



Strategic Plan 2020-2024

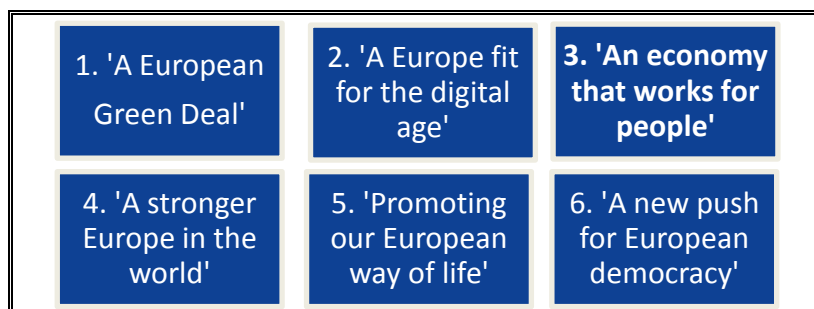
DG REFORM – Directorate-General for
Structural Reform Support

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INTRODUCTION

The new European Commission led by President von der Leyen took office in December 2019. In her political guidelines and the mission letters sent to the Members of the Commission, President von der Leyen presented her political agenda, including the following **six priorities** on which the Commission is focusing during its mandate from 2020 to 2024.



Within the third political priority, i.e. **'An economy that works for people'**, reforms are presented as essential tools for speeding up inclusive growth and investment across the European Union (EU). This message was outlined in the mission letter to Commissioner Elisa Ferreira, who was appointed Commissioner for cohesion and reforms.

Given the wide range of areas in which it provides support, DG REFORM's activities also contribute to other Commission priorities, including the 'European Green Deal' and 'A Europe fit for the digital age'. With the COVID-19 outbreak in 2020, the flexibility and adaptability of Member State economies in facing the challenges posed particularly by the **green and digital transitions** are crucial in supporting sustainable economic growth. DG REFORM helps Member States in their efforts by providing technical support for the design and implementation of reforms.

The Commission has proposed a European Recovery Plan¹ to help Member States recover from the COVID-19 pandemic. This will help kick-start the economy, stimulate private investment, and support programmes designed to deal with any future crises. To respond to the massive investment needs and ensure an even, inclusive and fair recovery for all Member States, the Commission has proposed a powerful, modern and revamped long-term EU budget boosted by the **'Next Generation EU' recovery instrument**², whose first pillar and centrepiece is a new **Recovery and Resilience Facility (RRF)**³. The RRF will provide large-scale financial support to Member States, addressing challenges identified in the context of the European Semester. Its establishment and the details of how it will work are subject to the outcome of ongoing legislative negotiations.

¹ The European Commission's Recovery Plan and revised proposal for the 2021-2027 long-term EU budget (May 2020).

² COM(2020) 456 of 27 May 2020.

³ COM(2020) 408 of 28 May 2020.

DG REFORM's **mandate is to help Member States design and implement reforms**. As part of the Recovery Plan, the Commission has put forward a proposal for a Regulation on a **Technical Support Instrument (TSI)**⁴ as a continuation of the successful Structural Reform Support Programme (2017-2020). The TSI allows Member States to ask for support in designing and implementing reforms.

Member States can also request DG REFORM's support in the preparation and implementation of their recovery and resilience plans (RRPs) in the framework of the Recovery and Resilience Facility (RRF). Such plans are a pre-condition for accessing funding under the RRF. DG REFORM plays thus an important role in contributing to the effective absorption of the funds made available through the Facility and, ultimately, in the overall success of the Recovery Plan.

This strategic plan is based on political agreement having been reached in 2020 on the definition and implementation of the new Recovery Plan, including the adoption of a Regulation on a **Technical Support Instrument (TSI)**.

The purpose of this strategic plan is to guide DG REFORM's work over the next five years and to make sure that its strategic objectives are in line with the new Commission's political priorities and revised budgetary framework. At the same time, it allows the Commission to track its performance against predefined targets and to take corrective measures, if needed. It also aims to inform different stakeholders about the main areas of DG REFORM's activities in the coming years. The plan is divided into two parts. The first section presents how DG REFORM will deliver on the Commission's relevant priorities. The second section outlines how DG REFORM will contribute to modernising the Commission's administration.

⁴ COM(2020) 409 of 28 May 2020.

PART 1. Delivering on the Commission's priorities

A. Mission statement

The Directorate-General for Structural Reform Support (DG REFORM) is a newly established Directorate-General that succeeded the Structural Reform Support Service (SRSS) on 1 January 2020.

In 2020-2024, DG REFORM will continue playing an important role coordinating the Commission's work on designing and implementing national reforms and to coordinate and provide technical support⁵ to Member States, on request, through the **Technical Support Instrument**. This instrument follows from the current Structural Reform Support Programme (SRSP 2017-2020), and builds on its success, allowing the Commission to help strengthen the administrative capacity of EU Member States. It is also part of DG REFORM's mission to continue coordinating the various contributions made by different Commission departments to Member States to improve their **governance and public administration**.

DG REFORM will also play an important role in implementing the **new Recovery Plan**⁶ by helping Member States preparing and implementing their Recovery and Resilience Plans (RRPs).

Through its work DG REFORM help Member States addressing the challenges identified in the European Semester and, more generally, reforming areas such as competitiveness, productivity, environmental sustainability, education and skills, health, employment, and economic, social and territorial cohesion, in the context of the green and digital transitions.

