

Annual Activity Report 2020

Annexes

Directorate-General for Neighbourhood and
Enlargement Negotiations - DG NEAR

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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 to the Director-General.

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

Date 31 March 2021

Mark Johnston

“Signed”

¹ C(2017)2373 of 19.04.2017.

ANNEX 2: Performance tables

General objective 4: A stronger Europe in the World		
Impact indicator 2: Readiness of enlargement countries on political criteria² Source of the data: European Commission Explanation: This indicator shows where the enlargement countries stand in terms of their preparations for meeting key areas of the political accession criteria, namely the functioning of the judiciary, fight against corruption, fight against organised crime, freedom of expression and public administration reform. It is given as an overall sum of enlargement countries. It is measured on a scale from 1 to 5. Methodology for calculating the indicator: In each of the areas, the state of play (i.e. the readiness) is assessed according to the following five-tier standard assessment scale: <ol style="list-style-type: none"> 1. Early stage 2. Some level of preparation 3. Moderately prepared 4. Good level of preparation 5. Well advanced 		
Baseline (2019)	Interim Milestone (2022)	Target (2024)
1.99	Increase	Increase
Latest known results (2020): 2.01		
Impact indicator 3: Readiness of enlargement countries on economic criteria³ Explanation: This indicator shows where the enlargement countries stand in terms of their preparations for meeting key areas of the two economic accession criteria, namely the existence of a functioning market economy and the capacity to cope with competitive pressures and market forces within the EU. It is given as an overall sum of enlargement countries. It is measured on a scale from 1 to 5. Source of the data: European Commission Methodology for calculating the indicator: In each of the areas, the state of play (i.e. the readiness) is assessed according to the following five-tier standard assessment scale: <ol style="list-style-type: none"> 1. Early stage 2. Some level of preparation 3. Moderately prepared 4. Good level of preparation 5. Well advanced 		
Baseline (2019)	Interim Milestone (2022)	Target (2024)

² There is a similar indicator under the IPA II Programme Statement Specific Objective 1 Composite indicator on the readiness of enlargement countries on fundamental areas of the political accession criteria. However overall number of cases of early preparation stage is reported.

³ There is a similar indicator under the IPA II Programme Statement Specific Objective 2 Composite indicator on the readiness of candidate countries and potential candidates on fundamental areas of the economic criteria. However number of cases of early preparation stage is reported.

2.64	Increase	Increase
Latest known results (2020): 2.68		
Impact indicator 4: Governance in the EU's neighbourhood⁴ Explanation: The following three indicators are measured for the eastern and southern neighbourhood countries. They are measured on a scale from 0 to 100 - Voice and accountability captures perceptions of the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media - Government effectiveness captures perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies - Political stability and absence of violence / terrorism⁵ captures perceptions of the likelihood of political instability and / or politically-motivated violence, including terrorism Source of the data: The World Bank's Worldwide Governance Indicators (WGI) project compile and summarise information from over 30 existing data sources that report the views and experiences of citizens, entrepreneurs and experts in the public, private and NGO sectors from around the world, on the quality of various aspects of governance		
Baseline (2017)	Interim Milestone (2022)	Target (2024)
Voice and accountability: Eastern neighbourhood: 33.09 Southern neighbourhood: 27.98	Increase	Increase
Government effectiveness: Eastern neighbourhood: 46.32 Southern neighbourhood: 37.98	Increase	Increase
Political stability and absence of violence / terrorism: Eastern neighbourhood: 27.06 Southern neighbourhood: 13.43	Stabilise	Increase

⁴ There is a similar indicator under the ENI Programme Statement Specific Objective 1 Indicator 2. However this indicator is broader and provides a weighted score based on eight external sources covering also other issues.

⁵ There is a similar indicator under the ENI Programme Statement Specific Objective 5, Indicator 1. However it measures number of countries in a percentile rank above 0-30 (lowest rank).

Latest known results (2020 ⁶):		
Voice and accountability:	Eastern neighbourhood: 36,21 Southern neighbourhood: 27.68	
Government effectiveness:	Eastern neighbourhood: 49,20 Southern neighbourhood: 35,67	
Political stability and absence of violence / terrorism:	Eastern neighbourhood: 29,21 Southern neighbourhood: 14,29	
Impact indicator 5: Rule of law in the EU's Neighbourhood ⁷		
Explanation: This indicator captures perceptions of the extent to which agents have confidence in and abide by the rules of society and in particular the quality of contract enforcement property rights, and the courts, as well as the likelihood of crime and violence		
Source of the data: The World Bank's Worldwide Governance Indicators (WGI) project compile and summarise information from over 30 existing data sources that report the views and experiences of citizens, entrepreneurs and experts in the public, private and NGO sectors from around the world, on the quality of various aspects of governance		
Baseline (2017)	Interim Milestone (2022)	Target (2024)
Eastern neighbourhood: 33.09	Increase	Increase
Southern neighbourhood: 36.06	Stabilise	Increase
Latest known results (2020 ⁸):		
Eastern neighbourhood: 33.49 Southern neighbourhood: 35.96		
Impact indicator 6: Control of corruption in the EU's Neighbourhood ⁹		
Explanation: This indicator captures perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as 'capture' of the state by elites and private interests		
Source of the data: The World Bank's Worldwide Governance Indicators (WGI) project compile and summarise information from over 30 existing data sources that report the views and experiences of citizens, entrepreneurs and experts in the public, private and NGO sectors from around the world, on the quality of various aspects of governance		
Baseline (2017)	Interim Milestone (2022)	Target (2024)
Eastern neighbourhood: 36.38	Increase	Increase
Southern	Increase	Increase

⁶ Data from 2019

⁷ Rule of Law is included in the similar indicator under the ENI Programme Statement Specific Objective 1 Indicator 2. However this indicator is broader and provides a weighted score based on eight external sources covering also other issues.

⁸ Data from 2019

⁹ Control of corruption is included in the similar indicator under the ENI Programme Statement Specific Objective 1 Indicator 2. However this indicator is broader and provides a weighted score based on eight external sources covering also other issues.

neighbourhood: 38.99		
Latest known results (2020¹⁰): Eastern neighbourhood: 42,22 Southern neighbourhood: 35.77		
Specific objective 4.1: The Western Balkans are brought closer to the EU and their economic development is strengthened, based on a credible, merit-based accession perspective and application of the revised enlargement methodology		Related to spending programme: IPA II, IPA III
Result indicator 4.1.1: Degree of readiness of Western Balkans on EU approximation and acquis ¹¹ Explanation: This indicator shows where the enlargement countries stand in terms of their alignment with the EU acquis across all chapters and EU compatible reforms. It is given as the sum of Western Balkan beneficiaries. It is measured on a scale from 1 to 5. Source of data: Annual Enlargement country reports, European Commission		
Baseline (2019)	Interim Milestone (2022)	Target (2024)
2.56	Increase	Increase
Latest known results (2020): The 2020 value is 2,58. This includes the Western Balkans and Turkey as the baseline value also includes both. For the Western Balkans only the baseline would be 2,5 and the 2020 value 2,52. The value for this indicator increased slightly thanks to improvements regarding one or two <i>acquis</i> chapters in Albania, Kosovo and Serbia and three <i>acquis</i> chapters in Montenegro (Fisheries, Enterprise and Industrial Policy, Trans-European Networks).		
Result indicator 4.1.2: Progress of Western Balkans in Public Administration Reform ¹² Explanation: This indicator shows where the Western Balkans stand in terms of the implementation of reforms of public administration to ensure its efficiency and ability to implement and enforce the EU acquis. It is given as the sum of Western Balkan beneficiaries. It is measured on a scale from 1 to 5. Source of data: Annual Enlargement country reports, European Commission		
Baseline (2019)	Interim Milestone (2022)	Target (2024)
2.57	Increase	Increase
Latest known results (2020): 2,5. This includes the Western Balkans and Turkey as the baseline value (2,57) also includes both. For the Western Balkans only the baseline would be 2,5 and the 2020 value also 2,5 as all		

¹⁰ Data from 2019

¹¹ There the similar indicator under the IPA II Programme Statement Specific Objective 3 Indicator 1 Composite indicator on the readiness of candidate countries and potential candidates on alignment to the acquis. However overall number of cases of early preparation stage is reported.

¹² Public Administration is part of the IPA II Programme Statement Specific Objective 1 Indicator 1 Composite indicator on the readiness of enlargement countries on fundamental areas of the political accession criteria. However overall number of cases of early preparation stage is reported.

countries of the Western Balkans remained at the same level. Turkey was downgraded after 4 years of backsliding from “moderately prepared” to “some level of preparation/moderately prepared”.

Result indicator 4.1.3: Implementation of policy guidance in the Economic Reform Programmes

Explanation: The indicator quantifies the level of implementation of policy guidance agreed in the Joint Conclusions of the annual Economic and Financial Dialogue between the EU and each of the the Western Balkans partners as part of the discussion of the annual national Economic Reform Programmes (ERPs). The score is calculated as the average percentage of implementation, for all partners.

Source of data: European Commission and ECB

Baseline (2020)	Interim Milestone (2022)	Target (2024)
35%	At least 40%	At least 50%
Latest known results (2020): 35% ¹³		

Specific objective 4.1:

The Western Balkans are brought closer to the EU and their economic development is strengthened, based on a credible, merit-based accession perspective and application of the revised enlargement methodology

Related to spending programme(s) IPA II

Main outputs in 2020:

New policy initiatives

Output	Indicator	Target
Draft Council Conclusions on Enlargement	Adoption of Council Conclusions	March 2020
Latest known results (2020):		
Conclusions on the opening of accession negotiations with Albania and North Macedonia were adopted in March 2020 ¹⁴ . Council Conclusions on Enlargement and the Stabilisation and Association Process were not adopted in 2020 as there was no agreement among Member States.		
Enlargement package, consisting of a Communication and country reports	Package is completed and published	Q4 2020

¹³ The value of this result will be available in April 2021 after the finalisation of 2020 Policy Guidance implementation assessment.

¹⁴ Council conclusions on enlargement and stabilisation and association process - Albania and the Republic of North Macedonia, of 25 March 2020.

Latest known results (2020): Adopted 6 October 2020 ¹⁵		
Commission Communication on revised enlargement methodology	Communication adopted	Q1 2020
Latest known results (2020): Adopted 6 February 2020 ¹⁶		
Commission Communication on support to the Western Balkans in tackling COVID-19 and the post-pandemic recovery – in preparation for the Zagreb Summit	Communication adopted	Q2 2020
Latest known results (2020): Adopted 29 April 2020 ¹⁷		
Commission Communication on an Economic and Investment Plan for the Western Balkans	Communication adopted	Q4 2020
Latest known results (2020): Adopted 6 October 2020 ¹⁸		
Preparations for the Enlargement package 2021	Guidance note issued and process launched.	End 2020

¹⁵ COM(2020) 660 final; SWD(2020) 350 final; SWD(2020) 351 final; SWD(2020) 352 final; SWD(2020) 353 final; SWD(2020) 354 final; SWD(2020) 355 final; and SWD(2020) 356 final

¹⁶ COM(2020) 57 final

¹⁷ COM(2020) 315 final

¹⁸ COM(2020) 641 final

Latest known results (2020)			
Preparations have not yet started as the 2020 package was postponed from spring to autumn.			
Evaluations and fitness checks			
Output	Indicator	Target	
TAIEX Evaluation	Roadmap produced	Q4 2020	
Latest known results (2020):			
Roadmap produced and evaluation contracted in December 2020			
Evaluation of Sector Budget Support in IPA beneficiary countries	Roadmap produced	Q4 2020	
Latest known results (2020):			
The evaluation is no longer planned, as sector budget support is covered by all country evaluations in IPA region.			
Country evaluation of EU cooperation in Albania	Roadmap produced	Q4 2020	
Latest known results (2020):			
Evaluation postponed to 2021.			
External communication actions			
Output/ Result	Indicator	Target	Latest known results (2020)
Press trips for EU journalists to the enlargement region	Number of participants	35	15
	Number of participants who declare the event met their expectations	>65% of participants	100%
	Better understanding of the policy/related funding	>65% of participants	100%
Strategic communication workshops for government communicators (TAIEX)	Number of participants	100	115
	Percentage of participants who declare that the workshop was well structured	>60% of participants (fully)	68%
		>90% (fully and partially)	92%
	Percentage of participants who declare that the workshop addressed key topics	>60% of participants (fully)	68%
		>90% (fully and partially)	88%
	Percentage of participants who	>45% of participants (fully)	57%

	declare that the workshop enabled them to improve their knowledge	>80% (fully and partially)	87%
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Other important outputs

Output	Indicator	Target
Accession negotiations with Albania and North Macedonia: Launch of the process and presentation of the negotiating frameworks	Adoption by Council Inter-governmental conference	Q3 2020 Q4 2020

Latest known results (2020):

Albania. Member States could not reach an agreement on the draft negotiating frameworks. Discussions continue in view of holding the first Inter Governmental Conferences (IGCs) as soon as possible.

