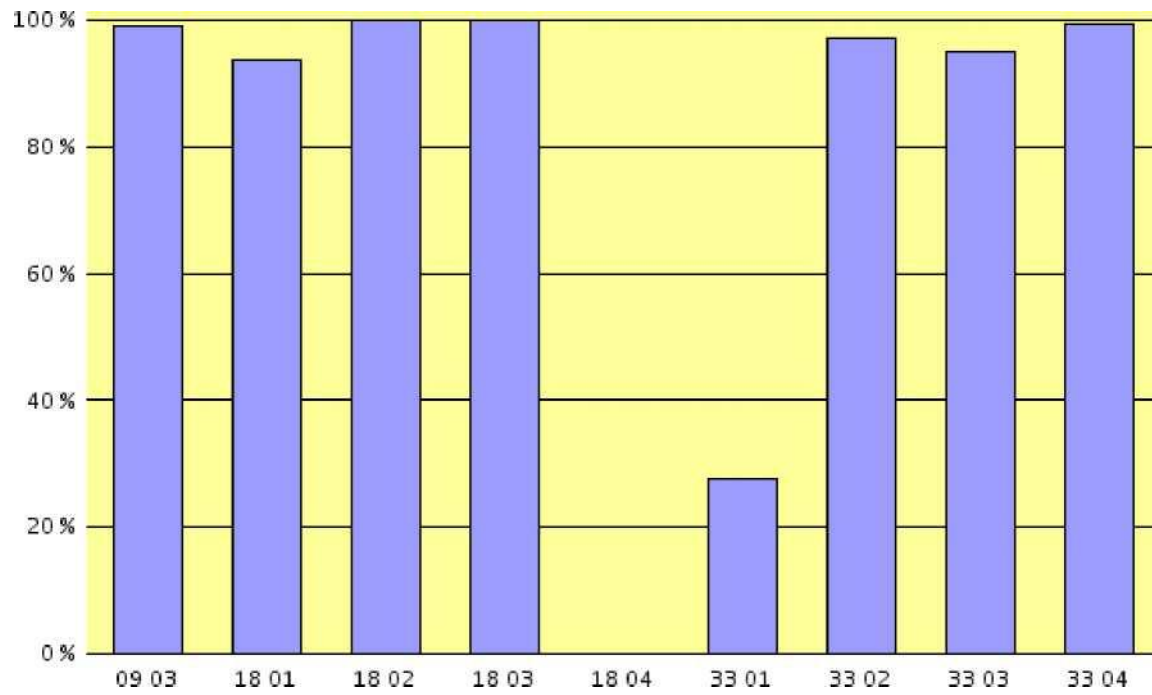


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG JUST

Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1 -2/1	5	6=3+5	7
09	09 03	Connecting Europe Facility (CEF) - Telecommunications networks	2,53	0,00	2,53	100,00%	5,12	7,65	6,22
Total Title 09			2,53	0,00	2,53	100,00%	5,12	7,65	6,22

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG JUST

Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1 -2/1	5	6=3+5	7
18	18 01	Administrative expenditure of the 'Migration and home affairs' policy area	2,32	2,27	0,06	2,37%	0,00	0,06	0,10
	18 02	Internal security	0,23	0,00	0,23	100,00%	0,14	0,36	0,34
	18 03	Asylum and migration	1,49	0,03	1,46	97,95%	0,04	1,50	0,74
	18 04	Fostering European citizenship	0,00		0,00	0,00%	0,00	0,00	0,01
Total Title 18			4,04	2,30	1,74	43,10%	0,18	1,92	1,19

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG JUST

Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at end of financial year 2019
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1 -2/1	5	6=3+5	7
33	33 01	Administrative expenditure of the 'Justice and consumers' policy area	1,40	0,56	0,84	59,82%	0,00	0,84	0,71
	33 02	Rights, equality and citizenship	94,20	60,34	33,86	35,95%	42,32	76,18	94,14
	33 03	Justice	88,76	67,31	21,45	24,17%	44,79	66,25	81,14
	33 04	Consumer programme	8,04	0,98	7,06	87,76%	6,08	13,13	15,62
Total Title 33			192,40	129,20	63,21	32,85%	93,19	156,39	191,60

Total for DG JUST			198,9707161	131,49	67,47827676	33,91 %	98,48487393	165,9631507	199,0126797
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Breakdown of Commitments Remaining to be Settled 0» Mio EUR) at 31/12/2019 for DG JUST