Finally, DG REFORM will continue coordinating the Commission's efforts to support the reunification process of Cyprus. The DG is responsible for **implementing the EU Aid Programme**⁷ for the Turkish Cypriot community and monitors the application of the Green Line Regulation.

⁵ Pending adoption of a Regulation based on COM(2020) 409 of 28 May 2020.

⁶ Pending adoption of a Regulation based on COM(2020) 408 of 28 May 2020.

⁷ Council Regulation (EC) No 389/2006 establishing an instrument of financial support for encouraging the economic development of the Turkish Cypriot community.

B. Operating context

In the context of the COVID-19 pandemic, economic forecasts for the EU and the rest of the world have deteriorated significantly. The drastic measures to be taken by EU Member States are undoubtedly crucial to contain the pandemic and minimise the ultimate damage for societies and economies throughout Europe. At the same time, the economic impact of the confinement measures is enormous. The contraction of the EU's gross domestic product (GDP) for 2020 is expected to be 7.4%, far deeper than during the 2009 financial crisis⁸. Although fundamental uncertainties surround the economic forecast, it is clear that economic challenges lie ahead.

In this context, DG REFORM will help Member States address their fundamental reform and investment challenges; this will contribute to absorbing the economic effects generated by the COVID-19 pandemic. This situation demands that EU Member State economies keep adapting to rapid changes related not only to the global pandemic, but also to environmental change, digital technologies and innovation. DG REFORM works **with Member States** to help them with all their reform efforts.

The new **Recovery and Resilience Facility (RRF)** will provide large-scale financial support to reform and investment and DG REFORM will contribute to its implementation. Most of the funding will be provided under direct management through grants, with possible additional loans. The RRF is complementary to the range of measures already developed in response to the COVID-19 pandemic, such as amendment of the Common Provisions Regulation, the 'coronavirus response investment initiatives', and support to mitigate unemployment risks in an emergency (SURE)⁹.

Between 2017 and 2020, DG REFORM has provided tailor-made and demand-driven technical support to Member States, primarily through the SRSP. This includes technical support projects managed under direct and indirect management and, where appropriate, in cooperation with international organisations. During the 2020-2024 period, the **Technical Support Instrument** will succeed the SRSP.

The **'Aid programme'** for the Turkish-Cypriot community continues to be implemented through direct and indirect management.

DG REFORM's **main stakeholders** are the Member States – specifically the beneficiary authorities and the coordinating authorities. DG REFORM regularly discusses with both of them the specific challenges that reforms, investments, and technical support projects should address. Other key stakeholders include the technical support providers, such as international organisations, government bodies and private companies. They provide the necessary expertise and deliver on the projects' outputs. Close and effective cooperation with both beneficiary authorities and technical support providers is paramount. At the same time, the beneficiary authorities' ownership of the supported reforms and investments is

⁸ European Commission, European Economic Forecast Spring 2020.

⁹ Temporary support to mitigate unemployment risks in an emergency.

crucial for the projects' long-term impact. Lastly, the other Commission departments are also key stakeholders, as DG REFORM works in close cooperation with them to ensure that national reforms implement EU policies. Their input allows for complementary, if appropriate, targeted and well-designed activities, ensuring the optimisation of resources and the absence of funding overlaps.