North Macedonia. Member States could not reach an agreement on the draft negotiating frameworks, due to pending bilateral issues between the country and Bulgaria. Discussions continue in view of holding the first IGCs as soon as possible.

Accession negotiations with Serbia and Montenegro: Preparation of Benchmark Reports, and Draft Common Positions (DCP), Monitoring progress in the rule of law area, in view of reporting twice a year to the Member States	Progress on accession negotiations with Montenegro/Serbia through preparation and submission of DCPs and benchmark assessment reports to COELA on chapters where the necessary conditions have been fulfilled.	Throughout 2020
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Latest known results (2020):

Montenegro. Chapter 8 Competition was opened in June 2020. All screened chapters are now open.

Serbia: Twice a year reporting in the rule of law area to the Member States has been fulfilled with June 2020 Rule of law non-paper and the annual report in October 2020.

Two DCPs were submitted to Council in 2020: Chapter 3 – Right of establishment & freedom to provide services in May 2020 and Chapter 27 – Environment and climate change in November 2020.

One Opening Benchmark Assessment Report for Chapter 19 – Social policy and employment was submitted to Council in November 2020.

Monitoring of Stabilisation and association agreements (SAA) and implementation of structural reforms in the Western Balkans (WB)	SA Council and Committee, SAA Sub-committees / Special Groups meetings held with the Western Balkans countries.	Each Western Balkans partner: - 1 SA Council - 1 SA Committee For Montenegro and Serbia 7 sub-committees +1 PAR Special Group
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Latest known results (2020):

Albania. 1 Stabilisation and Association Committee, 7 Subcommittee meetings and a PAR special groups took place.

Bosnia and Herzegovina. 1 SAA Committee, 7 SAA sub-committees and the PAR Special Group took place

Kosovo. 1 Stabilisation and Association Committee, 7 Subcommittee meetings and a PAR special groups took place.

North Macedonia. 1 Stabilisation and Association Committee, 7 Subcommittee meetings and a PAR special groups took place.

Montenegro: 1 SA Council, 7 subcommittees and 1 PAR Special Group.

Serbia. 7 sub-committees and 1 PAR Special Group, SA Committee and SA Council were carried out.

Follow-up to the key priorities set in the Commission Opinion on Bosnia and Herzegovina's application for EU membership and to commitments under the Stabilisation and Association Agreement.	Country annual report and SAA meetings completed	Q4 2020
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Latest known results (2020):

The 2020 Country Report on Bosnia and Herzegovina was published on 6 October. It is the first report following up on the implementation of the 14 key priorities identified in the 2019 Opinion on the EU membership application of the country

Progress in delivery of Kosovo reform commitments under the SAA and European Reform Agenda	Kosovo annual report completed and meetings and follow up under the SAA	Q4 2020
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Latest known results (2020):

The Kosovo report was published in October 2020. The full SAA cycle was completed with the

organisation of an EU-Kosovo SA Committee(October2020) and Council (November 2020)		
Programming and implementation of bilateral assistance under IPA II	All IPA II bilateral action documents adopted	Q4 2020
Latest known results (2020): <p>Albania. The 2020 Financing agreement was amended to absorb the 2020 performance reward amounting to EUR 28 million, and to redirect funding in response to COVID-19 crisis. New programmes were introduced for Economic Recovery (EUR 26 million), EU Integration Facility (EUR 8.3 million) and for International Monitoring Operation (EUR 8.7 million) Those actions with reduced allocation due to COVID-19, are in the pipeline to be covered under 2021 programme.</p> <p>Bosnia and Herzegovina. In 2020, the 2018, 2019 and 2020 Annual Action Programmes were amended to redirect funding in response to COVID-19 crisis. A Special Measure on COVID-19 impact mitigation (EUR 17 million) was adopted and later on modified to add another EUR 760.000). A Special Measure on Migration was adopted in June (EUR 20 million) and modified in December to add EUR 25 million.</p> <p>Kosovo. The 2019 part II Annual Action Programme adopted on 28 November 2019 was amended on 31 July 2020 to redirect funding in response to COVID-19 crisis. The 2020 Annual Action Programme was adopted on 28 July 2020.</p> <p>Montenegro. The 2016, 2019 and 2020 Annual Action Programmes were amended on 28 July to redirect funding in response to the COVID-19 crisis. The 2018 Annual Action Programme was amended on 13 November. This made up the principle EUR 53 million response focused on helping Montenegro's social, economic and health recovery. Beyond this further programme extensions and adjustments were also made in CBC programmes, the Operational Programme SOPEES (2015-2017) as well as the Annual Action Programme 2017.</p> <p>North Macedonia. To redirect funding in response to COVID-19 crisis, the 2020 Annual Action Programme adopted on 17 February 2020, was amended on 28 July 2020 with a performance reward, adding 2 new actions, the EU Integration Facility (EUR 10 million) and the EU for Social and Economic Resilience (EUR 40 million).</p> <p>Serbia. IPA 2020 Part II programme was reoriented to accommodate a new action (EUR 17 million) in order to address COVID-19 crisis in Serbia. On top of that Special Measure 7 on migration (EUR 11.7 million) has been programmed to alleviate the migratory pressure in Serbia, aggravated by the Covid-19 pandemic.</p>		
Implementation of TAIEX and Twinning activities contributing to reforms and economic development in the Western Balkans	Approximately 150 activities (online and physical) implemented in the Western Balkans, depending on beneficiary demand	Throughout 2020

Latest known results (2020):

In 2020, 108 TAIEX events for the benefit of the Western Balkans were organised. These were bilateral events involving a single country and EU experts. In addition, 20 regional events took place, involving all Western Balkans and EU experts. In the same year, 54 Twinning were ongoing in the region.

Specific objective 4.2:

Regional cooperation and neighbourly relations in the Western Balkans are improved.

Related to spending programme: IPA II, IPA III

Result indicator 4.2.1: Total length of the indicative extension of the TEN-T rail and road core network to the Western Balkans supported by the EU through a) new construction and b) rehabilitation

Explanation: This indicator shows progress in completion of the TEN-T rail and road core network in the Western Balkans supporting connectivity amongst the Western Balkans and between the Western Balkans and the EU. It is measured in km.

Source of data: WBIF Monitoring Information System, WBIF Annual Reports, European Commission; Transport Community Treaty Secretariat

Baseline (2019)	Interim Milestone (2022)	Target (2024)
147 km	502 km	748 km

Latest known results (2020):

In Bosnia and Herzegovina the road corridor VC section Buna – Počitelj (7.2 km) encountered some delays, but should be completed in 2021. No other Western Balkans Investment Framework (WBIF) supported projects/sections were expected to be completed in 2020 but further 46 Km shall be built during 2021. In addition, the national IPA projects in North Macedonia should also contribute to achieving the foreseen milestone in 2022.

Result indicator 4.2.2: Attitudes on Regional Cooperation and EU Integration

Explanation: This indicator measures the attitude of the Western Balkan citizens towards regional cooperation. It aims to capture to what extent they see it as a positive influence on the political, economic or security situation their societies.

Source of data: Balkan Public Barometer, Regional Cooperation Council

Baseline (2018)	Interim Milestone (2022)	Target (2024)
51%	53%	55%

Latest known results (2020):

Regional cooperation continues to grow in prominence – 52% of the respondents in the Western Balkans ‘tend to agree’ that regional cooperation can contribute to the political, economic or security situation of their society. When coupled with those who ‘totally agree’, there is an overwhelming majority of respondents supportive of the role of regional cooperation. (77%, up from 74% in 2018).

Result indicator 4.2.3: Percentage of intra-regional trade to GDP

Explanation: This indicator measures the regional trade openness as the total of intraregional trade flows as percentage of the region’s GDP. It aims at capturing the results of

the regional economic integration efforts, whilst taking into account the economic growth of the region.		
Source of data: National statistics, Regional Cooperation Council		
Baseline (2018)	Interim Milestone (2022)	Target (2024)
9,6%	10,5%	11,5%
Latest known results (2020): This indicator is not yet available.		

Specific objective 4.2: Regional cooperation and neighbourly relations in the Western Balkans are improved		<i>Related to spending programme(s) IPA II</i>
Main outputs in 2020:		
Other important outputs		
Output	Indicator	Target
Progress in completing the TEN-T rail and road core network to the Western Balkans and in implementing the Project of Energy Community Interest	Endorsement of the 2020 connectivity package for the Western Balkans Contribution to the preparation of the Economic and Investment Plan for the Western Balkans including its connectivity component	Q4 2020
Latest known results (2020): The original connectivity pledge of EUR 1 billion for investment grant support for the period 2015-2020 was achieved, with the endorsement of the 6th Connectivity Package (including one rail, three road, one waterway and one energy project) in November 2020. It is expected that the EUR 1 billion of EU funds will leverage investments for EUR 3.7 billion in the region. The Economic and Investment Plan for the Western Balkans was adopted in October 2020 (including a list of Flagship infrastructure projects in transport, energy, environment and digital infrastructure project identified also based on WBIF project pipeline)		
Support to the implementation of the Multi-Annual Action Plan for the Economic Area and the development of the successor plan for the period 2021-2024	Adoption by the Western Balkans Leaders at the Sofia Summit	Q4 2020
Latest known results (2020): At the Sofia Summit in November 2020, the leaders of the Western Balkans adopted the "Common Regional Market" action plan for 2021-2024. This plan is based on EU rules and standards, and builds on the results of the Regional Economic Area.		
Progress in implementation of		

the 2018 Sofia Agenda:		
a) Promote deepening of links among civil societies of the Western Balkans, including through the support for the Western Balkans Fund projects	10 new regional Civil Society networks collaborating on different thematics. Contract with the Western Balkans Fund signed (EUR 1 million for subgranting to small-scale regional initiatives)	Q1 2020
b) Articulation of the EU's Creative Europe Programme in the Western Balkans	Contracts signed following first call	Q4 2020
c) Establishment of a "Western Balkans Youth Lab"	First regional Youth Lab takes place	Q3 2020
d) Set-up of the new Integrative Internal Security Governance (IISG) secretariat hosted by Regional Cooperation Council, following the revision process of its Terms of Reference	IISG Secretariat is set-up	Q2 2020

Latest known results (2020):

The implementation of the Sofia Agenda is overall progressing well.

a) Following the 2019 call for proposals under the Civil Society Facility, 16 new regional civil society networks were financed and are operating; the financing decision to finance the Western Balkans Fund was taken in December 2020.

b) 13 contracts resulting from the dedicated Western Balkans Creative Europe call for proposals were signed in Q4 2020. The call generated a very high interest with 320 admissible applications received. The selected projects represent a wide range of cultural and creative sectors and include publishing, architecture, video arts, painting and drawing, theatre, dance, graphic arts, music, intangible culture and museums/ historical sites and buildings.

c) The kick-off event of the first regional Thematic Youth Lab took place on 14 and 15 December 2020, bringing together more than 40 young people and policymakers from the region and beyond. The event inspired dialogue on youth unemployment and brought forward their key regional recommendations to be implemented later on during the Youth Lab process.

d) The new IISG Secretariat hosted by the RCC was set up in Q2 2020 in new premises and with a new team. The Secretariat has started the work of securing regional ownership for the platform, broadening the partner coalition and developing processes to underpin IISG work.

Adoption of 2020 IPA II multi-country action programmes	All IPA II action programmes adopted	Q3/Q4 2020
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Latest known results (2020):

All 2020 IPA II multi-country action programmes were adopted between June and December 2020, including:

- the multi-country programmes part 1 (EUR 140.24 million) and part 2 (EUR 32 million);
- the connectivity programme (EUR 136 million);
- the civil society facility and media programme (EUR 72.6 million), including part of health response to COVID-19 (EUR 8.5 million);
- the support measure to technical assistance to cross border cooperation 2020 (EUR 1.21 million);
- a COVID-19 special measure on SME support (EUR 95 million).

Additional 11 amending decisions, including substantial and non-substantial amendments, and updates to programmes were carried out, some of them with a direct link to the COVID-19 response, including an amendment to facilitate access to COVID-19 vaccines to the Western Balkans (EUR 70 million).