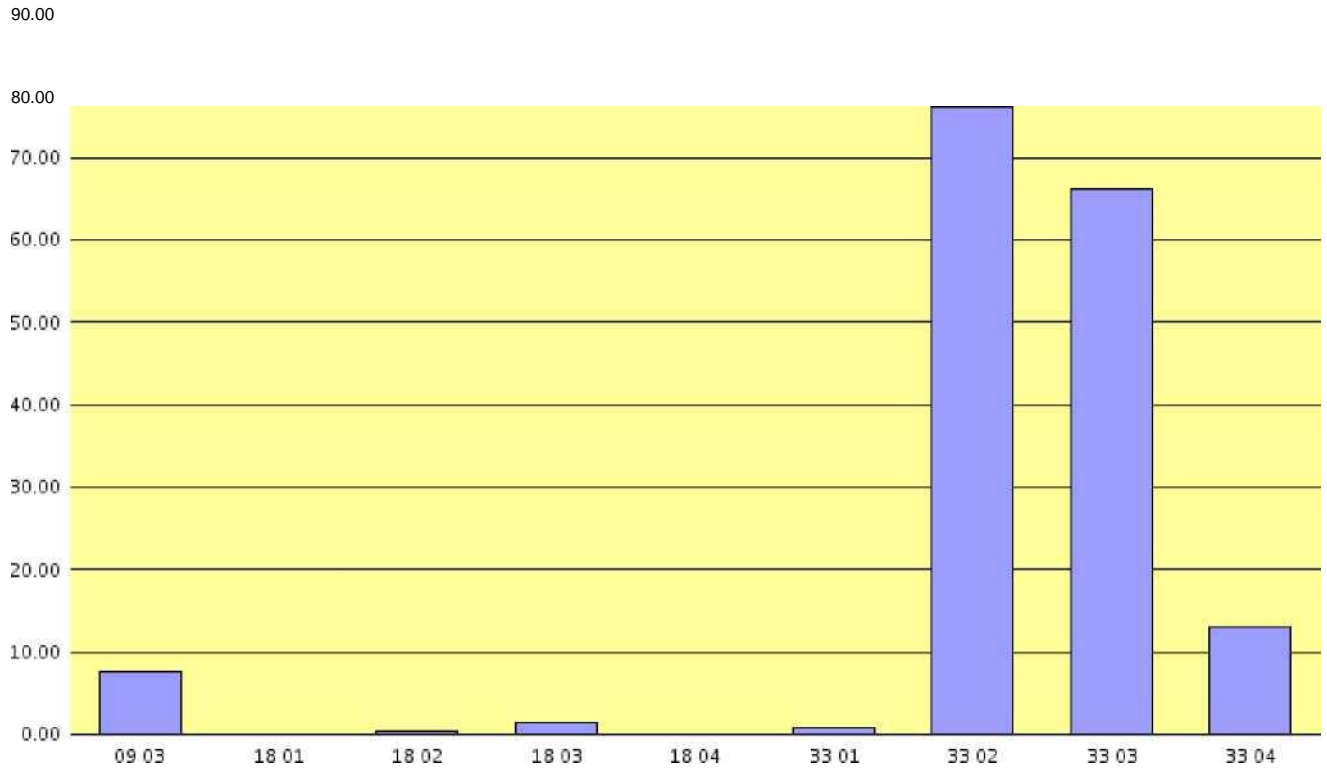


TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE for DG JUST

BALANCE SHEET	2020	2019
<u>A.I. NON CURRENT ASSETS</u>	<u>8065863,48</u>	<u>8722734,6</u>
A.I. 1. Intangible Assets	8.065.863,48	8.722.734,60
<u>A.II. CURRENT ASSETS</u>	<u>198638508,2</u>	<u>177136101,8</u>
A.II.2. Current Pre-Financing	196.643.267,22	174.918.611,51
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	1.995.240,97	2.217.490,26
ASSETS	206704371,7	185858836,4
<u>P.II. CURRENT LIABILITIES</u>	<u>-27051,58</u>	<u>-363583,92</u>
P.II.4. Current Payables	-27.051,58	-363.583,92
P.II.5. Current Accrued Charges & Defrd Income	0,00	0,00
LIABILITIES	-27051,58	-363583,92
NET ASSETS (ASSETS less LIABILITIES)	206677320,1	185.495.252,45
P.III.2. Accumulated Surplus/Deficit	<u>963.579.743,71</u>	<u>800921826,3</u>
Non-allocated central (surplus)/deficit*	<u>-1.170.257.063,80</u>	<u>-986417078,8</u>
TOTAL DG JUST	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.

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still

TABLE 5 : STATEMENT OF FINANCIAL PERFORMANCE for DG JUST

STATEMENT OF FINANCIAL PERFORMANCE	2020	2019
<u>II.1 REVENUES</u>	351535,76	-597278,58
<u>II.1.1. NON-EXCHANGE REVENUES</u>	-1190808,8	-1170726,81
<u>II.1.1.5.RECOVERY OF EXPENSES</u>	-472.915,80	-603.240,81
<u>II.1.1.6. OTHER NON-EXCHANGE REVENUES</u>	-717.893,00	-567.486,00
<u>II.1.2. EXCHANGE REVENUES</u>	1542344,56	573448,23
<u>II.1.2.2.OTHEREXCHANGE REVENUE</u>	1.542.344,56	573.448,23
<u>II.2. EXPENSES</u>	183985880,7	163255196
<u>II.2. EXPENSES</u>	183985880,7	163255196
<u>II.2.10.OTHEREXPENSES</u>	13.837.206,26	7.985.677,86
<u>II.2.2. EXP IMPL BY COMMISS&EX.AGENC. (DM)</u>	97.673.492,65	88.046.514,47
<u>II.2.3. EXP IMPL BY OTH EU AGENC&BODIES (IM)</u>	72.419.026,34	67.936.290,67
<u>II.2.6. STAFF AND PENSION COSTS</u>	54.466,63	-715.263,00
<u>II.2.8. FINANCE COSTS</u>	1.688,77	1.975,95
STATEMENT OF FINANCIAL PERFORMANCE	184.337.416,41	162.657.917,37

Explanatory Notes (facultative):

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

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still 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 5bis : OFF BALANCE SHEET for DG JUST

OFF BALANCE	2020	2019
OB.1. Contingent Assets	0	1170089,61
<u>GR for pre-financing</u>	0,00	1.170.089,61
OB.4. Balancing Accounts	0	-1170089,61
<u>OB.4. Balancing Accounts</u>	0,00	-1.170.089,61
OFF BALANCE	0,00	0,00

Explanatory Notes (facultative):

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

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

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

TABLE 6 - AVERAGE PAYMENT TIMES - 2020 - JUST

Legal Times									
Maximum Payment Time (Days)	Total Number of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)	Late Payments Amount	Percentage
7	6	6	100,00 %	4,666666667				0	0, %
30	1065	1036	97,28 %	13,38899614	29	2,72 %	42,5862069	1941723,66	1, %
45	8	8	100,00 %	15,5				0	0, %
60	156	156	100,00 %	31,79487179				0	0, %
90	168	163	97,02 %	62,31288344	5	2,98 %	91,2	224558,16	2, %
Total Number of Payments	1403	1369	97,58 %		34	2,42 %		2166281,82	1, %
Average Net Payment Time	21,97505346			21,28560993			49,73529412		
Average Gross Payment Time	28,63578047			27,88823959			58,73529412		

Suspensions							
Average Report Approval Suspension Days	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	42	220	15,68 %	1403	21.924.519,52	10,64 %	206.108.623,56

Late Interest paid in 2020			
DG	GL Account	Description	Amount (Eur)
JUST	65010100	Interest on late payment of charges New F	1 688,77
			1 688,77

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

1. TABLE 7 : SITUATION ON REVENUE AND INCOME in 2020 for DG JUST

Chapter		Revenue and income recognized			Revenue and income cashed from			Outstanding balance
		Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	
		1	2	3=1+2	4	5	6=4+5	
52	REVENUE FROM INVESTMENTS OR LOANS GRANTED, BANK AND OTHER INTEREST	0,00	272,19	272,19	0,00	0,00	0,00	272,19
59	OTHER REVENUE ARISING FROM ADMINISTRATIVE MANAGEMENT	29.419,37	0,00	29.419,37	29.419,37	0,00	29.419,37	0,00
60	CONTRIBUTIONS TO UNION PROGRAMMES	717.893,00	0,00	717.893,00	717.893,00	0,00	717.893,00	0,00
66	OTHER CONTRIBUTIONS AND REFUNDS	1.952.374,78	2.528.718,61	4.481.093,39	1.696.053,68	478.570,39	2.174.624,07	2.306.469,32
71	FINES AND PENALTIES	0,00	15.327,26	15.327,26	0,00	0,00	0,00	15.327,26
Total DG JUST		2699687,15	2544318,06	5244005,21	2443366,05	478570,39	2921936,44	2322068,77

**TABLE 8 : RECOVERY OF PAYMENTS in 2020 for DG JUST
(Number of Recovery Contexts and corresponding Transaction Amount)**