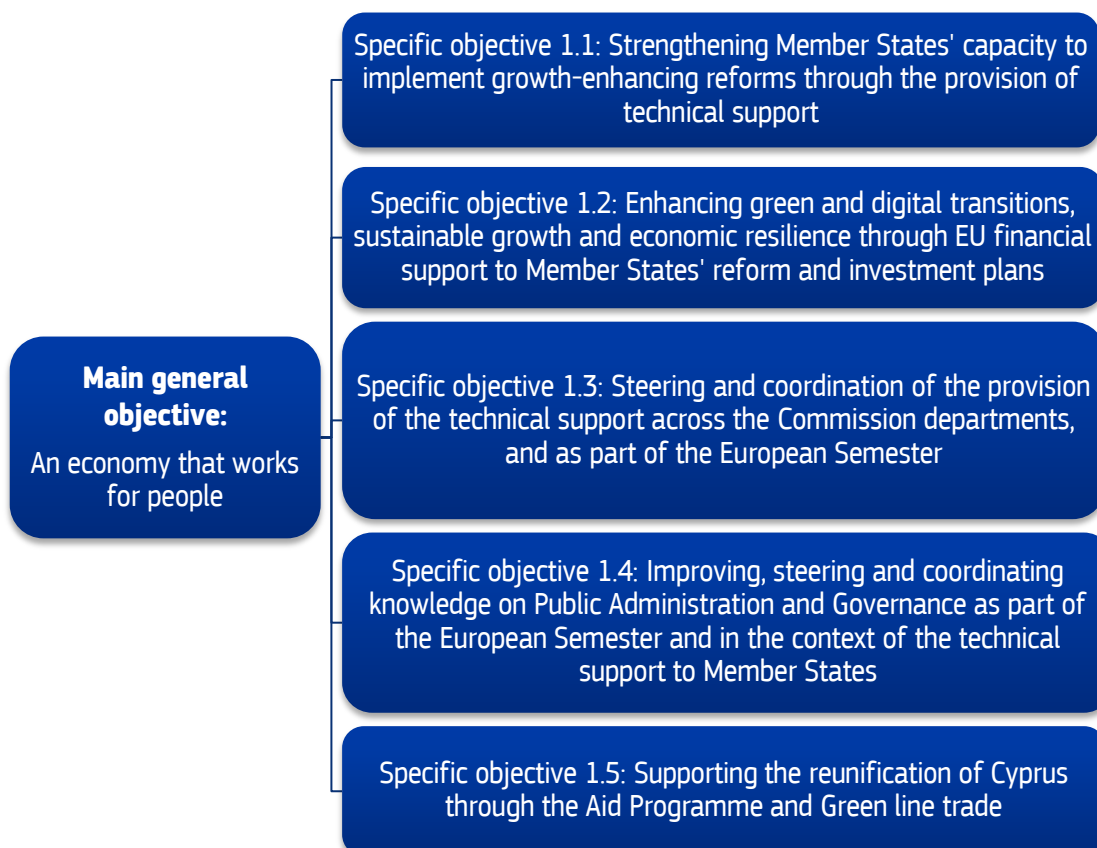
C. Strategy

The work of DG REFORM contributes to the new Commission's headline ambition of: **'An economy that works for people'**. The DG **works to ensure that** reforms serve the European social market economy and ultimately the well-being of EU citizens.

Together with investments, reforms should aim to have a high-level impact, by addressing macroeconomic imbalances, low employment levels or GDP growth rates. At the same time, reform support delivered to Member States makes a tangible contribution to people's daily lives, for instance by improving social security services, ensuring sustainable pension systems and stimulating the inclusion of disadvantaged groups in the labour market. Moreover, reforms and investments can support the transition towards green technologies to fight climate change. In practice, they really do serve an economy that works for people – from improving the efficiency of public administrations and tax systems, to ensuring optimal access to finance.

The current COVID-19 pandemic makes the implementation of well-designed reforms even more paramount. Reforming institutional and administrative structures that obstruct investment, development and innovation can contribute to a swift and sustainable economic recovery. In line with its mandate and the requirements of the legal framework, DG REFORM aims to provide support that fits the current new priorities.

DG REFORM works towards the following **five specific objectives**, which relate to different programmes and activities under its responsibility.



DG REFORM will continue to provide **technical support** to Member States for the design and implementation of growth-enhancing reforms (specific objective 1.1). As already explained, DG REFORM will help Member States in their reform and investment efforts to enhance green and digital transitions, sustainable growth and economic resilience by **providing support for the preparation and implementation of their recovery and resilience plans** (specific objective 1.2). Furthermore, DG REFORM will continue to function as the Commission's **steering and coordinating department** for providing technical support to Member States, building on its work on coordinating Member State requests for technical support during the 2017-2020 period (specific objective 1.3).

DG REFORM will continue to build knowledge and develop a coherent approach within the Commission in the area of **public administration and governance**. It will provide technical support to Member States in this area, including for the preparation of the recovery and resilience plans (specific objective 1.4).

Finally, DG REFORM will continue to provide technical support to the **reunification of Cyprus through the Aid Programme and Green line trade** (specific objective 1.5).

By reaching its specific objectives, DG REFORM will contribute to the following impact indicators.

General objective 3: An economy that works for people		
Impact indicator 1: Employment rate among people aged 20 to 64		
Explanation: The employment rate is calculated by dividing the number of people aged 20 to 64 in employment by the total population of the same age group		
Source of the data: Eurostat (Eurostat online data code: sdg_08_30), based on the EU Labour Force Survey		
Baseline (2018)	Interim milestone (2020)	Target (2024)
72.4%	75%	Increase
Impact indicator 2: Real GDP growth rate (EU-28)		
Explanation: Gross domestic product (GDP) is a measure of the economic activity, defined as the value of all goods and services produced less the value of any goods or services used in their creation		
Source of the data: Eurostat (Eurostat online data code: TEC00115)		
Baseline (2019)	Interim milestone (2022)	Target (2024)
1.5%	Increase	Increase

Specific objective 1.1: Strengthening Member States' capacity to implement growth-enhancing reforms through the provision of technical support

The technical support that DG REFORM will provide in the coming years is based on the SRSP criteria set in 2017 and is aligned with the headline ambitions of the von der Leyen Commission. In the 2020-2024 period, the SRSP will be replaced by the **Technical Support Instrument (TSI)**, which will be available to all Member States, upon request. DG REFORM will lead the Commission's negotiations on adopting the TSI.

The EU will face various economic challenges due to the COVID-19 pandemic. Reforms are needed to help Member States adjust to these new circumstances and absorb the grave economic effects of confinement measures.

The TSI's objective is to provide support for Member States' efforts to implement the reforms necessary to achieve an economic and social recovery, resilience and convergence. The instrument makes it possible to support Member State authorities in their efforts to design reforms according to their own priorities and strengthen their capacity to develop and implement reform policies and strategies, as well as to benefit from good practices and examples of their EU peers. Technical support will be particularly needed in the aftermath of the COVID-19 pandemic crisis.

The total budget proposed for the TSI for 2021-2027 is EUR 767 million¹⁰ compared to the EUR 222.8 million allocated for the SRSP 2017-2020. The higher amount is due to the increase from a 4-year to a 7-year framework. It also shows recognition of the added value of SRSP technical support for Member States. The budget will be implemented by direct and indirect management, including in cooperation with international organisations, as appropriate.

DG REFORM technical support includes providing tailor-made expertise on the ground, to ensure that Member States have the necessary institutional and administrative capacity to develop and implement growth-enhancing reforms and are able to strengthen their economic resilience through efficient and wellfunctioning administrative structures. To that end, like under the SRSP, the aim remains to accompany the national authorities of the requesting Member State throughout all stages or in specific phases of the reform process.