Strategic engagement and policy dialogue with civil society	Regular coordination meetings with strategic partners and regional civil society events in the Western Balkans	Throughout the year
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Latest known results (2020):

Coordination with civil society continued, in particular in relation to the upcoming IPA III programming framework, and the future of the Civil Society Facility, including the guidelines for support to civil society. A large consultation meeting was held in Skopje in January 2020, and this has been followed by various online meeting as well as consultations

Implementation of TAIEX activities strengthening regional cooperation and neighbourly relations in the Western Balkans	Approximately 15 regional or multi-country activities (online and physical) implemented in the Western Balkans, depending on beneficiary demand	Throughout 2020
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Latest known results (2020):

In 2020, 20 TAIEX events brought together all of the region and thus contributing to regional cooperation and better neighbourly relations

Specific objective 4.3: A sustainable basis for improved relations with Turkey is ensured	Related to spending programme: IPA II, IPA III
Result indicator 4.3.1: Number of formal high-level dialogues at ministerial level per year (including on migration)	
Explanation: This indicator shows the amount of high level meetings between EU and Turkey as a measure of political cooperation.	
Source of data: European Commission	

Baseline (2019)	Interim Milestone (2022)	Target (2024)
2	Increase	Increase
Latest known results (2020): Decrease (no dialogues held although high level engagement continues) given Council Conclusions of July 2019 that have frozen these high level political and sectoral dialogues.		
Result indicator 4.3.2: Share of EU goods and services in imports to Turkey Explanation: This indicator illustrates trade relations between EU and Turkey. If relations are improved, notably through the modernisation of the CU, the share of imports originating from the EU in particular on services should increase. Source of data: Eurostat: https://ec.europa.eu/trade/policy/countries-and-regions/countries/turkey/		
Baseline (2018)	Interim Milestone (2022)	Target (2024)
32,3%	Increase	Increase
Latest known results (2020): No data available yet (to be available in March)		
Result indicator 4.3.3: Detections of illegal border-crossings at the EU borders with Turkey Explanation: This indicator shows the number of illegal border-crossings detected by EU member states at the EU side of the EU-Turkey border Source of data: Frontex https://frontex.europa.eu/assets/Publications/Risk_Analysis/Risk_Analysis/Annual_Risk_Analysis_2020.pdf		
Baseline (2019)	Interim Milestone (2022)	Target (2024)
85078	Decrease	Decrease
Latest known results (2020): 24202 detections [estimate]		

Specific objective 4.3: A sustainable basis for improved relations with Turkey is ensured		Related to spending programme(s) IPA II
Main outputs in 2020:		
Other important outputs		
Output	Indicator	Target
Continuation of the high level dialogue with TK on the implementation of 2016 EU - TK statement	Number of high level meetings	3 meetings in 2020
Latest known results (2020): 1 meeting in March 2020; discussions continue in the framework of the overall EU-Turkey relations		

Continuous implementation of the EU-Turkey Association Agreement	Number of sub-committee meetings held	2 meetings in Q3/Q4
Latest known results (2020): 1 meeting held (SC2 in December 2020)		
Follow-up on the implementation of the EU-Turkey Customs Union	Number of meetings of the Customs Union Joint Committee held	1 meeting in Q3/Q4
Latest known results (2020): No meetings. The Customs Union Joint Committee meeting scheduled for October was postponed by the Commission.		
Support DG TRADE in following discussions by Member States on the mandate and perspective of initiating negotiations on the modernisation of the EU-Turkey Customs Union, when political conditions are ripe	Mandate approved	when political conditions allow
Latest known results (2020): No developments		
Policy dialogue with Turkey on economic governance	Adoption of joint NEAR/ECFIN/EMPL assessment of Turkey's economic reform programme 2020-20222	Joint assessment adopted in Q2
Latest known results (2020): Joint assessment was adopted in April 2020		
Monitoring of the implementation of the EU Facility for Refugees in Turkey	Number of meetings of the Facility Steering Committee	1 meeting in Q4
Latest known results (2020): During the reference period one Facility Steering Committee was held in November 2020.		
Implementation of the funds under NEAR responsibility of the EU Facility for Refugees in Turkey	Level of contracted funds	All funds under NEAR responsibility contracted by end of 2020
Latest known results (2020): The entire EUR 6 billion operational budget of the FRIT was contracted by December 2020.		
Continuous monitoring of developments and providing policy recommendations on democracy, rule of law, judiciary, security as well as fundamental rights and freedoms	2020 country report on Turkey (staff working document as part of Enlargement package) published;	Country report published in Q4
Latest known results (2020):		

The 2020 country report on Turkey was published on 6 October 2020.		
Support political priorities through the Instrument for Pre-Accession Assistance	Adoption of 2020 IPA II country programme	Programme adopted by the end of 2020
Latest known results (2020):		
The Annual Action Programme 2020 was adopted on 16 October, 2020.		
Implementation of TAIEX and Twinning activities contributing to improved EU-Turkey relations	Approximately 10 activities (online and physical) implemented in Turkey, depending on beneficiary demand	Throughout 2020
Latest known results (2020):		
9 TAIEX events involving Turkey and EU experts took place. In addition, Turkey participated in 17 multilateral events with other countries and EU experts.		
In 2020, there were 13 ongoing twinning in Turkey.		

Specific objective 4.4: Take the Eastern Partnership to the next level		Related to spending programme: ENI, NDICI
Result indicator 4.4.1: Number of partnership priorities, Association agendas, or equivalent documents, which are revised, adopted or agreed Explanation: The indicator monitors the number of key bilateral policy documents (Partnership priorities, Association Agendas, or equivalent documents) revised and adopted during the period. Since the indicator measures the evolution during 2020-2024 period, the base is set at 0. It does not imply that no action was taken in the past. Source of data: EU Results Framework		
Baseline (beginning 2020)	Interim Milestone (2022)	Target (2024)
0	4	5
Latest known results (2020): Georgia: The revision of the Association Agenda covering the period 2021-2027 is ongoing. The previous Association Agenda covered the period 2017-2020. Armenia: Partnership Priorities (adopted in 2018) remain in force and guide cooperation. The Comprehensive and Enhanced Partnership Agreement (CEPA) ratification process advanced (last Member State ratified in January 2021). Moldova: The revision of the Association Agenda covering the period 2021-2027 is ongoing. The previous Association Agenda covered the period 2017-2020.		
Result indicator 4.4.2: Percentage of Eastern Partnership post-2020 deliverables completed Explanation: Based on the 5 policy objectives of the EaP post-2020, this new set of deliverables will be prepared in the second half of 2020 and endorsed at the EaP Summit in early 2021. After that, they will be implemented. Similar to the current reform agenda, monitoring of the new set of deliverables will be done regularly by the EU together with partner countries in a public report. Source of data: European Commission		
Baseline (2020)	Interim Milestone (2022)	Target (2024)
0	120% of 2020 end results	170% of 2020 end results
Latest known results (2020): 0 New set of deliverables for period post-2020 in preparation. Joint Communication adopted in March 2020 to lay down the foundation for the future of the EaP policy		
Result indicator 4.4.3: Number of grassroots civil society organisations benefitting from (or reached by) EU support Explanation: The indicator measures the outreach of our civil society programmes, as a broad base of civil society is crucial for the EU to be an open and receptive foreign policy actor. Grassroots actors often play a vital role in giving voice to citizens, including in situations of restricted space. Source of data: European Commission		
Baseline	Interim Milestone	Target

(2020)	(2022)	(2024)
approx. 1,200	approx. 1,700	approx. 2,500
Latest known results (2020): 1,200 local/grassroots civil society organizations in the EaP region benefit from EU-funded civil society programmes.		

Specific objective 4.4. Take the Eastern Partnership to the next level.		Related to spending programme(s) ENI	
Main outputs in 2020:			
New policy initiatives			
Output	Indicator	Target	
Joint Communication on future of Eastern Partnership policy	Communication adopted	Q1 2020	
Latest known results (2020): Adopted in March 2020.			
Eastern Partnership Summit – support to preparation and drafting of declaration, together with EU Member States and EaP countries	Summit held and Declaration adopted	Q2 2020	
Latest known results(2020): Summit postponed for 2021.			
Evaluations and fitness checks			
Output	Indicator	Target	
Country evaluation on Georgia	Terms of reference adopted and contracted	Q4 2020	
Latest known results (2020): Terms of reference adopted and the evaluation contracted in December 2020			
Country evaluation on Moldova	Intermediate report	Q4 2020	
Latest known results (2020): Interim report submitted in November			
Public consultations			
Output	Indicator	Target	
Report on public consultation on the future of Eastern Partnership	Report adopted and published, with positive feedback by relevant stakeholders	Early 2020	
Latest known results (2020): Public consultation taken into account in preparation and adoption of the Joint Communication.			
External communication actions			
Output Description	Indicator	Target	Latest known results

			(2020)
Press trips for EU journalists to the neighbourhood region	Number of participants	20	0 (No press trips took place due to travel restrictions)
	Number of participants who declare the event met their expectations	>65% of participants	0%
	Better understanding of the policy/related funding	>65% of participants	0%
Training seminars on EU visibility and communication for beneficiaries in the neighbourhood	Number of participants	100	54
	Event met expectations	>65% of participants	95%
OPEN Neighbourhood Regional Programme: campaigns, events and polling to improve perceptions of the EU in Neighbourhood countries	Number of visits to EU Neighbours website	>500,000	>1,000,000 (total for East and South as the programme has one website).
	Number of people reached on Facebook (average reach per post)	East: 17,000 South: 20,000 *for the South, the average would have been close to 45,000 but due to postponement of events and campaigns (coronavirus), this will be much less.	East: 43,150,000 (118,200)
	Number of impressions – Twitter (monthly)	100,000	Number of impressions - Twitter (for both regions as the programme has one account) January: 117,400 February: 120,000

			March: 177,700
			April: 200,100
			May: 160,700
			June: 235,800
			July: 206,500
			August: 173,200
			September: 159,800
			October: 126,000
			November: 219,100
			December: 240,000
	Number of subscribers to news alerts	>10,000	15.420 subscribers
	Number of people reached through events	>5,000 *this includes also virtual events	People reached through events: >23,000 directly (attended events) >15,000,000 virtual reach of people through the events & outreach of those through media or multipliers.
	Number of young people becoming part of Young European Neighbours network	East: >1,000 South: 16 social media influencers	>730 Young European Ambassadors and 8,200 members of the Facebook Young European Neighbours Network

Other important outputs		
Output	Indicator	Target
Advanced negotiations on renewed Association Agendas for DCFTA countries	Negotiations progressing satisfactorily (in particular in view of elections in several of the countries).	Q3-Q4 2020
Latest known results (2020): Negotiations with Georgia and Moldova advancing at a steady pace.		
Implementation of CEPA in Armenia, negotiating new agreement with Azerbaijan and Partnership Priorities with Belarus	Implementation and negotiations progressing satisfactorily (in particular in view of elections in several of the countries)	Q3-Q4 2020
Latest known results (2020): Implementation of CEPA in Armenia is satisfactory. Negotiations with Azerbaijan on a new agreement are nearing conclusion. The Partnership Priorities with Belarus are currently on hold.		
Implementation of TAIEX and Twinning activities supporting EaP countries	Approximately 80 activities (online and physical) implemented in the Eastern Neighbourhood, depending on beneficiary demand	Throughout 2020
Latest known results (2020): 48 bilateral TAIEX events took place, involving a single country and EU experts. In addition, EaP countries jointly participated to 10 multi-country TAIEX events. In 2020, 36 Twinning were ongoing across all EaP countries.		
Strategic engagement with civil society and further increase outreach to grassroots organisations, including for mitigating COVID impacts to vulnerable persons	New contracts with Framework Partners in regional East and Ukraine for COVID response	Q3 2020
	Regular coordination meetings with strategic partners and a thematic seminar on re-granting	Throughout the year; Q3 2020
Latest known results (2020): New contracts with FPs on COVID signed in regional East and Ukraine. Coordination meetings held in March, September and during COVID action negotiation.		
Roll-out new actions on social entrepreneurship	New contract in Eastern partnership	Q3 2020

Latest known results (2020):

Regional social entrepreneurship action was combined with social innovation and Armenia activities, and adapted to new COVID reality. Contract was signed in Q4, to be rolled out in 2021.

Improve knowledge sharing on innovative mechanisms for engaging with civil society

Lessons learnt session on strategic Framework Partnerships and Operating Grants in East and Western Balkans
Thematic seminar on best practices in re-granting in East, South, and Western Balkans

Q3-Q4 2020

Latest known results (2020):

Strategic partners actively engaged, including for COVID response. Lessons learnt to be drawn in 2021, preferably with the help of an external evaluation.