INCOME BUDGET RECOVERY ORDERS ISSUED IN 2020	Irregularity		Total undue payments recovered		Total transactions in recovery contex(itncl. non- qualified)		% Qualified/Total RC	
	Year of Origin (commitment)	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr
2012	1	12907,76	1	12907,76	1	12907,76	100,00%	100,00%
2014	10	161391,65	10	161391,65	10	161391,65	100,00%	100,00%
2015	10	238492,86	10	238492,86	10	238492,86	100,00%	100,00%
2016	5	108703,27	5	108703,27	6	126699,9	83,33%	85,80%
2017	2	4162,99	2	4162,99	9	76686,44	22,22%	5,43%
2018					12	168195,85		
2019					7	1371111,56		
2020					2	114010,64		
Sub-Total	28	525658,53	28	525658,53	57	2269496,66	49,12%	23,16%

EXPENSES BUDGET	Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery contex(itncl. non- qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES										
NON ELIGIBLE IN COST CLAIMS	31	135318,27			31	135318,27	68	484.432,52	45,59%	27,93%
CREDIT NOTES	18	58549,4			18	58549,4	35	826.332,27	51,43%	7,09%
Sub-Total	49	193867,67			49	193867,67	103	1310764,79	47,57%	14,79%
GRAND TOTAL	77	719526,2			77	719526,2	160	3580261,45	48,13%	20,10%

2. TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2020 for DG JUST

	Number at 01/01/2020	Number at 31/12/2020	Evolution	Open Amount (Eur) at 01/01/2020	Open Amount (Eur) at 31/12/2020	Evolution
2002	1	1	0,00 %	326.827,80	326.827,80	0,00 %
2012	2	2	0,00 %	334.205,58	334.205,58	0,00 %
2013	1	1	0,00 %	48.317,71	48.317,71	0,00 %
2014	2	2	0,00 %	432.637,97	432.637,97	0,00 %
2015	1	1	0,00 %	953.059,68	953.059,68	0,00 %
2017	2	2	0,00 %	79.024,77	79.024,77	0,00 %
2019	10	1	-90,00 %	538.206,10	59.635,71	-88,92 %
2020		7			256.321,10	
	19	17	-10,53 %	2.712.279,61	2.490.030,32	-8,19 %

TABLE 10 :Recovery Order Waivers >= 60 000 € in 2020 for DG JUST						
	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
0	3233200204	3241902113	-272.561,04	Private Companies		
Total DG JUST			-272.561,04			
Number of RO waivers			1			

Justifications:

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

Internal Procedures > €60,000 : Summary of Procedures in 2020 for DG JUST

Procedure Legal base	Number of Procedures	Amount (€)
Negotiated procedure middle value contract (Annex 1 - 14.2)	<u>1</u>	<u>119.978,00</u>
Open procedure (FR 164 (1)(a))	<u>3</u>	<u>56.024.914,64</u>
Total	4	56.144.892,64

Additional Comments:

TABLE 13 : BUILDING CONTRACTS in 2020 for DG JUST

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

TABLE 14 : CONTRACTS DECLARED SECRET in 2020 for DG JUST

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

3. TABLE 15 : FPA duration exceeds 4 years - DG

None of your FPA (if any) exceeds 4 years

4. TABLE 16 : Commitments co-delegation type 3 in 2020 for DG JUST

Not applicable

ANNEX 4 : Financial Scorecard

DG JUST

The Annex 4 summarises the annual result of the standard financial indicators measurement. Annexed to the Annual Activity Report 2020, 6 standard financial indicators are presented below, each with its objective, category, definition, and result for the Commission service and for the EC as a whole (for benchmarking purposes)¹⁷:

¹⁷ 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.

Indicator	CA Implementation
Category	Efficiency Controls / Budget
Objective	Ensure efficient use of commitment appropriations
Result	<p>DG JUST achieved 99% compared to the EC result of 99%</p> <p>0% 20% 40% 60% 80% 100%</p> <p>EC (99%) 99%</p>
Comment	
Definition	<p>Formula: Value A / Value B</p> <ul style="list-style-type: none"> - Value A: Committed L1 Accepted Amount + Direct Committed L2 Accepted Amount (Eur) - Value B: Credit Accepted Com Amount (Eur) <p>Scope: Commitments on all relevant Fund Sources, except for:</p> <ul style="list-style-type: none"> - Internal assigned revenue in first year (C4) - Internal assigned revenue from lettings and sale of buildings and lands (CL) - Repaid advances (structural funds) (C6) - External assigned revenue except for EFTA (FCA ,FRT, PO, RO, TCA, TF5, TFC)

Indicator	PA Implementation
Category	Efficiency Controls / Budget
Objective	Ensure efficient use of payment appropriations
Result	<p>DG JUST achieved 97% compared to the EC result of 99%</p> <p>0% 20% 40% 60% 80% 100%</p> <p>EC (99%) 97%</p>
Comment	
Definition	<p>Formula: Value A / Value B</p> <ul style="list-style-type: none"> - Value A: Payment Accepted Amount (Eur) - Value B: Credit Accepted Pay Amount (Eur) <p>Scope:</p> <p>Payments on all relevant Fund Sources, except for:</p> <ul style="list-style-type: none"> - Internal assigned revenue in first year (C4) - Internal assigned revenue from lettings and sale of buildings and lands (CL) - Repaid advances (structural funds) (C6) - External assigned revenue except for EFTA (FCA ,FRT, PO, RO, TCA, TF5, TFC) - Payments stemming from C1, C5, E0 outstanding commitments on the non-staff budget positions that will be carried-forward as C8 to the next financial year

Indicator	CA Forecast Implementation
Category	Efficiency Controls / Budget
Objective	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year
Result	<p>DG JUST achieved 97% compared to the EC result of 98%</p> <p>0% 20% 40% 60% 80% 100%</p> <p>EC (98%) 97%</p>
Comment	
Definition	<p>Formula: Value A / Value B*,**</p> <ul style="list-style-type: none"> - Value A: Committed L1 Accepted Amount + Direct Committed L2 Accepted Amount (Eur) - Value B: Commitment Forecast Amount (Eur) <p>*if Value A / Value B between 100 and 200% then the result indicator will be equal to $1 - (ABS(Value B - Value A) / Value B)$</p> <p>**if Value A / Value B > 200 % then the result indicator will be equal to 0%</p> <p>Scope:</p> <ul style="list-style-type: none"> - Commitments on all relevant Fund Sources - Commitment Forecast Amount (Eur) from the most up to date forecast version (Initial Mar-Aug, Revised Sep-Dec)

Indicator	PA Forecast Implementation
Category	Efficiency Controls / Budget
Objective	Ensure the cumulative alignment of the payment implementation with the payment forecast in a financial year
Result	<p>DG JUST achieved 94% compared to the EC result of 99%</p>
Comment	
Definition	<p>Formula: Value A / Value B**,**</p> <ul style="list-style-type: none"> - Value A: Payment Accepted Amount (Eur) - Value B: Payment Forecast Amount (Eur) <p>*if Value A / Value B between 100 and 200% then the result indicator will be equal to 1 - (ABS(Value B - Value A) / Value B)</p> <p>**if Value A / Value B > 200 % then the result indicator will be equal to 0%</p> <p>Scope:</p> <ul style="list-style-type: none"> - Payments on all relevant Fund Sources - Payment Forecast Amount (Eur) from the most up to date forecast version (Initial Mar-Aug, Revised Sep-Dec)