More specifically, technical support to Member States aims to support reforms that contribute to a more sustainable and competitive economic model. This includes reforms in the area of circular economy, renewable energy and energy-efficient industries. Improved productivity and innovation is another dimension that will guide DG REFORM's activities in the coming five years.

As the productivity rates in the EU are significantly lagging behind those of other global players, DG REFORM will provide technical support to reforms that aim to boost these rates. Such reforms should also aim to reduce the gap between the productivity of different

¹⁰ European Council, special meeting of the European Council (17, 18, 19, 20 and 21 July 2020) – conclusions.

regions across the EU. DG REFORM will focus on reforms that boost innovation and improve access to finance in order to increase productivity.

Moreover, DG REFORM will provide technical support in the field of education and training to address the gap in digital skills and reverse the trend of increasing numbers of underperforming pupils. It will also continue to support reforms that address bottlenecks in the business environment. As indicated in the 2020 sustainable growth strategy, the key determinants of a favourable business environment include good governance, effective institutions, independent and efficient justice systems, quality public administrations, robust anti-corruption frameworks, an efficient delivery of public procurement and effective insolvency frameworks, and efficient tax systems¹¹. In carrying out its mandate, DG REFORM will ensure alignment with EU policies such as the the action plan on anti-money laundering and the action plan to fight tax evasion¹².

The TSI is consistent, coherent and complementary to the EU's existing resources for capacity building and technical assistance available through other EU funds (e.g. the European Social Fund, European Regional Development Fund, Cohesion Fund). It is also aligned with the policy guidance provided under the European Semester, as it provides technical support to foster the implementation of the country-specific recommendations addressed to Member States in that context.

Finally, the TSI is complementary to the proposal establishing the RRF, as it will provide support for strengthening the institutional and administrative capacity of the Member States and, in this context, help them prepare and implement the recovery and resilience plans that set out reforms and investments to be financed under the RRF.

The following results indicator will allow DG REFORM to measure the TSI's success in both completing its technical support projects and in delivering on the envisaged projects' results. It is important to underline that the outcomes of the technical support projects must be understood as the changes induced, such as the adoption of a strategy, adoption of a new law/act or modification of an existing one, adoption of (new) procedures or actions to improve the implementation of reforms in the beneficiary structures or organisations.

¹¹ European Commission, Annual sustainable growth strategy 2020, 9.

¹² European Commission, Annual Work Programme 2020, 5-6.

Specific objective 1.1: Strengthening Member States' capacity to implement growth-enhancing reforms through the provision of technical support		Related to spending programme(s): YES- SRSP and TSI
Result indicator: % of technical support projects (SRSP and TSI) that produced the expected outcomes		
Explanation: The percentage of Member State technical support projects assessed as 'partially and or completed', out of the total number of started projects		
Source of data: DG REFORM feedback mechanism - questionnaire to Member States		
Baseline (2019)	Interim milestone (2022)	Target (2024)
Not available	Maintained or increased %	Increased %

Better regulation principles envisage that the regulatory body of EU law is evaluated at regular intervals. Programme evaluations help identify burden and implementation problems, and the extent to which objectives have been achieved. They also provide performance feedback, which is useful for introducing corrective measures that keep laws fit for purpose.

To monitor the extent to which the TSI Regulation is delivering on TSI objectives, the Commission will periodically collect relevant data to report on key performance indicators. Specific result and impact indicators will be defined in relation to specific projects, with baselines and targets, in order to monitor progress made towards final targets and to evaluate the impact of implemented reforms. A **mid-term evaluation and an ex-post evaluation** will be carried out to assess EU added value, as well as the instrument's effectiveness, efficiency, relevance and coherence, and to identify any areas for improvement.

The mid-term evaluation of the Regulation will be carried out once sufficient information is available about its implementation, but no later than four years after implementation starts. The Commission will carry out an ex-post final evaluation no later than three years after the end of the Regulation's period of application.

In line with the Commission's provisions on better regulation, evaluations for the TSI will be carried out in line with the interinstitutional agreement of 13 April 2016. Evaluations will aim to identify potential for reducing administrative burden and include lessons learned to identify any deficiencies and/or problems or any potential to further improve the actions or their results and help maximise their impact.

Finally, the Commission will send the evaluation conclusions and its own observations to the European Parliament and the Council, the European Economic and Social Committee and the Committee of the Regions

The **ex-post evaluation of the Structural Reform Support Programme (2017-2020)** will be launched in 2021.

Over the next five years, in order to actively inform individual Europeans and EU stakeholders about its activities and progress, DG REFORM will also further expand its **external communication** activities. This includes a more proactive approach to informing the general public about the support DG REFORM provides to Member States through the EUROPA website. Improved external communication also includes more events and publications.

Specific objective 1.2: Enhancing green and digital transitions, sustainable growth and economic resilience through EU financial support to Member States' reforms and investments plans

The establishment of the **Recovery and Resilience Facility (RRF)** and the ways in which it will operate are subject to the outcome of ongoing legislative negotiations. Nonetheless, the RRF's features include large scale financial support to both public investment and reforms through grants and loans.

Member States' recovery strategies should address the main challenges identified in the European Semester, in areas such as competitiveness, productivity, education and skills, health, employment, and economic, social and territorial cohesion; and ensure that these investments and reforms focus on addressing challenges related to the green and digital transitions, help create jobs and sustainable growth and make the EU more resilient.