Thematic seminar on best practices in re-granting in the East, South, Western Balkans and Turkey held in interactive collaborative format in different sessions in October 2020.

Specific objective 4.5:

Stability, resilience, economic development and regional co-operation are reinforced through our cooperation in the Southern Neighbourhood

Related to spending programme: ENI, NDICI

Result indicator 4.5.1: Number of state institutions and non-state actors supported on security, border management, countering violent extremism, conflict prevention, protection of civilian population and human rights

Explanation: This indicator measures the EU assistance to good governance and capacity building in support of security, protection of civil population and enforcement of human rights

Source of data: EU Results Framework

Baseline (2018)	Interim Milestone (2022)	Target (2024)
Neigh. South: 420	Stable trend	Stable trend

Latest known results (2020):

476

Result indicator 4.5.2: Number of countries supported by the EU to strengthen revenue mobilisation, public financial management and/or budget transparency

Explanation: This indicator measures the support of the EU to the Southern Neighbourhood countries for the improvement of public finance management measures

Source of data: EU Results Framework

Baseline (2018)	Interim Milestone (2022)	Target (2024)
Neigh. South 7	7	7

Latest known results (2020):

7

Result indicator 4.5.3: Number of partnership priorities, Association agendas, or equivalent documents, which are revised, adopted or agreed Explanation: The indicator monitors the number of key bilateral policy documents (Partnership priorities, Association Agendas, or equivalent documents) revised and adopted during the period. Source of data: European Commission		
Baseline (2020)	Interim Milestone (2022)	Target (2024)
8	8	8
Latest known results (2020): 8		

Specific objective 4.5: Stability, resilience, economic development and regional integration are reinforced through our cooperation and policy dialogues in the Southern Neighbourhood		<i>Related to spending programme(s) ENI</i>
Main outputs in 2020:		
Evaluations and fitness checks		
Output	Indicator	Target
Evaluation of ongoing programmes and definition of priorities for a regional civil society facility for the Southern Neighbourhood.	Processing available information emerging from the on-going evaluation of structured dialogue with civil society and need assessment of the civil society (with input from EUDs).	Throughout 2020
Latest known results (2020): Ongoing		

External communication actions			
Output Description	Indicator	Target	Latest known results (2020)
Increasing knowledge and public awareness on Euro-Med partnership.	Commission's participation in the UfM communication campaign to commemorate the 25th anniversary of the Barcelona Declaration / number of activities in the communication plan.	100% of activities in the communication plan have been implemented.	UfM conference took place in Nov 2020
Press trips for EU journalists to the neighbourhood region	Number of participants	20	0 (No press trips took place due to travel restrictions)
	Number of participants who declare the event met their expectations	>65% of participants	0%
	Better understanding of the policy/related funding	>65% of participants	0%
Training seminars on EU visibility and communication for beneficiaries in the neighbourhood	Number of participants	100	85
	Event met expectations	>65% of participants	90%
OPEN Neighbourhood Regional Programme: campaigns, events and polling to improve perceptions of the EU in Neighbourhood countries	Number of visits to EU Neighbours website	>500,000	See objective 4.4 as the programme has one website for both regions
	Number of people reached on Facebook (average reach per post)	East: 17,000 South: 20,000 *for the South, the average would have been close to 45,000 but due to	20,269,158 (38,755)

		postponement of events and campaigns (coronavirus), this will be much less.	
	Number of impressions – Twitter (monthly)	100,000	For number of impressions - Twitter see objective 4.4 as the programme has one twitter account
	Number of subscribers to news alerts	>10,000	Subscribers: 8,762
	Number of people reached through events	>5,000 *this includes also virtual events	>7,000 reached directly (attended events) Over 2 million indirectly (through publications linked to events)
	Number of young people becoming part of Young European Neighbours network	South: 16 social media influencers	16

Other important outputs

Output	Indicator	Target
Review/extension of current partnership priorities or equivalent documents	Process launched in the different countries as per instructions	End 2020
Latest known results (2020): Process launched		
Implementation of the partnership priorities or equivalent documents	Multiannual and annual programming documents are in line with the Partnership Priorities	Throughout 2020.
Latest known results (2020): Preparatory work took place to ensure adoption in 2021		
Programming of the NDICI instrument (post 2020), in line with the Partnership priorities	Preparation of Multiannual Indicative Programmes (MIP) launched as per instructions.	Steps implemented as per upcoming instructions.
Latest known results (2020): Preparatory work took place to ensure adoption in 2021		

Decision was taken for a later launch of preparations for the MIP to integrate strategic orientations of the Communication for a renewed partnership with the Southern Neighbourhood.		
ENI annual programmes are adopted	Adoption of ENI annual programmes using fully corresponding annual budget allocation	Throughout 2020
Latest known results (2020): All ENI annual programmes adopted		
Organisation of the Brussels IV Conference on the Future of Syria and the Region	Ministerial conference and consultation with Syrian civil society held; Funding pledges secured.	June 2020
Latest known results (2020): The Conference took place in a virtual format		
Provide support to Syrian refugees and vulnerable host communities in particular in Lebanon and Jordan, as an important element of the EU response to the Syrian Crisis and a contribution to share responsibility with host countries, maximising system-strengthening aspects; commit and contract remaining EUTF Syria budget	Continued engagement with stakeholders. Action documents adopted by the EUTF board; Contract signed.	Throughout 2020
Latest known results (2020): In 2020, the Trust Fund reached a total budget of over EUR 2.3 billion. 23 new contracts and 9 riders to existing contracts were signed for an overall amount of EUR 546 million. This brings the total project portfolio to a value of more than EUR 2 billion, out of which EUR 1.5 billion has already been paid to the partners, including EUR 500 million in 2020. Throughout the year, the Operational Board of the Trust Fund approved a total allocation of EUR 293.2 million (EUR 202.6 million for Lebanon; EUR 80.6 million for Jordan; EUR 10 million for Iraq) through two written procedures, including EUR 54.7 million for a specific COVID-19 response package. In December 2020, the Commission approved a last, one-year extension of the Trust Fund to provide a bridging solution to the next Multiannual Financial Framework.		
Follow-up of the Berlin International Conference on Libya	Technical expertise provided by the Commission; and EU co-chairing the Berlin Economic Working Group.	Throughout 2020
Latest known results (2020): Continuous support through ENI on Governance and the Economy. Specific expertise provided to support the Berlin Economic Working Group		
Renewal of the EU-United	EU-UNRWA joint	End 2020

Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) joint declaration for the period 2021-2024, reaffirming EU strong political and financial support to the organisation	declaration	
Latest known results (2020): An agreement was reached after summer between services and with UNRWA on the draft text of the Joint Declaration, reaffirming EU strong commitments towards UNRWA and in particular the continuation of EU multiannual funding to UNRWA's programme budget at a similar level. The ISC could however not be launched before the end of the year.		
Support the Union for the Mediterranean (UfM) sector policy dialogue with partner countries.	UfM ministerial meetings on Trade and Climate change are organised. UfM ministerial declarations are followed-up through yearly sector dialogues involving the full range of relevant stakeholders.	Throughout 2020
Latest known results (2020): The UfM ministerial on trade took place virtually in November 2020, issuing a Joint Statement on trade and investment priorities, and reaffirming the commitment to rules-based and free trade. The DG NEAR regional programmes on trade and investment were ceremonially launched during the Ministerial in the presence of M. Popowski and the OECD, ILO, and ITC. Back-to-back, a UfM Business Forum on Trade and Investment took place which was opened by Commissioner Várhelyi. The UfM ministerial on Environment and Climate change had to be postponed due to COVID and the desire to hold it in person. Nevertheless, technical dialogues continued online and the drafting of the Ministerial Declaration on Environment and Climate Action has progressed. Preparation for the UfM ministerial on Energy (planned for April 2021 in Portugal) has started with drafting of the new UfM Ministerial Declaration. Regular meetings of the regional UfM Platforms took place in other thematic areas: - Industrial Cooperation in November, focussing on the implementation of the Work Programme and its extension for 2021, as well as an exchange on policies and good practices on social economy. - several meetings on RTD, notably on initiatives linked to innovation.		
Provide institutional support to the UfM	The UfM Roadmap for Action is implemented as well as the new approach to labelling.	Throughout 2020

Latest known results (2020):

NEAR participation to four (virtual) Senior Official Meetings in June, July, September and November, and to the 5th UfM (virtual) Regional Forum on 27 November, marking the celebrations of the 25th Anniversary of the Barcelona Process, in the presence of Csr Varhelyi.

Adoption of the UfM 2021 work programme and budget by the UfM member states and signature of the new operating grant contract to the UfM Secretariat in December.

Strengthened security cooperation in line with the Global Strategy and the European Neighbourhood Policy security dimension	Increased performance of security actors and intensified operational cooperation with EU partners through the implementation of projects with key partners such as Interpol and EU Agencies EUROPOL, EUROJUST, FRONTEX/EBCGA and EMCDDA.	Throughout 2020
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Latest known results (2020):

Major ongoing contracts with Interpol and EU Agencies EUROPOL, CEPOL, EUROJUST, FRONTEX/EBCGA and EMCDDA, but also Council of Europe (EUR 30.5 million)

All of them targeting internal security actors in the partner countries.

Enhanced cooperation with EU Member States actors.

The 4th edition of the EEAS-Commission Services non paper on the state of play of the ENP Security Chapter was presented in PSC in November 2020.

Implementation of TAIEX and Twinning events contributing to stability, resilience, economic development and regional integration in the Southern Neighbourhood	Approximately 50 activities (online and physical) implemented in the Southern Neighbourhood, depending on beneficiary demand	Throughout 2020
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Latest known results (2020):

25 bilateral events involving a single country and EU experts took place. In addition, 10 multilateral TAIEX events with participants from the region and EU experts took place.

32 twinning ongoing

Strategic engagement and policy dialogue with civil society	Regular coordination meetings with strategic partners and regional meeting of Civil Society Forum Neighbourhood South	Throughout the year
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Latest known results (2020):

2 coordination meeting with FPAs in the EaP, involving also out management; additional ones

for COVID response.

Regular coordination meetings with EaP Forum East, participation in and contribution to EaP Forum Annual Assembly in December;

Participation in and contribution to Forum South, which took place in the form of a number of workshop meetings.

Participation in and contribution to policy coordination meetings in the Western Balkans.

General objective 1: A European Green Deal		
Impact indicator 3: Climate mainstreaming in the European Union budget		
Explanation: Proportion of climate related spending (mainstreaming) in the EU budget		
Source of the data: European Commission Draft Budget Reports		
Baseline (2018)	Interim Milestone (2022)	Target (2024)
21% ¹⁹	25% ²⁰	25% ²¹
Latest known results (2020): 21%		
Specific objective 1: The implementation of the external dimension of the European Green Deal is supported in partner countries		Related to spending programme: ENI, NDICI, IPA II, IPA III
Result indicator 1.1: Greenhouse Gas (GHG) emissions avoided (tonnes CO ₂ eq) with EU support		
Explanation: This indicator measures the result of EU supported actions in terms of reduction of greenhouse gas emissions. Since the indicator measures the evolution during the 2020-2024 period, the baseline is set at 0. It does not imply that no action was taken in the past.		
Source of data: IPA Performance Framework and EU Results Framework		
Baseline (2020)	Interim Milestone (2022)	Target (2024)
0	105% of final 2020 results	110% of final 2020 results
Latest known results (2020): 0 ²²		
In 2019, EU funded projects under the IPA instrument contributed to avoiding 798 693 tonnes of CO ₂ equivalent in candidates and potential candidates. This is a good achievement on which to build further, in line with the external dimension of the European Green Deal, as well as regional and national commitments of the beneficiaries. Project supporting energy, transport, cities' local actions will all contribute to reducing the emissions of greenhouse gases in beneficiaries. The cumulative emissions of greenhouse gases avoided in the neighborhood countries through EU-supported actions in the period 2013-2019 amount to 5 379 371 tonnes CO ₂ eq.		
Result indicator 1.2: Number of Micro, Small and Medium Enterprise applying Sustainable Consumption and Production practices with EU support.		
Explanation: Measures the results of EU supported interventions in order to promote sustainable and production practices at the level of private companies. Since the indicator measures the evolution during the 2020-2024 period, the baseline is set at 0. It does not imply that no action was taken in the past		
Source of data: EU Results Framework		
Baseline	Interim Milestone	Target

¹⁹ The baseline for ENI: 16% and for IPA: 14%, both for 2019.