Indicator	<u>Global Commitment Absorption</u>
Category	Efficiency Controls / Absorption
Objective	Ensure efficient use of already earmarked commitment appropriations (at L1 level)
Result	<p>DG JUST achieved 97% compared to the EC result of 98%</p> <p>0% 20% 40% 60% 80% 100%</p> <p>EC (98%) 97%</p>
Comment	
Definition	<p>Formula:</p> <ul style="list-style-type: none"> - Value A: Com L1 Consumption amount (Eur) - Value B: Com L1 Initial amount (Eur) + Com L1 Complementary Amount (Eur) + (Com L1 Decommitment Amount (Eur) on all Fund Sources except for C8 and C9) <p>Scope:</p> <ul style="list-style-type: none"> - Com L1 with FDC ILC date from 01/01 to 31/12 of the current year - No movements to the Com L1 Consumption amount (Eur) after the FDC ILC date is taken into account (Generally decommitments of L2 which decrease the Com L1 consumption) <p>Remark: 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.</p>

Indicator	<u>Timely Payments</u>
Category	Efficiency Controls / Timeliness
Objective	Ensure efficient processing of payments within the legal deadlines
Result	<p>DG JUST achieved 99% compared to the EC result of 99%</p> <p>0% 20% 40% 60% 80% 100%</p> <p>EC (99%) 99%</p>
Comment	<p>The good performance for the rate of late payments is kept from the beginning of the year. In average only 1% of payments were made late (vs. 1% at Commission level). This performance was mainly due to actions that were taken to closely monitor the payments and to increase awareness among staff directly involved in the process.</p>
Definition	<p>Formula: Value A / Value B</p> <ul style="list-style-type: none"> - Value A: Payment Accepted Amount (Eur) in time <ul style="list-style-type: none"> o In Time: Payment Bank Value Date < = Payment legal deadline - Value B: Payment Accepted Amount (Eur) <p>Scope:</p> <ul style="list-style-type: none"> - Payments made in the current year - Payments valid for payment statistics (DWH Flag "Payment Time Status OK?" = "Y")

ANNEX 5: Materiality criteria

INTRODUCTION

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

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

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

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

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

DG JUST implements its operational budget through two main different methods of implementation: direct management (grants, procurement, sometimes cross-subdelegated to other DGs) and indirect management (payments to traditional agencies). As these methods of implementation have a different risk profile and its own control and supervision

arrangements, the observed quantified weaknesses should be assessed per each distinct control system grouped as follows:

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

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

CHAPTER A – QUALITATIVE CRITERIA FOR DEFINING SIGNIFICANT WEAKNESSES

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

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

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

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

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

- the nature and scope of the weakness;
- the duration of the weakness;

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

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

In addition, **events** or weaknesses which have a significant *reputational* impact on DG JUST, or indirectly on the Commission, will be reported irrespective of the amount of damage to the DG JUST' administrative and operational budget and will be considered for issuing a reservation on a reputational basis.

CHAPTER B – QUANTITATIVE CRITERIA FOR DEFINING RESERVATIONS

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

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

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

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

1. DIRECT MANAGEMENT – GRANTS

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

STEP 1 – Cumulative Residual Error Rate

A. Adequacy of the audit scope

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

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

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

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

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

Statistical sample selection – MUS

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

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

The MUS technique presents the following advantages:

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

Complementary sample

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

presence of several grants referring to the same beneficiary; (v) the beneficiary has been recently audited and the errors/irregularities detected by the auditors could be present also in other grants etc.

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

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

(Cumulative) detected error (amount) = For audited grants, total grant value as initially paid after the ex-ante controls minus grant value as calculated after the ex-post control¹⁸

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

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

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

C. Determination of the residual error rate

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

¹⁸ Positive amounts only. In case, following this calculation, the result would be a negative amount, it should be brought back to zero.

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

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

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

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

STEP 3: Materiality and potential reservation

As from 2019¹⁹, a 'de minimis' threshold for financial reservations is introduced. Quantified AAR reservations related to residual error rates above the 2% materiality threshold, are deemed not substantial for segments representing less than 5% of a DG's total payments and with a financial impact below EUR 5 million. In such cases, quantified reservations are no longer needed.

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

¹⁹ Agreement of the Corporate Management Board of 30/4/2019.

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

2. INDIRECT MANAGEMENT: PAYMENTS TO TRADITIONAL AGENCIES

STEP 1 –Residual Error Rate

The Community subsidy is paid to the Agencies through maximum four payments a year, on the basis of an analysis of the real cash flow needs of the Agencies. Once an admissible payment request is registered by DG JUST, payments are made within 30 calendar days. If information comes to the notice of DG JUST which puts in doubt the eligibility of expenditure appearing in a payment request, DG JUST may suspend the time limit for payment for further verifications and/or take any appropriate measures in accordance with the principles of sound financial management. This above mentioned information includes suspicion of irregularity committed by the Agency in the implementation of the subsidy and suspected or established irregularity committed by the Agency in the implementation of a contract or another grant agreement or grant decision funded by the General Budget of the European Union or by any other budget managed by the Agency. If the balance of the budgetary outturn account is positive, it shall be repaid by the Agency to the Commission during the first semester of year N+1 on the basis of a debit note issued by the Commission.

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

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

The real actual 'net'²⁰ financial impact of the errors defined under step 1 is considered as amount at risk, and (if very significant) its 'quantitative' materiality is considered for a potential financial reservation.

Step 3: Materiality and potential reservation

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

Besides a financial risk, other elements are considered for issuing a reservation due to a reputational risk in relation to Agencies' activities. Such information may stem, for example, from critical issues raised by the Internal Audit Service or Court of Auditors on the Agencies' management and control systems. In view of the seriousness of the findings, a reputational reservation is considered e.g. when affecting a significant part of the related activity, when being systemic, when causing a (risk of) fall-out in press and/or public, etc.

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

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

3. PROCUREMENT AND OTHER EXPENDITURE

²⁰ Any correction actually made by the Commission should be deducted from the detected error.

STEP 1 –Residual Error Rate

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

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

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

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

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

The financial exposure differs depending on the type of errors:

- ✓ For **payment (amount) errors:** the amount at risk is the real actual 'net'²¹ financial impact of the errors and its 'quantitative' materiality is considered for a potential financial reservation. These financial procurement errors are taken into consideration for the application of the quantitative materiality criteria
- ✓ For **procedural (contract selection and award) errors**, DG JUST considers that even when the contractor should/could have been different, this does not always mean that the full (100%) value of the contract is 'at risk' (or that the taxpayer's

²¹ Any correction actually made by the Commission should be deducted from the detected error.

money would be entirely 'lost'). Consequently, these kinds of errors cannot be considered for making a financial reservation (given that in terms of materiality the actual financial impact cannot be quantified in a consistent way with the payment errors) and are therefore not included in the calculation of the actual financial exposure (amount at risk). However, given that DG JUST acknowledges the seriousness of breaching any of the key principles of public procurement, these types of procurement errors are considered for making a potential *reputational* reservation, rather than a financial one (*e.g. when affecting a significant part of the related activity, when being systemic and affecting more/all of DG JUST's procurement processes, when causing a fall-out in press and/or public, etc. – see below*).