The RRF's expected outcomes and impact will contribute to the general objective of '*an economy that works for people*'.

To access the RRF, Member States will have to prepare and submit to the Commission recovery and resilience plans setting out their reform and investment agendas for the next four years, until 2024. These plans should comprise both reforms and public investment projects as a coherent package, consistent with: (i) the challenges and priorities identified in the European Semester (in particular those related to the green and digital transitions); (ii) the national reform programmes; (iii) the national energy and climate plans; (iv) the just transition plans, and; (v) the partnership agreements and operational programmes adopted under the EU funds.

The plans should clearly explain how they contribute to strengthening the Member State's growth potential, resilience and cohesion. They should be annexed to the Member State's national reform programme.

In the preparation of proposals for their recovery and resilience plan, Member States may request the Commission to organise an exchange of good practices in order to allow the requesting Member States to benefit from the experience of other Member States. **Member States may also request technical support under the Technical Support Instrument both for the preparation and the implementation of the plans.**

Specific objective 1.2: Enhancing green and digital transitions, sustainable growth and economic resilience through EU financial support to Member States' reforms and investments plans		Related to spending programme: YES- RRF and TSI
Result indicator: Number of technical support interventions for the preparation and/or the implementation of the Member States' resilience and recovery plans		
Explanation: Number of technical support interventions in reply to the Member States' requests.		
Source of data: DG REFORM		
Baseline (2019)	Interim milestone (2022)	Target (2024)
No baseline since this is a new instrument that will come into force in 2021	Increased number	>20 technical support interventions

Specific objective 1.3: Steering and coordination of the provision of the technical support across the Commission departments, and as part of the European Semester

In the context of the COVID-19 outbreak, the need to coordinate economic policies at EU level has become even more important. The goal of these steering and coordination activities is to foster a coherent, efficient and holistic approach towards technical support and reform efforts in Member States. DG REFORM will continue to ensure that different interventions are consistent and that synergies between actions are identified and used in a timely manner.

In the next five years, DG REFORM will continue to lead the **inter-service coordination mechanism** to steer and coordinate the technical support provided to Member States across Commission departments. This coordination role also includes liaising on technical support matters with Member State authorities and relevant international organisations, such as the EBRD, the OECD, the World Bank and the Council of Europe, as technical support providers.

Moreover, DG REFORM will maintain its strong contribution to the European Semester process. The European Semester is a framework for economic and employment policy coordination, covering all related items in a comprehensive way.

The following results indicator will allow DG REFORM to monitor the relevance, efficiency and effectiveness of the relevant coordination mechanisms.

Specific objective 1.3: Steering and coordination of the provision of the technical support across the Commission departments, and as part of the European Semester

Related to spending programmes:
TSI

Result indicator 1: Positive feedback on the efficiency and effectiveness of coordinating technical support

Explanation: DG REFORM will gather feedback from Commission departments on the the efficiency and effectiveness of its coordination role in providing technical support to Member States.

Source of data: Annual surveys of DGs

Baseline (2018)	Interim milestone	Target (2024)
100% positive feedback ('satisfied') – based on data referring to the assessment of technical support coordination	n/a	≥ 90% aggregated annual positive assessments by other Commission departments

Result indicator 2: Improved European Semester country analysis and country reports due to DG REFORM's additional factual, comprehensive and updated information on technical support projects and Member States' reform implementation

Explanation: Annual survey of country team leaders on use of the annual report

Source of data: DG REFORM. Unit A2 and O2 (working on public administration and good governance)

Baseline (2019)	Interim milestone	Target (2024)
First report to the European Semester governance	n/a	Positive assessment of DG REFORM's input as added value to the European Semester activities

Specific objective 1.4: Improving, steering and coordinating knowledge on Public administration and governance as part of the European Semester and in the context of technical support to Member States

Strong institutions and a high quality public administration in the Member States are important prerequisites for the achievement of EU policy objectives. In this context, DG REFORM will coordinate and support the EU's economic governance system (the European Semester) as regards **public administration and good governance (PAG)**. It will continue to work on ensuring that public authorities in Member States are well-coordinated, skilled and organised, so that they are able to lead and deliver on their political priorities. To this end, DG REFORM will continue to work on developing the Assessment Framework for Public Administration and Governance, and to provide methodological support and ad-hoc country support.

In practice, DG REFORM will deliver on its mandate in two ways: by coordinating and sharing knowledge on public administration and good governance and by delivering on targeted technical support projects and supporting Member States in drafting their recovery and resilience plans in this same area. DG REFORM will continue to develop the Commission's

knowledge on how public administrations in EU Member States function. By carrying out the role of secretariat for the Inter-service Group for Public Administration (IGPA), the Competence Centre of DG REFORM will continue working towards better coordination in this area, as well as towards coherence and more synergies among the Commission’s many related initiatives. It will also reinforce its own knowledge base through studies and analysis, as well as through more cooperation with relevant external stakeholders. In addition, it will design a strategy for the Commission to communicate formally on the topic.

DG REFORM will coordinate and support the European Semester in relation to public administration and governance, especially as regards economic recovery in the aftermath of the COVID-19 crisis.