²⁰ The milestone for IPA and ENI/NDICI is to achieve an increase in comparison with the baseline

²¹ The target for ENI/NDICI to achieve 25% or more and for IPA to achieve 16% or more

²² No data for 2020 available yet

(2020)	(2022)	(2024)
0	105% of final 2020 results	110% of final 2020 results
Latest known results (2020): 0 Information on this indicator is not available for candidates and potential candidates. In 2019, 345 SMEs received support from the EU for sustainable consumption and production activities in the Eastern Partnership Countries and the Southern Neighborhood.		
Result indicator 1.3: Areas of terrestrial and freshwater ecosystems under a) protection, b) sustainable management with EU support (ha). Explanation: The indicator measures the contribution of the EU to the protection and sustainable management of ecosystems. Since the indicator measures the evolution during the 2020-2024 period, the baseline is set at 0. It does not imply that no action was taken in the past Source of data: EU Results Framework		
Baseline (2018)	Interim Milestone (2022)	Target (2024)
0	105% of final 2020 results	110% of final 2020 results
Latest known results (2020): This indicator is not available for IPA countries. For the neighborhood, 21.116 ha of terrestrial ecosystems were protected with EU support. It is however important to point out that this is a lower bound, as not all projects/programmes the EU supports in the area of environmental protection are reporting this information.		

Specific objective 1: The implementation of the external dimension of the European Green Deal is supported in partner countries		<i>Related to spending programme(s) ENI, IPA II</i>
Main outputs in 2020:		
New policy initiatives		
Output	Indicator	Target
The Green Agenda for the Western Balkans	Agenda launched	Q4 2020
Latest known results (2020): The Green Agenda for the Western Balkans was launched in October 2020, accompanying the Economic and Investment Plan for the region. It was endorsed at the highest political level by Western Balkans' leaders at the Sofia Summit in November of the same year. The Green Agenda identifies key priority areas of work (decarbonisation and climate resilience; circular economy; depollution; and sustainable food system and rural areas; and biodiversity). WB leaders committed to achieving climate neutrality by 2050, as well as to striving to reduce fossil fuel subsidies. In 2021, the Action Plan for implementing the Green Agenda will be developed, in close cooperation with the Regional Cooperation Council and Western Balkan economies, and with the support of a EUR 10M project that will be launched by the end of 2021.		
Other important outputs		
Output	Indicator	Target

Design with key stakeholders (EaP countries, EU Member States and line DGs) the policy objective “Together towards environmental and climate resilience” of the “post-2020 deliverables”	Technical agreement on new set of policy objectives under the “environmental and climate resilience”	Q4 2020
Latest known results (2020): The Joint Communication on the Eastern Partnership policy beyond 2020 created a solid basis for the definition of a new concrete reform agenda, including on the external dimension of the Green Deal. Detailed input from EaP countries and EUMS were received and processed, and extensive discussion took place in the context of the meetings of the EaP Platform on Connectivity, energy efficiency, environment and climate change as well as in relevant panels. A full technical agreement could not yet been reached due to reduction of activities in the COVID19 pandemic (e.g. the cancellation by the DE Presidency of the Environment and Climate Ministerial) and the postponement of the EaP Summit to 2021.		
Ukraine: Strategic Partnership on Green Deal	Initiative launched	Q4 2020
Latest known results (2020): On the occasion of the EU-Ukraine Summit of 6 October 2020 it was agreed to launch a focused dialogue between EU and Ukraine on the European Green Deal/Ukraine’s green transition. This would directly support the implementation of the external dimension of the European Green Deal. Ukraine is the first country to have such a level of cooperation with the EU on Green Deal. A new Climate package for a sustainable economy (EUR 10 million) was adopted in 2020. The action would prepare grounds for a new comprehensive growth program for Ukraine by implementing feasible measures, in line with the EU Green Deal, EU-Ukraine Association Agreement and with the already adopted Ukrainian policy documents. Prime Minister has set up an internal Ukrainian task force on the Green Deal with relevant Deputy Ministers involved.		
Morocco: Strategic Partnership on Green Deal	memorandum of understanding (MoU) signed Action Plan adopted Follow-up committees created	End 2020

Latest known results (2020):

The proposed Green Deal ('Partenariat Vert') was agreed with Moroccan authorities on 22.12.2020.

This framework will be the basis to enhance policy dialogue and develop cooperation actions in coming years in the fields of energy, climate change and protection of the environment.

Green/climate/energy partnerships and regional initiatives in the context of Union for the Mediterranean

Initiatives launched

Q4 2020

Latest known results (2020):

DG NEAR was associated to the preparation of the MoU between the UfM Secretariat and the R20, an international NGO that aims at setting up a dedicated Fund to support Climate Change mitigation and adaptation measures in the Southern Neighbourhood.

Support the nascent gas market in the Eastern Mediterranean through the East Med Gas Forum's secretariat

Funding of the secretariat

Throughout 2020

Latest known results (2020):

EU funds were allocated, but their use remained limited due to the COVID pandemic. The High Level Working Group is however in place, and operational.

Priority actions on Energy and Climate Change Policies: Strengthened dialogue and regional actions

Number of meetings with Neighbourhood partners in the framework of the UfM Energy platforms and UfM Climate Change Experts Group

At least one meeting per domain throughout 2020

Implementation of regional actions for the Southern Neighbourhood on clean energy transition and climate change

3 ongoing projects (with MEDREG association, OME and the Clima-MED project) and 2 new contracts signed (with MED TSO association and MEDENER/RCREEE) Throughout 2020

Latest known results (2020):

5 meetings of the UfM CCEG took place in 2020, dedicated to different topics, including climate change financing, progress on NDC implementation, and the Science-Policy interface. Furthermore, 2 ad hoc SOMs took place within the context of the preparation of the next UfM Declaration on Environment and Climate Action.

In total, five projects complementary to each other.

The Clima-MED project is progressing well. The 3rd Steering Committee took place (remotely) in October 2020.

Priority actions on Environment policies including Circular economy, pollution reduction, biodiversity and water efficient use: strengthened dialogue and regional actions	Number of meeting with neighbourhood partners in the framework of the UfM Environment discussion groups and the water discussion groups	At least one meeting per domain throughout 2020
	Implementation of regional actions for the Southern Neighbourhood on Circular economy, pollution reduction, biodiversity and water efficient use	5 ongoing actions: 1 on circular economy (SwitchMed), 1 on Environment and water (WES), 1 on environmental data (SEIS), 1 on biodiversity (IMAP-MPA) and 3 grants for demonstration purpose on sustainable use of water in Palestine. 7 new grants for demonstration purpose on efficient use of water. Throughout 2020

Latest known results (2020):

- 3 meetings in the framework of the UfM Environment discussions
- 2 meetings on water (Water Energy Food Ecosystem Water Employment Migration Nexus).
- 2 projects ongoing (Switchmed, WES and IMAP MPA).
- 1 project on environmental data finalised with the H2020 Monitoring report as an important regional report.
- 7 new Grant contracts on efficient use of water are being executed.

Priority actions on Climate change: development of enhanced coordination with IFI's in support to cities in the Southern Neighbourhood	Number of meetings of the dedicated IFI working group (set up by DG NEAR B2 in January 2020).	4 meetings in 2020
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Latest known results (2020):

4 meetings took place (in presence and virtually), where participants exchanged information on their views and prospects in supporting cities.

Capacity building for the three NEAR regions on Green Deal	5 TAIEX flagships workshops held and evaluated	Q4 2020
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Latest known results (2020)

The flagship workshops could not be undertaken during the reporting period, due to the COVID 19 pandemic. The first Green Deal and Green Recovery Flagship event was postponed to January 2021 and was undertaken as a virtual event with over 450 participants and 53 speakers. The other 4 flagship events will be undertaken during 2021.

General objective 3: An Economy that Works for People

Impact indicator 7: Employment rate of persons aged 20 to 64

Explanation: The employment rate is calculated by dividing the number of persons 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 ²³

Latest known results (2019): 73.1 %²⁴

Specific objective 3:

Inclusive and sustainable economic growth, better employment and increased connectivity are supported in partner countries.

Related to spending programme: NDICI, IPA III

Result indicator 3.1: Number of direct jobs supported/sustained by the EU

Explanation: The number of jobs supported through EU programmes

Source of data: EU results Framework, IPA Performance Framework

Baseline (2018)	Interim Milestone (2022)	Target (2024)
IPA: 2388	Increase	Increase

Latest known results (2020):

IPA: 2706

ENI: 71128

Result indicator 3.2: Number of beneficiaries with access to financial services with EU support: a) firms, b) individuals

Explanation: Indicator 3.2 aims at measuring the EU contribution to providing access to financial services to companies and individuals in all partner countries

Source of data: EU results Framework, IPA Performance Framework.

Baseline (2018)	Interim Milestone (2022)	Target (2024)
Neigh. East: 2600 Neigh. South: 1700	Increase	Increase

²³ The milestones and targets for DG NEAR regions are increase in comparison to baselines figures.

²⁴ No new data for enlargement or neighbourhood countries available. An update is planned for April 2021. (Source: Eurostat).

IPA: 1466		
Latest known results (2020): Neigh. East: 9430 Neigh. South: 5605 IPA: 950		
Result indicator 3.3: Total length of road supported by the EU through a) construction, b) rehabilitation, c) maintenance (kms) Explanation: This indicator shows how much road construction has been supported through the EU as a measure of increased connectivity within partner countries. Since the indicator measures the evolution during the 2020-2024 period, the baseline is set at 0. It does not imply that no action was taken in the past. Source of data: IPA Performance Framework and EU Results Framework		
Baseline (2018)	Interim Milestone (2022)	Target (2024)
0	Increase	Increase
Latest known results (2020): 210.25		
Result indicator 3.4: Number of individuals directly benefiting from EU supported interventions that aim to reduce social and economic inequality Explanation: It measures the contribution of EU support to the reduction on social and economic inequalities in terms of population reached. Since the indicator measures the evolution during the 2020-2024 period, the baseline is set at 0. It does not imply that no action was taken in the past. Source of data: EU results Framework, IPA Performance Framework		
Baseline (2020)	Interim Milestone (2022)	Target (2024)
0	Increase	Increase
Latest known results (2020): 0 No data available yet in 2020 as this indicator was newly introduced in NEAR Strategic Plan 2020-2024.		

Specific objective 3: Inclusive and sustainable economic growth, better employment and increased connectivity are supported in partner countries		<i>Related to spending programme(s) ENI, IPA II</i>
Main outputs in 2020:		
New policy initiatives		
Output	Indicator	Target
DG NEAR contribution to 'Team Europe' package proposed in the 'Joint Communication on Global EU Response to COVID-19'	Communication adopted	Early 2020
Latest known results (2020): adopted 8 April 2020		
Support socio-economic recovery in the COVID-19 context: economic growth, private sector development, access to finance is facilitated notably through blending and financial instruments	NIP - Neighbourhood Investment Platform: number of operations, implementing partners, amount of EU contributions approved.	By end 2020
	EFSD – European Fund for Sustainable Development: number of guarantee schemes, amount of EU guarantee contracted.	By end 2020
	Western Balkans Investment Facility - WBIF – 4 guarantee schemes initiated.	By end 2020
Latest known results (2020): NIP: 14 blending operations with financial institutions approved for a total amount of EUR 276 million. EFSD: In 2020, the European Commission has concluded the deployment of the EUR 1.549 billion European Fund for Sustainable Development (EFSD) Guarantee. There has been a considerable increase of the Guarantee in the EU's Eastern and Southern Neighbourhood, with 12 Guarantees signed until December 2020 for EUR 519 million contracted to finance initiatives targeting partner countries in these regions.		
External communication actions		
Output/ Result	Indicator	Target
Ukraine: Increase of public awareness of EU support to Ukraine to cope with the pandemic and the consequences through #BeatCovid19 mass	Public opinion survey (sample 1000 all UA): Increase of support/awareness: 1. Do you know that the	1. (Mid April: 42.5%, Mid May 53.1%) By Sept 2020 60% 2. (Mid April: 8.4%, Mid May 12.4%)

media communication campaign phase I (4.2020 till 6.2020) and II (6.2020 till 10.2020).	EU is allocating funds to Ukraine to combat COVID19? 2. In the past month, have you seen in the media the information campaign “#ДолаємоCOVID19” (“#BeatCOVID19”)?	By Sept 2020 15%
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Latest known results (2020):

The #BeatCOVID19 campaign is currently on a hiatus, pending contracting of a new communications project implementer. The hashtag is still being consistently used across social media content highlighting the EU's COVID response in Ukraine, alongside #TeamEurope. Omnibus research commissioned by the contracted that implemented #BeatCOVID19 showed some impressive results in late 2020: In September 2020, 69.2% Ukrainians expressed a **positive attitude** towards the European Union and 59.4% were **aware** that EU has allocated COVID response funds. In December 2020, 75.8% expressed a **positive attitude** towards the European Union.