Step 3: Materiality and potential reservation

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

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

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

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

4.2 RCS 1: Grants direct management

Stage 1: Programming, evaluation and selection of proposals

A - Preparation, adoption and publication of the Annual Work Programme and Calls for proposals

Main control objectives: Ensuring that the Commission selects the proposals that contribute the most towards the achievement of the policy or programme objectives (effectiveness); Compliance (legality & regularity); Prevention of fraud (anti-fraud strategy) provide a brief description of the main control objectives.

Main risks It may happen (again) that ...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
<p>Delays occur in adopting the Financing Decision or AWP. The AWP is published later than 31 March of the year of implementation.</p> <p>The AWP/Call does not adequately reflect the objectives pursued and/or the eligibility, selection and award criteria are not adequate to ensure the evaluation of the proposals</p> <p>The AWP/Call overlaps or is incompatible with</p>	<p>Communication between the financial and policy units on objectives/instruments (regular meetings)</p> <p>Hierarchical validation within the authorising department</p> <p>Inter-service consultation, including all relevant DGs</p> <p>Adoption by the Commission</p> <p>Use of templates based on DG BUDG</p>	<p>Coverage: 100% of all AWP/calls</p> <p>Frequency: during the preparation of each AWP/call</p> <p>Depth: Templates includes a list of the requirements of the regulatory provisions identified.</p>	<p>Effectiveness:</p> <p>Awarded budget over available budget</p> <p>Average points elected over average total eligible</p> <p>Number of litigation cases over redress procedures</p> <p>Efficiency:</p> <p>Time to publication</p> <p>Cost-effectiveness:</p> <p>Total costs for Stage 1 over number of projects evaluated</p> <p>Total costs for Stage 1 over value of projects</p>

Main risks It may happen (again) that ...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
<p>other programmes (by own DG or other DGs)</p> <p>The AWP/Call does not contain the information required in the regulatory framework (FR 84, 128; RAP 94, 188, 189)</p> <p>Calls for proposals and AWPs are not adequately published.</p>	<p>templates</p> <p>Templates-based verification;</p> <p>comitology procedure</p> <p>Publication procedure</p>		<p>evaluated</p> <p>Costs: estimation of cost of staff involved in the preparation and validation of the annual work programme and calls.</p> <p>Benefits:</p> <p>higher performance of reaching the objectives/better quality results of the call</p>

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

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
<p>Delays due to request of missing documents (the grant application does not contain all information and supporting documents required for its evaluation)</p> <p>A beneficiary is awarded several grants from the EU budget for a single action (Risk of double financing/ risk of non-cumulative award)</p> <p>The pre-announced</p>	<p>Detailed procedures for calls foresee time to gather missing documents</p> <p>Where relevant, crossed checks with other DGs on possible double-financing if grants have been awarded to the same beneficiary from by other DG (ABAC/LEF)</p> <p>The Guide for applicant and the kick-off meetings</p>	<p>Coverage: All proposals checked (checked at least by 2-3 independent evaluators) and double checked by internal committee.</p> <p>Where relevant, proposals are crossed checked with other DGs, checks made depending on programme</p>	<p>Please refer to the indicators above for stages 1A and 1B</p> <p>Costs: estimation of cost of staff involved in the evaluation and selection of proposals. Cost of the appointment of experts and of the logistics of the evaluation.</p> <p>Benefits: best quality projects selected;</p>

<p>Main risks It may happen (again) that...</p>	<p>Mitigating controls</p>	<p>How to determine coverage, frequency and depth</p>	<p>Cost-Effectiveness indicators (three E's)</p>
<p>selection and award criteria are not adequately and consistently applied for the evaluation of proposals</p> <p>The action is not clearly defined in the grant application</p> <p>A grant is awarded for an action which has already begun but the applicant cannot demonstrate the need for starting the action prior to signature of the grant agreement or notification of the grant decision</p>	<p>ensure a common understanding of the requirements.</p> <p>Very detailed application forms have been developed and used since 2013 calls.</p> <p>Since 2013, we make clear that the actions starts after the signature of the grant agreement. In case an action must start before the grant agreement signature date the need of this prior starting date must be clearly explained by the beneficiary and is reflected in the grant preparation report.</p>	<p>Depth: cross checking where appropriate for specific cases (FTS)</p>	

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

Main control objectives:

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
<p>The beneficiary lacks operational and/or financial capacity to carry out the actions. Budget resources are not sufficiently available (on time)</p> <p>The grant agreement is signed late; the time to grant is not respected.</p> <p>The grant agreement does not contain all applicable provisions</p> <p>Complexity due to the obligation to have multi partners structure for each project</p> <p>The estimated budget of the grant application significantly overestimates the amounts necessary to carry out the action or WP and this is not identified in</p>	<p>Review and checks during the contracting phase of technical action plan and budget for consistency and plausibility; in-depth financial verification and taking appropriate measures for high risk beneficiaries.</p> <p>Project Officers implement evaluators' recommendations in discussion with selected applicants.</p> <p>Strict follow up of budget appropriations; the payment clause is customized if the payment appropriations are not available on time.</p> <p>Internal reporting</p> <p>Hierarchical validation within the authorising department. Use of Commission contractual templates.</p>	<p>Coverage</p> <ul style="list-style-type: none"> - 100% of the selected proposals and beneficiaries are scrutinised. - 100% of drafts grant agreements. <p>Depth may be determined after considering the type or nature of the beneficiary and/or of the modalities (e.g. substantial subcontracting) and/or the total value of the grant.</p>	<p>Effectiveness: Value of grant agreements signed over grant amounts requested in applications (%)</p> <p>Efficiency Indicators: Time-to-Contract</p> <p>Cost effectiveness: Total cost of staff for Stage 2 over total value of grant agreements signed</p> <p>Total cost of staff for Stage 2 over total number of grant agreements signed</p> <p>Costs: Estimation of cost of staff involved in the contracting process.</p> <p>Benefits: Difference between the budget value of the proposals and that</p>

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
the recommendations of the evaluation committee	The budget is checked before the award decision, which increases the economy and efficiency of the distributions of funds.		of the corresponding grant agreements. No/value of awards decisions transformed into grant agreements Maximize the use of available commitments