Specific objective 1.4: Improving, steering and coordinating knowledge on public administration and governance as part of the European Semester and in the context of technical support to Member States

Related to spending programmes: TSI

Result indicator 1: Improved/increased support to Member States in the area of public administration and governance in the context of technical support (technical support projects and support in drafting the recovery and resilience plans)

Explanation: Percentage of Member States stating that effective support was provided in the area of public administration and governance (through technical support projects and support in drafting the recovery and resilience plans)

Source of data: DG REFORM feedback mechanism - questionnaire to Member States

Baseline (2019)	Interim milestone (2022)	Target (2024)
Not available	Maintained or increased %	Increased %

Result indicator 2: Improved (consistent, streamlined and holistic) framework approach and guidance to the European Semester country analysis as regards the evaluation of Member States’ public administrations.

Explanation: Analysis of the country-specific recommendations as regards DG REFORM recommendations on public administration and good governance made to Member States

Source of data: DG REFORM Unit.02 analysis of the European Semester country reports

Baseline (2019)	Interim milestone	Target (2024)
Designation of DG REFORM as the coordinating service on Public Administration and Good Governance, and the Assessment Framework methodology	n/a	Increased and improved use of the assessment framework methodology (i.e. the country teams include in the country reports the Member States’ criticalities which have been assessed through the framework methodology).

Specific objective 1.5: Supporting the reunification of Cyprus through the Aid Programme and Green line trade

In addition to its support for reforms in Member States, DG REFORM will continue to carry out its mandate to coordinate the Commission's support for the reunification process of Cyprus by encouraging economic investment through the **EU Aid Programme for the Turkish Cypriot community**¹³, and improving social contacts between Turkish and Greek Cypriot communities and with the EU.

The EU Aid Programme is implemented in the areas of the Republic of Cyprus which are not under the effective control of the Government of the Republic of Cyprus, and where the application of EU law is temporarily suspended under Protocol 10 of the Treaty of Accession. The Aid Programme focuses on the social and economic development of the Turkish Cypriot community and fosters reconciliation between Turkish and Greek Cypriots. It targets a wide range of beneficiaries, including students, farmers, civil society actors, businesses and villages, and aims to foster investment that helps the Turkish Cypriot community adhere to EU standards. It also helps the Turkish Cypriot community prepare for the implementation of EU law, once a comprehensive settlement of the Cyprus issue is agreed.

DG REFORM will continue to be responsible for monitoring the application of the **Green Line Regulation**, which sets out the terms under which people and goods can cross the ceasefire line in Cyprus. Furthermore, it will continue to be actively engaged in providing support to the settlement process under the auspices of the United Nations.

Progress in achieving the specific objective is measured by any improvements that DG REFORM is able to make, including identifying areas for further enhancement, based on the evaluation of the Aid Programme, which is expected to be finalised in 2020.

In the next five years, DG REFORM expects to continue working with the EU InfoPoint. **External communication activities** and products (e.g. newsletters, events and visibility campaigns) will be organised, and media relations via social networks and TV spots will be maintained. This will ensure that the general public and other stakeholders are adequately informed about the developments and activities of the Turkish-Cypriot community, EU activities and progress on the Cyprus reunification process.

¹³ Under Council Regulation (EC) No 389/2006

Specific objective 1.5: Supporting the reunification of Cyprus through the Aid Programme and Green line trade

Related to spending programme(s): Aid Programme for the Turkish Cypriot community

Result indicator: Positive assessment of EU support for the social-economic development of the Turkish Cypriot community (TCc)

Explanation: Results of the evaluation of the Aid Programme

Source of data: Evaluation of the Aid Programme (2020)

Baseline (2020)	Interim milestone	Target (2024)
Not yet available	n/a	Improved implementation of the Aid Programme and Green Line trade

D. Key performance indicators

Key performance indicators for DG REFORM
Key performance indicator 1: % of technical support projects that produced the expected outcomes Source of the data: DG REFORM questionnaires to Member States after the projects' completion
Key performance indicator 2: Number of technical support interventions for the preparation and/or the implementation of the Member States' resilience and recovery plans Source of data: DG REFORM
Key performance indicator 3: Number of scholarship grants awarded in the year for studying in an EU Member State (<i>referring to the Aid Programme</i>) Source of the data: DG REFORM monitoring tool
Key performance indicator 4: Residual error rate (RER) < 2% of relevant expenditure Source of the data: DG REFORM monitoring results

PART 2. Modernising the administration

As a modern public administration, the Commission implements an **internal control framework** inspired by the highest international standards. The Commission's system covers all the principles of internal control identified in the Committee of Sponsoring Organisations of the Treadway Commission 2013 - Internal Control Framework, including financial control, risk management, human resource management, communication and the safeguarding and protection of information. DG REFORM has set up an internal control system tailored to its particular characteristics and circumstances, and regularly assesses its implementation and overall functioning. This assessment is based on indicators, the most strategic of which are listed in the related section of the strategic plan.

In the 2020-2024 period, DG REFORM will ensure that its organisational structure and relevant controls: (i) are in place and are cost-effective; (ii) proportionally address the main risks of the organisation, and; (iii) function effectively. DG REFORM will continue to ensure ongoing monitoring/systematic reviews and reporting of its main control actions and indicators, with a view to providing elements for the Authorising Officer's annual declaration of assurance.

A. Human resource management

DG REFORM's main objective in the area of human resource management is to employ a competent and engaged workforce and to contribute to gender equality at all levels of management so that it can deliver on the Commission's priorities and core business objectives.

During the 2020-2024 period, DG REFORM will work on reorganising its structure, taking into account the Commission's decision to set up a dedicated Directorate-General responsible for the support of reforms and in view of the future roles and activities to be performed under the Recovery and Resiliency Facility and strengthened Technical Support Instrument.