Other important outputs

Output	Indicator	Target
Adoption or update of the relevant Annual Action Programmes (bilateral and regional), ensuring a strong EU response to Covid-19 pandemic across all NEAR countries.	% COVID response package under implementation	80%

Latest known results (2020):

All Commission Financing Decisions containing Covid response actions have been adopted and most of the related procurement procedures are either completed or well under implementation.

Delivery of assistance for immediate needs related to tackling COVID epidemic in the Western Balkans	% COVID immediate response package implemented	100%
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Latest known results (2020):

An emergency assistance package of EUR 38 million was activated swiftly in March 2020 at the outset of the COVID-19 crisis, to deliver key medical supplies and equipment in partnership with UN organisations. By the end of the year deliveries had been completed in almost all Western Balkans countries, including more than 60 ambulances, 346 ventilators, more than 12 million pieces of personal protective equipments

Implementation of TAIEX assistance to help partners manage the pandemic, its repercussions, and the preparation of coordinated exit	Approximately 50 activities (online and physical) with a specified COVID-19 dimension implemented, depending on beneficiary	Throughout 2020
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and recovery strategies	demand	
Latest known results (2020): During 2020, 10 COVID-19 specific TAIEX assistance events were undertaken with participation of EaP Countries. Six of these events were specifically for the EaP while four more were multi-regional events which included participants from DG NEARs' other regions. Further events are being prepared. Delays in the implementation of all events have occurred due in the main to the reluctance of the beneficiary administration to undertake the assistance in an online format and due to the non-availability of Member State experts to provide the requested assistance as they have been dealing with the implications of COVID-19 in their own Member State.		
Further increase outreach to grassroots organizations, including for mitigating COVID impacts to vulnerable persons	New contracts with Framework Partners in regional East and Ukraine for COVID response	Q3 2020
Latest known results (2020): New contracts signed with FPs to increase outreach to grassroots organizations and for COVID response for the most vulnerable. More than 100 local CSOs started to provide essential social and legal services, distribute supplies, etc.		
Adopt and start to implement the COVID response package for the Western Balkans at bilateral level including the emergency response to the immediate health crisis and the response to its social and economic consequences	100% of the COVID bilateral response package contracted COVID response package new decisions taken/modified	Q4 2020
Latest known results (2020): On top of the immediate response package reported above, at bilateral level the assistance to provide economic and social recovery was also set up quickly. By the end 2020, 90% of the immediate and socio-economic response were reprogrammed. Since the Serbian authorities have decided not to reprogramme the whole country amount for the time being, the percentage is not expected to change. Contracting stands at 100% for the immediate response package and at about 50% for the socio-economic package, mainly due to the frontloading of activities through sector reform contracts and resilience contracts.		
Adoption and start of implementation of COVID regional response package for the Western Balkans - including the emergency response to the vulnerable groups, to the health sector and the regional response to its social and economic consequences	Regional COVID response package fully adopted	Q4 2020
Latest known results (2020): The Special Measure on EU regional support to COVID-19 SME recovery in the Western		

Balkans was adopted in June 2020 and included a EUR 95 million package for SMEs through four activities:

- The EUR 15 million SME Competitiveness Support programme (EBRD) signed in July 2020
- The EUR 10 million EFSE equity contribution (KfW) expected to be signed in February 2021
- The EUR 10 million GGF equity contribution (KfW) expected to be signed in February 2021
- The EUR 60 million WB EDIF Guarantee (EIF) expected to be signed in Q1 2021

A study on Strengthening Financial Sectors and Analysing Gaps of Social Protection Systems in the Western Balkans was launched to identify priorities reform priorities in the short-medium-and long period in the region, as consequence of COVID 19 economic and social consequences.

Adoption and update of 2020 Annual Action Programmes (bilateral and regional), ensuring a strong EU response to Covid-19 pandemic across Eastern Partnership (EaP) countries	Assistance re-oriented in support of Eastern Partnership partners' COVID action.	Q2 2020
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Latest known results (2020):

Large financial assistance amounts re-purposed to support EaP countries in their fight against COVID'

EU response to the Covid-19 crisis impact in the Southern Neighbourhood	Number of ENI-funded Programmes reoriented to provide liquidities and support the health and socio-economic sectors.	In 2020: EUR 2.1 billion reallocated from the Southern Neighbourhood, including EUR 1.5 billion to mitigate the socio-economic impact of the crisis
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Latest known results (2020):

Situation at end 2020: EUR 2.3 billion reallocated, including EUR 1.3 billion for socio-economic aspects and EUR 966 million for health related aspects.

One specific Health Security programme launched with ECDC (EUR 9 million) and additional funding for Border Security with FRONTEX (EUR 2.5 million).

Completion of Economic Reform Programmes (ERP) for Enlargement countries and adoption of Council conclusions	2020 ERPs completed and Council conclusions adopted	First Semester 2020
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Latest known results (2020):		
2020 ERPs completed. Council Conclusions were adopted the 19 May 2020.		
Key Policy Guidance feeds policy dialogue and programming process	Policy Dialogue and programming	Second Semester
Latest known results (2020):		
New ERP Guidance Note for 2021-2023 ERPs was presented and launched in September 2020. Key structural challenges were identified and part of the Policy Dialogue with our partner economies during the Autumn ERP missions. This also included the impact of COVID-19. The main outcomes of this policy dialogue have fed the programming of IPA regional programmes, which were shared and approved by NIPACs.		
Implementation and/or adoption of comprehensive public administration reform (PAR) programmes and public financial management reform programmes (PFM) to support the development of horizontal capacities to implement the acquis	Number of countries: Participation in PAR Special Groups/PAR policy dialogue Contribution to preparation and/or participation in PFM Dialogue	By end 2020: All Western Balkans countries and at least 2 ENP countries. At least 5 Western Balkans countries and 1 ENP East.
Latest known results (2020):		
All 6 Western Balkans countries and 3 ENP countries have an ongoing PAR policy dialogue with the European Commission. Western Balkans and Ukraine have the same policy dialogue format, while PAR policy dialogue with Georgia and Armenia is more linked with ongoing PAR budget support efforts. BiH PAR Special Group 8 July; Albania PAR Special Group 23 June ; Georgia PAR dialogue 15 July; Kosovo PAR Special Group 13 October; Ukraine PAR High level PAR Dialogue 24 November; PAR Special Group in Montenegro 21-22 October; Serbia PAR Special Group 10 November October; North Macedonia PAR Special Group 8 October. Due to the political crisis, Armenia did not organise a PAR dialogue in 2020. 5 Western Balkan countries (with the exception of Bosnia and Herzegovina) organise a PFM dialogue meeting on the basis of government PFM monitoring report. Due to COVID-19 pandemic, Serbia did not organise a PFM dialogue in 2020 but PFM was addressed under the PAR Special Group. From ENP countries, 1 country (Ukraine) organises a PFM dialogue meeting on the basis of government own PFM monitoring report. PFM dialogues took place as follows: Ukraine (not actually in 2020 but on 3 Dec 2019 and 22 Feb 2021); Albania 9 July; North Macedonia 7 October; Kosovo 12 October; Montenegro 19 October.		
Support socio-economic development: economic growth, private sector development, trade facilitation and regional integration, access to finance is facilitated notably through blending and financial instruments	NIP - Neighbourhood Investment Platform: number of operations, implementing partners, amount of EU contributions approved.	By end 2020
	EFSD – European Fund for	By end 2020

	Sustainable Development: number of guarantee schemes, amount of EU guarantee contracted.	
	Western Balkans Investment Facility - WBIF – 4 guarantee schemes initiated.	By end 2020
	Support partner countries to develop Innovation and Smart Specialisation Strategies endorsed by the Commission	1 Innovation and Smart Specialisation National Strategy supported by end 2020
	Small Business Act Facsheets for Enlargement regions plus Ukraine, Moldova and Armenia	Second semester 2020
	Aid-For-Trade Report (DEVCO-NEAR Joint exercise) for all NEAR regions	Second Semester 2020
	Contribution to the adoption of the Regional Economic Area in the Western Balkans (phase II)	Second Semester 2020

Latest known results (2020):

EFSD: In 2020, the European Commission has concluded the deployment of the EUR 1.549 billion European Fund for Sustainable Development (EFSD) Guarantee. There has been a considerable increase of the Guarantee in the EU's Eastern and Southern Neighbourhood, with 12 Guarantees signed until December 2020 for EUR 519 million contracted to finance initiatives targeting partner countries in these regions.

Western Balkans Investment Facility:

The Western Balkans Guarantee was adapted in the course of 2020 to provide a tailor-made support to SMEs in views of alleviating the socio-economic consequences of the COVID-19 pandemic.

In addition, part of the funds originally foreseen for the Guarantee were reallocated in favour of purchasing vaccines in the WB.

Under these circumstances, 2 guarantee schemes were retained out of the original 4 guarantee schemes. The EUR 50 million Guarantee with the KfW was signed in December 2020; the EUR 60 million Guarantee with the EIF (under the WB EDIF) will be signed in Q1 2021.

Smart Specialisation Strategies:

Concerning the support to the development of the Smart Specialisation Strategies, the most

advanced countries are Montenegro (implementation of the strategy started already in 2020) and Serbia (expected to submit Strategy in 2021)

Albania and North Macedonia made progress (the Strategy should be developed in 2022), while we do not expect that Bosnia and Herzegovina and Kosovo will finalise their Strategies by 2022.

NIP: 14 programmes have been approved for a total amount of EUR 276 million.

Small Business Act Factsheets: Armenia : Despite the Covid-19 pandemic and the impact of hostilities in NK, the government advanced strategic formulation processes with EU support (EU4Business initiative) in sectors such as regional development, tourism, agriculture and SME development.

The EU-Armenia SME Fund continued fundraising activities in 2020, making its first investment in the renewable energy sector in October 2020.

Moldova: The AAP 2020 for Moldova was adopted in two parts in July and November. It included a EUR 15 million COVID-19 Resilience Contract and a EUR 5 million facility to support the response to the

Aid-For-Trade Report was published in August 2020.

Partner countries are supported in building more resilient, efficient and sustainable education systems.	Evidence-based diagnosis on Education reform needs and challenges (governance, financing, quality and resilience aspects)	Launching 1 Diagnosis in Neighbourhood-South country by end 2020.
	Policy dialogue on education with partner countries	Launching Diagnosis in Western Balkans partner countries by end 2020

Latest known results (2020)

Evidence-based diagnosis was launched in Lebanon in September 2020.

Diagnosis in Western Balkans launched in December 2020.

Increased use of blending under the Neighbourhood Investment Platform (NIP) to support SMEs and financial intermediaries.	Number of top ups and new programmes providing liquidity to SMEs, more local currency funding and trade finance	3 contracts signed by end 2020
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Latest known results (2020):

3 contracts signed for a total amount of EUR 70 million.

Priority actions on trade and investment in the Neighbourhood South	Implementation of regional actions to strengthen the nexus of trade and investment with employment, to support the implementation of the	3 new contracts with ILO, OECD and the International Trade Centre signed and inception started 2 contracts ongoing on
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	External Investment Plan (EIP), and to promote value chains	Trade and Competitiveness for value chain financing with EIB and EBRD Throughout 2020
Latest known results (2020): First Joint Steering Committee of the trade and investment package took place in January 2021. Value chain financing ongoing in Morocco and Tunisia, to a lesser extent in Egypt and Jordan.		
Priority actions on innovation in the Neighbourhood South	Design of new regional initiatives in support of start-ups and cluster cooperation	Actions for EUR 15 mio committed by the end of 2020
Latest known results (2020): Financing decision for innovation and cluster cooperation adopted in July 2020. Launch to take place in 2021		

General objective 2: A Europe fit for the digital age		
Impact indicator 2: Digital Skills		
Explanation: The basic digital skills indicator looks at selected activities performed by individuals aged 16 to 74 on the internet in the four specific areas (information, communication, problem solving, content creation). It is assumed that individuals having performed certain activities have the corresponding skills; therefore, the indicator can be considered as a proxy of the digital competences and skills of individuals. Finally, based on the performance in the four specific areas, an overall digital skills indicator is calculated as a proxy of the digital competences and skills of individuals ('no skills', 'low', 'basic' or 'above basic'). The basic digital skills indicator shows the share of individuals with 'basic' and 'above basic' skills.		
Source of the data: Eurostat (Eurostat online data code: isoc_sk_dskl_i and isoc_sk_cskl_i)		
Baseline (2019)	Interim Milestone (2022)	Target (2024)
Basic digital skills: 56% ²⁵	63%	67% ²⁶
Latest known results (2019): 56% ²⁷		
Impact indicator 1: Aggregate score in the Digital Economy and Society Index (DESI)		
Explanation: DESI is a composite index that summarises relevant indicators on Europe's		

²⁵ Baselines (only available for IPA): Basic digital skills: WB 21,2%; Turkey 12,0%; Advanced digital skills: WB 9,0%; Turkey: 24,0%.