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
<p>Risk of poor financial management by beneficiaries and intermediaries</p> <p>The Commission reimburses non eligible costs; risk of irregular transactions to be proceed</p> <p>The beneficiary unduly obtain financial profit as a result from systemic or recurrent errors, irregularities, fraud, etc.</p> <p>Changes to contracts are not properly documented or authorised</p> <p>Payments are made late (interest claims)</p>	<p>Programme website, guidance notes, ex-ante sector guidance, information meetings with beneficiaries, helpdesk at COM</p> <p>Controls carried out by project officers on technical implementation and on the basis of the continuous reporting module in order to deliver the “conforme aux faits”</p> <p>Controls carried out by project officers on financial and legal matters in order to deliver the “bon à payer”</p> <p>New checklists have been developed in 2012 to better reflect the roles of the parties involved in the financial</p>	<p>Coverage: 100% of files</p> <p>Depth:</p> <ul style="list-style-type: none"> - for desk checks of expenditure: control with reference to corroborative documents (progress reports and final technical implementation report but no reference to underlying documents in case of desks checks- - for controls carried out for “conforme aux faits”: control with reference to corroborative documents (technical implementation report) and eventually corroborative information incorporating an element of independent oversight (e.g. audit 	<p>Effectiveness:</p> <p>Budget amount of the cost items rejected (ineligible costs in cost claims) over total value of cost claims</p> <p>Efficiency indicators:</p> <p>Time-to-payment</p> <p>Cost-effectiveness:</p> <p>Total costs for Stage 3 over total number of claims processed</p> <p>Total costs for stage 3 over total value of claims processed</p> <p>Costs: estimation of cost of staff involved in the actual management of running projects.</p> <p>Benefits: budget value of the costs claimed by the beneficiary, but rejected by the project officers. (ineligible</p>

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

Stage 3: - Ex-Post control

A - Reviews, audits and monitoring

Main control objectives: Measuring the effectiveness of ex-ante controls by ex-post controls; detect and correct any error or fraud remaining undetected after the implementation ex-ante controls (legality & regularity; anti-fraud strategy); addressing systemic weaknesses in the ex-ante controls, based on the analysis of the findings (sound financial management); Ensuring appropriate accounting of the recoveries to be made (reliability of reporting, safeguarding of assets and information)

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
<p>Risk of irregular expenditure co-financed remaining undetected</p> <p>Risk of fraudulent activities remaining untracked</p>	<p>At any time during the implementation period and for 5 years after partial or final payment, the Commission can carry out on the spot controls and/or audits with substantive testing of a sample of transactions.</p> <p>Ex-post controls are performed by the DG HOME F1 in accordance with MoU for DG Justice. The auditable population is represented by files where final payment was made in year N to N-4.</p>	<p>Coverage: As a general rule, between 15 and 25% of the expenditure of an annual programme checked over the 5 years period.</p> <p>Ex-post controls are made based on a risk assessment</p> <p>Depth: Control with reference to and including access to the underlying documentation that is available at the stage of the process in question, for all inputs and outputs (e.g. timesheets, invoices, physical verification, etc).</p> <p>Possibly, the auditors will also perform controls with reference to fully independent corroborative information (e.g., database which justifies certain elements of the claim,</p>	<p>Effectiveness:</p> <p>Residual error rate</p> <p>Number of projects with errors;</p> <p>Follow-up ratio: Number of files followed up by AOSD within 3 months (target 90%)</p> <p>Efficiency indicators:</p> <p>Success ratio;</p> <p>Recovery Implementation ratio: N° of recovery orders (RO) issued after ex-post audit (target set as 75% by end-March N+1)</p> <p>Cost effectiveness</p> <p>Total (average) annual cost of audits compared with benefits (%)</p> <p>Costs:</p> <p>Estimation of cost of staff involved in the coordination and execution of the audit strategy. Cost of the appointment of audit firms for the outsourced audits.</p> <p>Benefits:</p> <p>Prevented amount (deterrent effect), not</p>

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
		3 rd party or Commission assessment of milestones achieved, etc.)	quantifiable Detected amount

B - Implementing results from ex-post audits/controls

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

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

RCS 2 - Procurement direct management

Stage 1: Procurement procedure

A - Planning Needs assessment & definition of needs

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

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

B – Evaluation and selection of the offers

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

Fraud prevention and detection

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

Main risks It may happen (again) that...	Mitigating controls	How to determine coverage, frequency and depth	Cost-Effectiveness indicators (three E's)
	<p>“sensitive post”. Staff should not occupy a sensitive post for more than five years.</p> <p>Transparency measures: calls for tender are published in the Official Journal and on the Europa website. Updated information and FAQ are posted regularly on the website; e-submission now used.</p> <p>Procedures are set up to analyse the risk of over-dependency of contractors. Sound competition among providers together with quality and affordability of services of providers is ensured by periodic reviews (development of prices, business trends, main players, market shares, any barriers to entrants, etc)</p>		

Stage 2: Financial transactions monitoring

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

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

Stage 3: Supervisory measures

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

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

RCS 3 – Expenditure in indirect management

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

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

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

Stage 2: Commission contribution: payment or suspension/interruption

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

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

ANNEX 7: Specific annexes related to "Financial Management"

An overview of the budgetary consumption of DG JUST's total commitments and payments in 2020 by programme is presented in the table below:

Programmes	Implementation of commitment appropriations		Implementation of payments appropriations	
	M€	%	M€	%
Connecting Europe Facility (CEF) - Telecommunications networks	2,53	100%	1,09	99%
Migration and home affairs	4,04	98%	3,25	94%
Administrative expenditure (Global Envelope & Technical assistance (ex-BA))	1,40	58%	0,86	20%
REC Programme	59,17	98%	64,95	96%
Company Law	0,60	100%	0,58	100%
Other activities for fundamental rights	0,99	95%	0,54	92%
Justice Programme	40,76	100%	46,73	96%
Consumer Programme	7,14	99%	8,35	99%
Pilot Projects	2,90	100%	2,39	100%
EPPO	6,30	100%	4,58	70%
Union Agencies	73,14	98%	72,99	98%
Total	198,97	98%	206,32	95%

Before global commitments, the implementation rate of legal commitments (grants, contracts) is 78% (75% in 2019 and 59% in 2018) which is above the expectation of 55-70% for 2020. Legal commitments on the remaining budget will be signed in 2021, once pending grant agreements signatures will be finalized.

Including co-delegation type 2 the EPPO total budget both in term of commitments and payments was EUR 11,67 million. EPPO should become operational in 2021 (the first deadline of 1 November 2020 was not kept because the Member States had not taken all necessary implementing measures and had not appointed the European Delegated prosecutors in due time.