An organisation's performance depends primarily on the engagement and development of its staff. In order to ensure effective management of human resources and to optimise capacity to deliver on the priorities in this strategic plan, DG REFORM will develop a **local HR strategy** that has a medium- to long-term outlook (3-5 years) and is consistent with the Commission's overall corporate HR strategy.

DG REFORM activities will continue to be organised and performed with a high level of responsibility and staff autonomy. The coordination and provision of technical support in the area of Member States' reforms require a high level of staff competence, flexibility and motivation. In order to coordinate the provision of such support within the Commission and assist Member States in implementing growth-enhancing institutional, administrative reforms on request and in a short time frame, DG REFORM will continue to strengthen its organisational structure by further investing in capacity building. It will also improve its internal communication so that relevant and consistent information is available within in

the organisation, allowing staff to perform activities in an autonomous, coordinated and efficient way.

Although the results of the 2018 Commission staff survey showed strong staff engagement¹⁴, DG REFORM will continue to improve its **staff engagement index** considering the ongoing organisational and structural changes of the new DG. To this end, it will improve its internal communication activities, which are particularly necessary because DG REFORM staff remains located in different sites (Brussels, Nicosia, Athens, Bucharest and Zagreb); communication must be regular and consistent to ensure a common level of awareness of operations and a cohesive organisational culture.

Finally, in the field of **equal opportunities**, DG REFORM will strive to contribute to the Commission-wide targets for the recruitment of women to middle management positions.

Objective: DG REFORM 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 objectives	
Indicator 1: Number and percentage of first female appointments to middle management positions	
Source of data: DG HR	
Baseline (female representation in middle management) (12/2019)	Target (2022) ¹⁵
N/A ¹⁶	+1
Indicator 2: DG REFORM staff engagement index	
Source of data: Commission staff survey	
Baseline (2018)	Target (2024)
74%	≥74%

B. Sound financial management

DG REFORM’s overarching objective in the area of financial management is to provide the authorising officer by delegation (AOD) with reasonable assurance that resources have been used in accordance with the principles of sound financial management, and that cost-effective controls are in place and give the necessary guarantees concerning the legality and regularity of underlying transactions.

DG REFORM intends to reach the targets presented in the tables below. They are related to key control objectives set by rigorously applying its controls strategies for the expenditure managed in line with the rules and procedures of the Commission.

¹⁴ Source: European Commission ‘Speak up Staff Survey’.

¹⁵ The target will be revised and extended by January 2023 for the 2023-2024 period.

¹⁶ DG REFORM did not exist at that time.

To this end, DG REFORM will ensure that its new organisational structure and the types of financial operations managed are supported by **adequate segregated controls, having regard to the risks associated with the programmes’ management, their cost-effectiveness and the nature of actions to be financed.**

In order to ensure that the AOD has sufficient and robust elements to draw conclusions of reasonable assurance on the legality and regularity of operations under his responsibility, DG REFORM will, in addition to the ex-ante controls, continue performing its **ex-post control activities**, including external audits and ex-post checks on a sample basis. The results of these will be used to estimate the materiality of errors found and the corrections to be made. In the 2020-2024 period, DG REFORM will also update its ex-post control strategy to align it with the evolving framework of managed programmes and related financial operations.

Since becoming a stand-alone Directorate-General at the start of 2020, DG REFORM has taken **responsibility for managing and reporting on the implementation of administrative appropriations (the ‘global envelope’) and annual accounting activities**. In the 2020-2024 period, DG REFORM will continue to implement the ongoing work programmes whose budget is still available for implementation and the new operational expenditure envisaged under the multiannual financial framework for 2021-2027.

Implementation of the (traditional) expenditure related to the Aid Programme and the Technical Support Instrument (as a continuation of the SRSP) is expected to continue under **direct and indirect management**.

Finally, to ensure that financial management is carried out in a more efficient and digital environment during this period, DG REFORM is working towards full integration of e-grants and e-procurement tools. Pilot activities have started with other Commission departments to ensure the use of such tools from 2020 onwards.

Objective: The authorising officer by delegation has reasonable assurance that resources have been used in accordance with the principles of sound financial management, and that cost-effective controls are in place and give the necessary guarantees concerning the legality and regularity of underlying transactions	
Indicator: Estimated risk at closure	
Source of data: DG REFORM monitoring results	
Baseline (2019)	Target (2024)
Average error rate at 1.22% of relevant expenditure	<1.22% of relevant expenditure

C. Fraud risk management

Having regard to the recent structural arrangements, the controls of the newly created DG and its future operations starting in 2021, DG REFORM will review its 2020-2022 anti-fraud strategy in 2020¹⁷ and will re-assess its fraud risk and controls with a view to protecting its financial interests in the coming years. The new DG REFORM anti-fraud strategy (AFS) will keep the focus on staff awareness of fraud and will be aligned with the Commission's anti-fraud strategy last reviewed in 2019 and OLAF's corporate methodology. The fraud risk assessment and the new AFS will take into consideration the structural arrangements and controls of the newly created DG and its future operations.

DG REFORM's anti-fraud strategy will include an action plan of preventive, detective, reporting and corrective activities to be performed on an annual basis, as appropriate. It will also serve as a management tool for communicating on DG REFORM's zero-tolerance approach to fraud.