²⁶ Milestones and targets should lead to an increase in overall percentage (both basic and digital skills combined).

²⁷ The digital skills indicator for 2019 (combining basic and above basic skills) for Turkey was 36% in 2019, while in WB economies it was 30.1%. While in WB economies the male/female divide is small, there continues to be significant differences in Turkey, where male basic and advance digital literacy was significantly higher in 2019 (42% vs 29%).

digital performance and tracks the evolution of EU Member States in digital competitiveness. Higher values indicate a better performance

Source of the data: [DESI](#)

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

Baseline (2019)	Interim Milestone (2022)	Target (2024)
Basic digital skills: 49.4 ²⁸	Increase ²⁹	Increase ³⁰

Latest known results (2020): 52.6

The three year project, “Monitoring the digital economy and electronic communications services in the Western Balkans and Turkey”, calculates DESI for Western Balkan economies and Turkey. The reports are now available for WB DESI for 2018 and 2019. WB DESI 2019 show an overall improved digital performance in five economies compared to WB DESI 2018, though there is a need for substantial scaling up of digital transformation efforts. However, it is important to point out that, on average, in 2019 only 60% of the indicators needed to calculate DESI were available in WB economies. This percentage varies considerably, from 100% in Serbia to only 18% in Bosnia and Herzegovina.

Specific objective 2: Increased take-up of digital opportunities in partner countries.	Related to spending programme: NDICI, IPA III
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Result indicator 2.1: Proportion of financial assistance on digital opportunities actions under NDICI and IPA III

Explanation: This indicator measures the proportion of EU funding allocated to the support of digital opportunities in DG NEAR partner countries. Rising levels of investment will reflect the EU's strong commitment to support the digital transformation in its neighbourhood. Since the indicator measures the evolution during the 2020-2024 period, the baseline is set at 0. It does not imply that no action was taken in the past.

Source of data: European Commission

Baseline	Interim Milestone	Target
Beginning of 2020	(2022)	(2024)
0	105% of final 2020 results	110% of final 2020 results

Latest known results (2020):

This is a new indicator and, as such, no information is available. Programmes and projects supporting digital opportunities under the new financing instruments will be developed in 2021.

²⁸ It is imperative to improve the reporting situation for the DESI indicator for EU partners, in particular concerning recipients of funding through the Instrument for Pre-Accession Assistance. The baseline in 2019 is that only 1 out of 6 IPA beneficiaries is able to calculate DESI (Serbia). Note that the data on this indicator exists only for IPA region.

²⁹ Milestone is to increase coverage in comparison to the baseline.

³⁰ Target for DG NEAR is to have 5 out of 6 IPA beneficiaries covered.

Result indicator 2.2: Number of people who have benefited from VET/skills development interventions supported by the EU for ICT skills (disaggregated by sex, region geographic and/or urban/rural, age group).

Explanation: The development of digital skills is a pre-requisite for the uptake of digital opportunities. This indicator reflects EU support for this key element of a functioning digital economy, and provides a direct link to the impact indicator. Since the indicator measures the evolution during the 2020-2024 period, the baseline is set at 0. It does not imply that no action was taken in the past.

Source of data: OPSYS

Baseline	Interim Milestone	Target
Beginning of 2020	(2022)	(2024)
0	110% of final 2020 results	120% of final 2020 results

Latest known results (2020):

This is a new indicator and, as such, no information is available. Programmes and projects supporting digital opportunities under the new financing instruments will be developed in 2021. Nonetheless, almost 160,000 people received support for VET/skills development in general in the EU neighborhood. The information is not available for IPA beneficiaries.

Result indicator 2.3: Number of people who benefit from access to digitalised public and private services thanks to EU support (disaggregated by sex, region geographic and/or urban/rural, age group, type of user i.e. firms, individuals), with specific reference to a digitalised government services; b) digitalised financial services

Explanation: The availability of digitalised public and private services is a direct indication for the uptake of digital opportunities. In particular, the link between the number of people benefitting from such services and EU support reflects the Commissions' ambition to facilitate the advancement of e-government, e-health, digitalised industry etc. in partner countries. Since the indicator measures the evolution during the 2020-2024 period, the baseline is set at 0. It does not imply that no action was taken in the past.

Source of data: OPSYS

Baseline	Interim Milestone	Target
Beginning of 2020	(2022)	(2024)
0	110% of final 2020 results	120% of final 2020 results

Latest known results (2020): 0³¹

Specific objective 2 Increased take-up of digital opportunities in partner countries	<i>Related to spending programme(s) ENI, NDICI, IPA II, IPA III</i>
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Main outputs in 2020:

New policy initiatives

Output	Indicator	Target
Contribution to the adoption of the digital component of the	Adoption of the REA (Phase II)	Q4 2020

³¹ This is a new indicator and, as such, no information is available. Programmes and projects supporting digital opportunities under the new financing instruments will be developed in 2021.

Regional Economic Area in the Western Balkans (phase II)		
Latest known results (2020):		
A digital component was included in the Common Regional Market initiative. Elements of digital identified as areas for early integration/alignment with the EU (Digital) Single Market and reflected in the digital component of the successor of REA – the action plan for a Common Regional Market. Introduction of Roam Like at Home (RLAH) is on track to be introduced as of 1 July 2021 and the preparation of a Roadmap for a reduction of roaming costs between EU and WB is progressing		
Other important outputs		
Output	Indicator	Target
Support WB partner countries in enhancing their cyber-resilience capacities, to better address the challenges of cyber threats and improve their overall security	Signature of contract for multi-annual regional project to enhance cybersecurity and resilience in WB	Q4 2020
Latest known results (2020):		
Procurement for regional cybersecurity project was cancelled due to issues relating to the procurement procedure. Approach for support has been revisited and a needs assessment will be conducted prior to the design of new support.		
Definition of priorities for a regional approach to Digital in the Southern Neighbourhood	Completion of a study on regional programmes and four EUDs	Q3-2020
Latest known results (2020):		
Study completed as planned in 2020.		
Roll-out of broadband strategies, in line with similar EU strategies, in the Eastern Partnership countries	New or revised broadband strategies approved and financing mobilized in 3 EaP countries	Q4 2020
Latest known results (2020):		
Two countries have National Broadband Strategies in place, whereas two more countries are set to adopt these in 2021. For Georgia, we have mobilised budget support to support the implementation of the national Broadband strategy.		
Progress in approximating legislation on electronic identification and trust services for electronic transactions to EU standards (eIDAS Regulation)	Electronic Signature piloted among Eastern partners (UA and MD) and with EU (UA and EE)	Respectively Q3 and Q4 2020
Latest known results (2020):		
Both Electronic Signature Pilots have been conducted successfully. The pilot between UA and EE has been concluded technically, whereas the pilot between UA and MD is in its final phase. The final recommendations are expected by March 2021 (Q1 2021).		
Updated state of play per partner country of their governance, legal, policy and	Country analysis piloted and reports drafted detailing the current	Q4 2020

operational cybersecurity national frameworks, with the EU NIS Directive as benchmark	situation and drawing recommendations	
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Latest known results (2020):

Progress is recorded in all WB economies in the area of cyber security, in particular in preparing strategic documents (except in Bosnia and Herzegovina) and transposing the EU respective *acquis*. Hence, legislative harmonisation to comply with EU Network and Information Security (NIS) Directive has progressed throughout the region.

Capacity building and strengthening of skills of law enforcement and judicial authorities on cybercrime	Design and delivery of introductory and advanced judicial training courses and first responders training courses to operational cybercrime units in law enforcement, prosecution and judicial authorities dealing with cybercrime and electronic evidence	Q4 2020
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Latest known results (2020):

Through the IPA-funded regional IPROCEEDS 2 project on targeting crime proceeds on the Internet and securing electronic evidence in South Eastern Europe and Turkey, capacity building has been delivered. By Q4 2020, a training needs assessment was conducted and specialised trainings on cybercrime and electronic evidence for Western Balkans and Turkey delivered.

Progress in reducing roaming tariffs among Eastern Partnership countries	Signature of a regional roaming agreement among the 6 Eastern partners	Q4 2020
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Latest known results (2020):

The draft Regional Roaming Agreement (RRA) has been concluded in November 2020 and is currently undergoing national consultations within the six countries. In Moldova, signature can only take place once the care-taker government has been replaced by a new government

Improved frequency, quality and productivity of policy dialogue with Moroccan authorities on digitalisation.	Number of dialogues/meetings held.	Throughout 2020.
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Latest known results (2020):

High level (virtual) meetings have taken place with Morocco to share best policy and regulatory practices as well as to develop cooperation through a Digital partnership ('Partenariat Numérique'). Last meeting took place on 2.11.2020.

General objective 5: **Promoting European Way of Life**

Impact indicator 6: Third countries with migration policies to facilitate orderly, safe, regular and responsible migration and mobility of people

Explanation: The indicator describes the state of national migration policies. It is based on six policy domains: migrant rights, whole-of-government / evidence-based policies, cooperation and partnerships, socioeconomic well-being, mobility dimensions of crises, as well as safe, orderly and regular migration. The indicator gives the percentage share of governments in the EU's proximity that meet or fully meet the requirements

Source of the data: International Organization for Migration and United Nations Department of Economic and Social Affairs as custodian agencies; Organisation for Economic Cooperation and Development as partner agency

Methodology for calculating the indicator: Explained in the [UN metadata file](#). Data will be available every two years as of 2019. 111 countries have provided data, which will be released before the end of 2019

Baseline (2018)	Interim Milestone (2022)	Target (2024)
Western Balkans: 2.75 Turkey: 2 Eastern neighbourhood: 2.7 Southern neighbourhood: 2.3	Increase	Increase

Latest known results (2019):

Western Balkan: 2.75 Turkey: 2 Eastern neighbourhood: 2.7 Southern neighbourhood: 2.3

Specific objective 5:

Effective migration management with partner countries is in place.

Related to spending programme: NDICI, IPA III

Result indicator 5.1: Number of migration management and/or forced displacement public policies a) developed/revised, and/or b) under implementation with EU support

Explanation: This indicator measures the plans and strategies on migration management under implementation or revised with EU support as a way of assessing the progress of migration management policies in partner countries.

Source of data: IPA Performance Framework and EU Results Framework

Baseline (2018)	Interim Milestone (2022)	Target (2024)
Neigh. East: 9 Neigh. South: 6	Increase	Increase

Latest known results (2020):

Neighbourhood East: 16

Neighbourhood South: 15

Programmes continue to support migration management and forced displacement public policies.