1. FINANCIAL MANAGEMENT INDICATORS

Grant management

		2020	2019	
Stage 1	1	Available budget for calls	87.527.000,00 €	78.900.000,00 €
	2	Number of projects evaluated	853	1281
	3	Value of projects evaluated	400.989.438,25 €	576.050.350,29 €
	4	Number of projects selected	196	283
	5	Value of projects selected	95.181.874,83 €	131.730.440,88 €
	6	budget selected projects/available budget	108,75%	166,96%
	7	Number of litigation cases/redress procedures	0	1
	8	EC Contribution requested in the awarded application	105.066.761,31 €	90.908.840,73 €
	9	Number of Grant agreements signed	268	238
	10	Value of Grant agreements signed	104.689.943,18 €	90.198.286 €
	11	Average amount of a grant signed	390.634 €	378.984 €
	12	Reduction in EC contribution	376.818 €	710.555 €
	13	% Reduction in EC contribution	-0,36%	-0,78%
	14	% of late payments	2,61 %	7,09 %
	15	Invoice registration time (days)	3,60	3,45
	16	Exceptions	1	0
	17	No of unfavourable ex-ante opinions	0	0
	18	No of files transmitted to OLAF	1	0
Stage 2&3	20	Budget implementation rate	119,61%	114,32%
	21	Number of final cost claims processed	196	212
	22	Value of final cost claims processed	70.229.981 €	63.607.466 €
	23	Value of pre-financed amounts cleared	58.098.315 €	53.919.278 €
	27	Number of PF recoveries	41	44
	28	Value PF recoveries	3.417.732 €	2.930.578 €
	29	Number of payments made	464	423
Stage 4	30	Amount of payments made	94.635.644 €	78.369.370 €
	34	Number of ex-post controls	18	55
	35	Average amount of a grant audited	420.384 €	386.196 €
	36	% of projects audited that contained errors detected by ex-post controls	72,22%	78,18%
	40	No of projects with errors	13	43
	44	Cumulated detected error rate (2007-2020)	3,54%	3,48%
	45	Cumulated residual error rate (2007-2020)	2,69%	2,65%

Procurement

		2020	2019	
Stage 1	1	Available budget for procurement	22.878.350 €	25.533.798 €
	2	Number of open calls	4	5
	3	% of late payments	2,01%	6,53%
	4	Invoice registration time (days)	2,86	2,66
	5	Number of contracts signed	221	220
	6	Value of contracts signed	30.215.582 €	34.126.875 €
	7	Average amount of a contract signed	136.722 €	155.122 €
	8	Unfavourable ex-ante opinions	0	1
Stage 2	9	Exceptions and non-compl.events	12	9
	10	Number of payments made	753	990
	11	Value of payments	33.972.158 €	31.642.907 €

Indirect management

		2020	2019
1	Number of payment	16	16
2	Amounts paid (decentralised agencies)	72.987.578 €	69.201.237 €
3	Amount paid (SLA/AAR)	2.458.182 €	186.014 €
4	Amount paid (executive agencies)	2.266.528 €	
5	Total amount paid	77.712.288 €	69.387.251 €

Table Y - Overview of DG JUST estimated cost of controls at Commission (EC) level:

NB. The absolute values are presented in million EUR.

Control System N°1 - Direct Management / grants								
Title of the Relevant Control	Ex ante controls			Ex post controls			Total**	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	EC total cost	related funds managed/concerned*	Ratio (%)** (a)/(b)	EC total cost	total value verified and/or audited	Ratio (%)** (d)/(e)	EC total estimated cost of controls (a)+(d)	Ratio (%)** (g)/(b)
Grant	5,14	94,64	5,43%	0,56	7,57	7,35%	5,70	6,02%
Procurement	3,55	33,97	10,45%	N/A***	N/A***	N/A***	3,55	10,45%
Entrusted Entities Decentralised Agencies	0,54	72,99	0,74%	N/A***	N/A***	N/A***	0,54	0,74%
Other: DG-horizontal control tasks not attributable to a single RCS	N/A***	4,72	N/A***	N/A***	N/A***	N/A***	N/A***	N/A***
OVERALL estimated cost of control at EC level	9,23	206,32		0,56	7,57		9,79	4,75%

* ratio possibly "Not Applicable (N/A)" if a RCS specifically covers an Internal Control Objective such as safeguarding sensitive information, reliable accounting/reporting, etc

** any 'holistic' control elements (e.g. with 'combined' ex-ante & ex-post characteristics) can be mentioned in the total column (without being in either one of the ex-ante or ex-post columns), provided that a footnote clarifies this (their nature + their cost). *Example: MS system audits in shared management.*

*** due to the nature of the activity - with a low risk /no ex-post controls were carried out

Note : It should be noted that allocating the staff by programme is too complicated and irrelevant because there are the same activities (same percentage) and same actions. Consequently DG JUST choose to do the calculation of the estimated cost of control by the type of activity:direct management with grant and procurement and indirect management for the agencies.

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

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

Stage 1: Operations: monitoring, supervision and reporting

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

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

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

- Monitoring of the agencies' policy activities:

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

- Budgetary monitoring:

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

The programme management unit of DG Justice and Consumers and the programming, planning and legal advice sector in Unit.01 are involved in the analysis of the annual budgets proposed by agencies and also participated in the programming of the agencies' budgets for 2016-2020.

Unit JUST/04 is involved in the revision of the annual budget proposed by agencies and also participates in the programming of the agencies' budgets for 2014-2020.

The AOS ensures that the requests for appropriations from the agencies are in line with their needs for their current cash-flow. To this end, unit JUST/04 validates the cash-flow

requests from the agencies on the basis of their needs for the forthcoming months in close collaboration with the agencies' staff. Commitment and payment appropriations are 100% implemented.

Stage 2: Commission's contribution

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

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

Stage 3: Audit, evaluations and discharge

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

Court of Auditors' reports for 2020

In the Court of Auditors opinion, the accounts of EUROJUST, FRA and EIGE for the year ended 31 December 2019 present fairly, in all material respects, the financial position at 31 December 2019, the results of its operations, its cash flows, and the changes in net assets for the year then ended, in accordance with its Financial Regulation and with accounting rules adopted by the Commission's accounting officer.

Audits performed by Internal Audit Service (IAS)

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

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

Fraud prevention, detection and correction – Part 2.1.1.

Objective: The risk of fraud is minimised through the application of effective anti-fraud measures and the implementation of the Commission Anti-Fraud Strategy (CASF)²² aimed at the prevention, detection and correction²³ of fraud

Main outputs in 2020:

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

²² Communication from the Commission "Commission Anti-Fraud Strategy: enhanced action to protect the EU budget", COM(2019) 176 of 29 April 2019 – 'the CAFS Communication' – and the accompanying action plan, SWD(2019) 170 – 'the CAFS Action Plan'.

²³ Correction of fraud is an umbrella term, which notably refers to the recovery of amounts unduly spent and to administrative sanctions.

Audit observation and recommendations –Part 2.1.2

- Summary of the IAS audit recommendations

During the reference period, the IAS completed its internal audit plan for the year 2020:

The IAS finalised in DG JUST the "Audit on grant management of the 2014-2020 Justice and REC programmes - implementation (2020)". In its Final Report, the IAS issued three important recommendation relating grant agreement and monitoring project implementation, ex ante controls on payments and implementation of ex post audit results. All recommendations stemming from this audit were accepted by DG JUST and will be implemented in full during 2021.