DG REFORM will ensure staff awareness of anti-fraud measures by presenting and disseminating information on anti-fraud matters (e.g. red flags, fraud reports, fraud cases, ethical and integrity requirements, etc). The level of staff awareness of anti-fraud measures will be assessed by means of an internal survey, to be carried out by the end of the strategic plan lifecycle.

Objective: The risk of fraud is minimised through the application of effective anti-fraud measures and the implementation of the Commission Anti-Fraud Strategy ¹⁸ , which aims to prevent, detect and correct fraud ¹⁹	
Indicator: Implementation of the actions included in DG REFORM's Anti-Fraud Strategy over the whole strategic plan lifecycle (2020-2024)	
Source of data: DG REFORM annual activity report, DG REFORM Anti-Fraud Strategy (AFS), OLAF reporting	
Baseline (2018)	Target (2024)
100% (AFS 2017-2019)	100% of action points implemented on time

D. Digital transformation and information management

New, innovative digital solutions that support the Commission's policies and activities are needed as a result of several factors: Member States' expectations, legal obligations, new user requirements, heightened security concerns and a corporate approach to information management, emphasising the sharing and reuse of data. The major IT challenges for the Commission are: (i) the design, development and deployment of the next generation of mission-critical digital solutions, and (ii) the modernisation of its legacy systems.

¹⁷ The anti-fraud strategy will be reviewed every three years.
¹⁸ 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'.
¹⁹ Correction of fraud is an umbrella term, which notably refers to the recovery of amounts unduly spent and to administrative sanctions.

DG REFORM is aligned with the new Commission's guidelines aiming for an organisation that is fully digital, innovative, flexible and transparent. In the next five years, DG REFORM commits to improving the way data, information and knowledge are managed while making full use of appropriate digital solutions and respecting data protection obligations.

Such improvements are particularly necessary because of the strong and different coordination roles that DG REFORM has as part of its mission as provider of support for reforms in the Member States.

In this context, in the field of **digital transformation**, DG REFORM will develop a digital modernisation plan. Within this plan, DG REFORM intends to ensure compliance of its digital solutions with the core principles established in the Commission's digital strategy by defining roles and responsibilities, common principles, guidelines and working practices at local level, as well as exploring the relationship between data protection and transparency obligations, and making any necessary changes and updates to the IT systems used for storing, managing and disseminating data assets.

DG REFORM will also continue improving the technical features of its main information systems developed so far (e.g. JIRA as a fully integrated database covering all instruments used by the DG), as well as continuing to ensure appropriate data collection, interconnected real-time data and dashboards (e.g. QlikSense) for monitoring, evaluation and reporting. Moreover, as part of the corporate reusable workflow solution enabling the shared management DGs to operate in the next programming period (2021-2027), DG REFORM will ensure that e-Grant & e-Procurement solutions are stable and in use, and that they include all expected features and processes described in the business process roadmap.

In the field of **data protection**, DG REFORM will contribute to the Commission's Data Protection Action Plan²⁰ by ensuring a high degree of staff awareness about the data protection requirements defined in the IDPR²¹. This will contribute to the Commission's mitigating actions for the risk of legal breaches, which could have a high financial and reputational impact on the whole organisation.

Finally, in order to further strengthen **internal communication** in the newly created department, DG REFORM will continue to foster high standards in the area of **data, information and knowledge management** by maintaining and, where necessary, reinforcing the knowledge and systematic use/consultation particularly of:

- *the* intranet as the best platform on which to find guidance, broaden networking connections and share information with colleagues working in different Units and sites (Brussels, Athens, Nicosia, Bucharest and Zagreb);

²⁰ C(2018)7432

²¹ C(2018)1725

- Drupal and JIRA as the main information systems for officially communicating with Member States on their reform plans and technical support requests, for coordinating with other Commission departments, and for tracking, monitoring and reporting on the implementation of projects from conception, through delivery, to evaluation.

Objective: DG REFORM is using trusted digital solutions for better policy-shaping, information management and administrative processes to build a digitally transformed, user-focused and data-driven Commission		
Indicator 1: Degree to which the most important IT tools implement the principles of the digital strategy		
Source of data: DG RTD–eGrants & eProcurement, Qlik representative in BE Agilos		
Baseline	Interim milestone	Target
2019	2022	2024
20%	60%	95%
Indicator 2: Percentage of DG REFORM key data assets for which corporate data governance principles have been implemented		
Source of data: DG REFORM Data Correspondent		
Baseline	Interim milestone	Target
2019	2022	2024
20%	50%	80%
Indicator 3: Percentage of staff attending awareness-raising activities on data protection compliance		
Source of data: DG REFORM Data Protection Correspondent		
Baseline	Interim milestone	Target
(2018)	(2020)	(2024)
0%	Presentations to all Units and regular presentations to newcomers	100% of staff

E. Sound environmental management

The European Green Deal is one of the new Commission's main objectives. The Commission is committed to leading by example in this field to reduce its environmental impact, as an institution and as an employer.

DG REFORM's main objective in this area is to take full account of its environmental impact in all its actions and actively promote measures to reduce the related day-to-day impact of the administration and its work. As a newly created DG, it will create more **awareness among its staff about sound environmental management**. It will also promote the Commission's eco-management and audit scheme (EMAS) campaigns to implement local environmental actions that support the Commission's commitment to implementing the objectives of the Green Deal for its own administration, including becoming climate neutral

by 2030. Local environmental actions will include those promoting alternative mobility, energy saving, and reduction of waste and paper and water consumption.