As regards the implementation of recommendations issued in previous year:

Regarding the multi-DG audit on "HR management / staff allocation" finalised in 2017, the three important recommendation regarding DG JUST HR Strategy, allocation of human resources and DG JUST sustainable people management are partially implemented and will be finalised in the second quarter of 2021. During 2020, DG JUST established a HR Strategy 2020-2024 and a HR Plan 2021. The HR Strategy has a strong focus on strategic management of human resources, as well as on talent development, management and leadership, and wellbeing.

Work is in progress to follow up and we have started implementing the HR plan 2021.

Regarding the "Audit on the production process and the quality of statistics not produced by Eurostat" finalised in 2017, two of the important recommendations issued by IAS related to the completion of the statistical inventory and masterplan, and referencing and use of disclaimer when publishing statistics were closed by IAS. The remaining two open recommendations related to methodological and quality framework for the statistics produced or acquired internally and management of the statistical process by DG JUST are implemented and ready for review.

Regarding the "Audit on Impact Assessment" finalised in 2019 the two recommendation on impact assessment process and implementation of better regulation guidance and toolbox were implemented during 2020 and are ready for review.

For the "Audit on Procurement" finalised in 2018 all the recommendations were closed except for preparation of procurement procedure that is ready for review.

All the two important recommendation internal governance arrangements and performance framework regarding the audit on "CEF implementation (multi DG) were implemented during 2020 and are ready for review.

- Summary of the ECA audit findings

ECA published on **Thursday 22 October** the Special Report 22/2020 “Future of EU agencies – Potential for more flexibility and cooperation”, together with the “Annual report on EU agencies for the financial year 2019”. For the first time, the ECA also assessed how well the EU has enabled the agencies to deliver its policies for the public good. The report concerned decentralized agencies only. According to the auditors, there is a need for more networking and cooperation – as well as more flexibility in the set-up, functioning and possible winding-up of decentralized agencies. In some policy areas there are multiple agencies, which can lead to overlap between their mandates and/or activities – **EIGE and FRA** were included in the observations made in that sense. For both agencies, DG JUST has argued constantly the close cooperation between them and the fact that their mandates/activities do not actually overlap. International outreach is also limited, but here the report noted **some good results** in the field of **judicial cooperation (Eurojust)**. The founding regulations of several agencies have not yet been aligned with the Common Approach (**EIGE and FRA** were included here; in the case of FRA, steps have already been taken in that sense, the proposal having been adopted by the Commission on 5 June 2020²⁴). **EIGE** was also mentioned in the risk related to the use of external staff (given the complex legal framework for the use of external staff, which varies to some degree between different Member States, there are also risks in terms of litigation and reputational damage). **FRA** was highlighted for the close inter-agency cooperation in the area of migration, while the **JHA Agencies Network** was mentioned as a good example of cooperation in the field of Justice and Home Affairs.

The Commission accepted all the recommendations addressed to it (some were addressed directly to the agencies) and these will be implemented and followed-up by the central services (SG and DG BUDG).

²⁴ Proposal for a COUNCIL REGULATION amending Regulation (EC) No 168/2007 establishing a European Union Agency for Fundamental Rights (COM(2020) 225 final)

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

"not applicable"

ANNEX 9: Reporting – Human resources, digital transformation and information management and sound environmental management

A. Human resource management

Objective: DG JUST employs a competent and engaged workforce and contributes to gender equality at all levels of management to effectively deliver on the Commission's priorities and core business			
Indicator 1: Number and percentage of first female appointments to middle management positions			
Source of data: DG HR			
Baseline (12/2019)	Target (2022)	Latest known results (2020)	
10 (48%)	+ 1	+ 1	
Indicator 2: DG JUST staff engagement index			
Source of data: Pulse surveys 13, 14			
Baseline (2018)	Target (2024)	Latest known results (2020)	
68%	increase to reach at least the Commission's average	68%	
Main outputs in 2020:			
Description	Indicator	Target	Latest known results
Targeted actions under the DG JUST HR policy oriented towards staff well-being and L&D offers	Number of activities	6 activities	8 activities
Development of	Adoption	Q3 2020	Adopted by DG

a local HR Strategy			JUST Senior Management Q4
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B. Digital transformation and information management

Objective: DG JUST's is using innovative, trusted digital solutions for better policy-shaping, information management and administrative processes to forge a truly digitally transformed, user-focused and data driven Commission

Indicator 1: Degree of implementation of the digital strategy principles by the three most expensive IT solutions

Source of data: DG JUST Information Resources Manager

eEvidence Digital Exchange System		
Baseline (2020)	Target (2024)	Latest known results (2020)
75%	90%	77%

Online Dispute Resolution System		
Baseline (2020)	Target (2024)	Latest known results (2020)
80%	90%	81%

Safety Gate		
Baseline (2020)	Target (2024)	Latest known results (2020)
85%	95%	87%

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

Source of data: Statistics on attendance at awareness raising events

Baseline (2020)	Target (2024)	Latest known results (2020)
0%	80%	0%

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

Source of data: Statistics on attendance at awareness raising events

Baseline (2020)	Target (2024)	Latest known results (2020)

0%	100%		10%
Main outputs in 2020:			
Description	Indicator	Target	Latest known results
eEvidence system	Degree of completion and of the first version of the Reference Implementation	100%	100%
New e-Justice Portal user front-end	Degree of completion	80%	80%
Technical migration of eJustice Portal to the new operating system	Degree of migration completed	100%	100%
Safety Gate Data migration	Degree of completion	100%	100%
Safety Gate sub-systems Rapex publication and Risk Assessment Guidelines integration into the new main system	Degree of completion	100%	100%
Technical migration of Consular Protection website from Drupal 7 to Drupal 8	Degree of migration completed	80% of the technical upgrade done	80%
Daphne Toolkit archiving	Degree of completeness in terms of grant projects and archiving of the system	100%	100%
Internal collaboration network	Set-up of the network	End 2020	Established and active since April 2020, formally launched in November

DG JUST staff being more aware of data protection rules	Number of staff participating in awareness raising activities	100	10%
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C. Sound environmental management

Main outputs in 2020:			
Description	Indicator	Target	Latest known results
Staff's contribution to limiting the DG's environmental impact	Staff's contribution to limiting the DG's environmental impact	Staff's contribution to limiting the DG's environmental impact Organisation of one awareness raising activity	Due to the COVID-19 situation, the awareness-raising activity on sound environmental management had to be postponed until 2021.

ANNEX 10: Implementation through national or international public-sector bodies and bodies governed by private law with a public sector mission

"not applicable"

ANNEX 11: EAMR of the Union Delegations

"not applicable"

ANNEX 12: Decentralised agencies

Decentralised agencies

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

EIGE

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

FRA

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

EUROJUST

The European Union Agency for Criminal Justice Cooperation, is a unique hub based in The Hague, the Netherlands, where national judicial authorities work closely together to fight serious organised cross-border crime. The role of EUROJUST is to help make Europe a safer place by coordinating the work of national authorities – from the EU Member States as well as third States – in investigating and prosecuting transnational crime.

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

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

Agency /MEUR	Consumption
EIGE	7,75
EUROJUST	41,55
FRA	23,69
Total paid	72,99