Result indicator 5.2: Number of EU funded assistance interventions reporting improvement of compliance of Border and Security Systems with EU/Schengen Acquis

Explanation: This indicator is a proxy for assessing the progress of partner countries in their

compliance with EU border and security standards. Source of data: IPA Performance Framework		
Baseline (2018)	Interim Milestone (2022)	Target (2024)
3	Increase	Increase
Latest known results (2020): 4 EU funded assistance continues to support border and security standards in the partners countries, monitored through progress towards the chapter 24acquis in the Western Balkans and Turkey, while support is provided to increase capacities in the Neighbourhood, including through technical assistance.		
Result indicator 5.3: Number of migrants, forcibly displaced people or individuals from host communities protected or assisted with EU support Explanation: This indicator measures the number of displaced people who have received protection and assistance with EU support, as part of an overall effort in improving migration and displacement management. Source of data: EU Results Framework		
Baseline (2018)	Interim Milestone (2022)	Target (2024)
Neigh. East: 20 000 Neigh. South: 1 002 000	Increase	Increase
Latest known results (2020): Neigh East 20 000-24 000 Neigh South: 1 347 098		
Specific objective 5: Effective migration management with partner countries is in place		<i>Related to spending programme(s) ENI, NDICI, IPA II, IPA III</i>
Main outputs in 2020:		
Evaluations and fitness checks		
Output	Indicator	Target
Evaluation of the EU's external action support in the area of migration	Completed	June 2020
Latest known results (2020): To be adopted in Q1		
Other important outputs		
Output	Indicator	Target
EU regional Trust Fund in response to the Syrian Crisis: implementing initiatives	Initiatives launched and implemented	Throughout 2020
Latest known results (2020): Initiatives have been launched and implemented		

Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa – North Africa: implementation of the work programme	Work programme implemented	Throughout 2020
Latest known results (2020): Work programme has been implemented		
Fourth Brussels conference on Supporting the Future of Syria and the Region	Conference held	June 2020
Latest known results (2020): Conference took place in virtual format		
Implementation of the funds under NEAR responsibility of the EU Facility for Refugees in Turkey ³²	Level of contracted funds	All funds under NEAR responsibility contracted by end of 2020
Latest known results (2020): All funds under NEAR responsibility were contracted.		
Monitoring of the implementation of the EU Facility for Refugees in Turkey	Number of meetings of the Facility Steering Committee	1 meeting in Q4 2020
Latest known results (2020): Meeting took place in Nov 2020		

³² Outputs for Turkey are covered under objective 4.3 and added here for additional reference

ANNEX 3: Annual accounts and financial reports

AAR 2020 Version 1

Annex 3 Financial Reports - DG NEAR - 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 : Commitments for co-delegation type 3

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2020 (in Mio €) for DG NEAR					
			Commitment appropriations authorised *	Commitments made	%
			1	2	3=2/1
Title 02 Internal market, industry, entrepreneurship and SMEs					
02	02 02	Competitiveness of enterprises and small and medium-sized enterprises (COSME)	0,00	0,00	0,00 %
Total Title 02			0,00	0,00	0,00 %
Title 07 Environment					
07	07 02	Environmental policy at Union and international level	0,75	0,75	100,00 %
Total Title 07			0,75	0,75	100,00 %
Title 13 Regional and urban policy					
13	13 01	Administrative expenditure of the 'Regional and urban policy' policy area	0,06	0,06	100,00 %
	13 03	European Regional Development Fund and other regional operations	0,42	0,42	100,00 %
	13 04	Cohesion Fund (CF)	0,18	0,18	100,00 %
	13 07	Aid Regulation	2,00	2,00	100,00 %
	13 08	Structural Reform Support Programme - Operational technical assistance	0,93	0,93	100,00 %
Total Title 13			3,59	3,59	100,00 %
Title 19 Foreign policy instruments					
19	19 05	Cooperation with third countries under the Partnership Instrument (PI)	1,00	1,00	100,00 %
Total Title 19			1,00	1,00	100,00 %
Title 21 International cooperation and development					
21	21 02	Development Cooperation Instrument (DCI)	0,11	31,26	29735,85 %
	21 04	European Instrument for Democracy and Human Rights	0,78	27,90	3562,40 %
	21 08	Development and cooperation worldwide	13,50	13,50	100,00 %
Total Title 21			14,39	72,66	505,00 %
Title 22 Neighbourhood and enlargement negotiations					
22	22 01	Administrative expenditure of the 'Neighbourhood and enlargement negotiations' policy area	44,16	7,01	15,88 %
	22 02	Enlargement process and strategy	1.462,16	1.441,12	98,56 %
	22 04	European Neighbourhood Instrument (ENI)	2.641,78	2.611,07	98,84 %
Total Title 22			4.148,10	4.059,20	97,86 %
Total DG NEAR			4.167,83	4.137,19	99,26 %

* 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. internal and external assigned revenue).

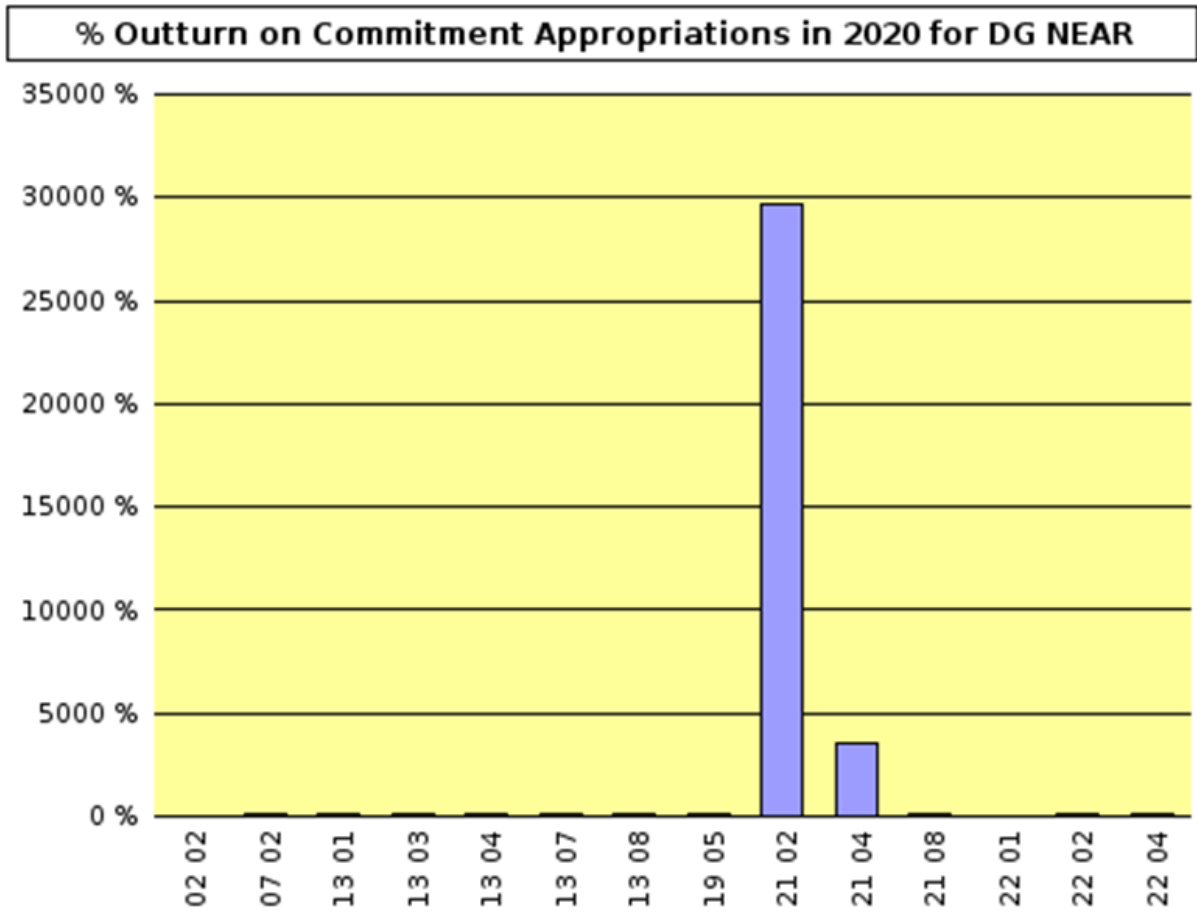


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS in 2020 (in Mio €) for DG NEAR					
			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
Title 02 Internal market, industry, entrepreneurship and SMEs					
02	02 02	Competitiveness of enterprises and small and medium-sized enterprises (COSME)	0,10	0,10	100,00 %
Total Title 02			0,10	0,10	100,00%
Title 07 Environment					
07	07 02	Environmental policy at Union and international level	0,06	0,06	100,00 %
Total Title 07			0,06	0,06	100,00%
Title 13 Regional and urban policy					
13	13 01	Administrative expenditure of the 'Regional and urban policy' policy area	0,06	0,04	76,81 %
	13 03	European Regional Development Fund and other regional operations	0,14	0,14	100,00 %
	13 04	Cohesion Fund (CF)	0,06	0,06	100,00 %
	13 07	Aid Regulation	0,38	0,38	100,00 %
	13 08	Structural Reform Support Programme - Operational technical assistance	0,45	0,45	100,00 %
Total Title 13			1,09	1,08	98,79%
Title 19 Foreign policy instruments					
19	19 05	Cooperation with third countries under the Partnership Instrument (PI)	0,36	0,36	100,00 %
Total Title 19			0,36	0,36	100,00%
Title 21 International cooperation and development					
21	21 02	Development Cooperation Instrument (DCI)	0,11	29,75	28300,51 %
	21 04	European Instrument for Democracy and Human Rights	0,78	20,79	2655,09 %
	21 08	Development and cooperation worldwide	8,14	7,40	90,90 %
Total Title 21			9,03	57,95	641,80%
Title 22 Neighbourhood and enlargement negotiations					
22	22 01	Administrative expenditure of the 'Neighbourhood and enlargement negotiations' policy area	39,85	6,31	15,83 %
	22 02	Enlargement process and strategy	1.785,50	1.684,42	94,34 %
	22 04	European Neighbourhood Instrument (ENI)	2.409,54	2.394,33	99,37 %
Total Title 22			4.234,89	4.085,06	96,46%
Total DG NEAR			4.245,53	4.144,60	97,62 %

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

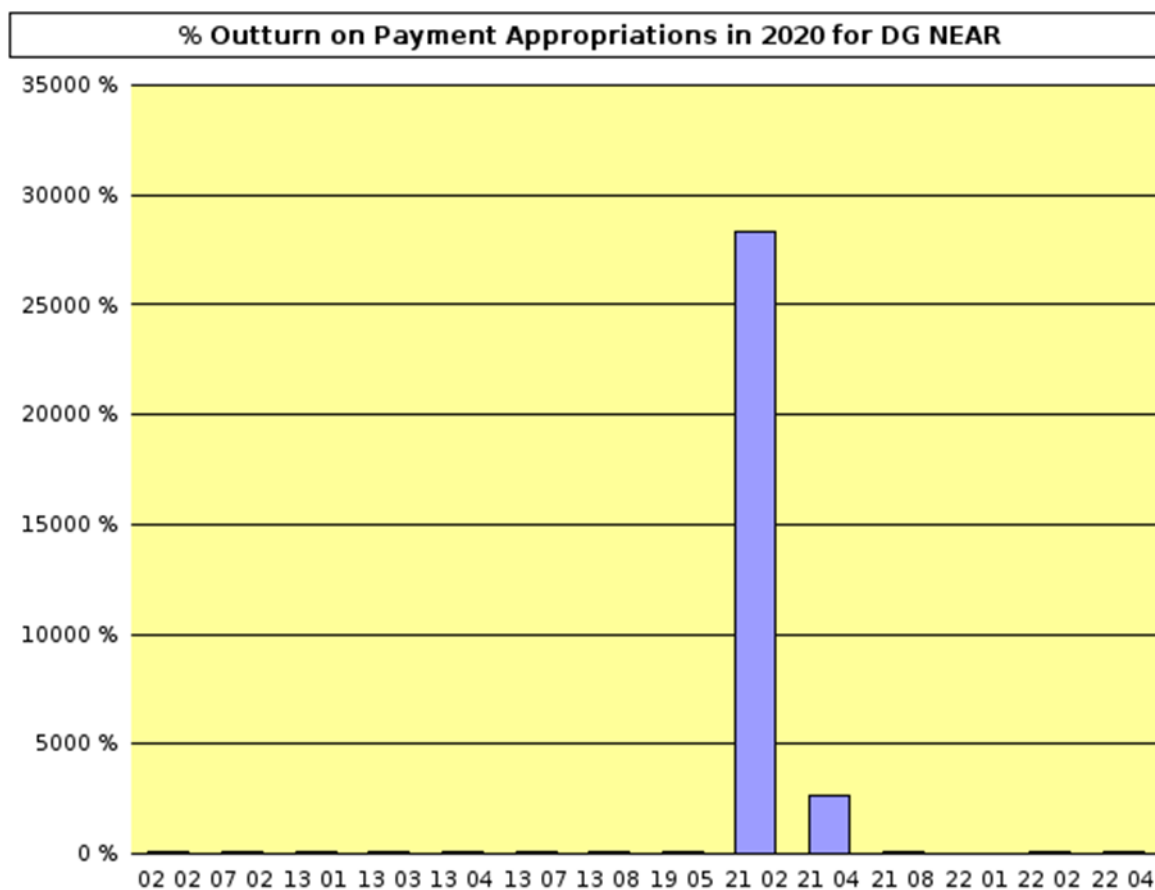


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG NEAR									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2019	Total of commitments to be settled at end of financial year 2020	Total of commitments to be settled at 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
02	02 02	Competitiveness of enterprises and small and medium-sized enterprises (COSME)	0,00	0,00	0,00	0,00%	0,00	0,00	0,61
Total Title 02			0,00	0,00	0,00	0,00%	0,00	0,00	0,61

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG NEAR									
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
07	07 02	Environmental policy at Union and international level	0,75	0,00	0,75	100,00%	0,15	0,90	0,20
Total Title 07			0,75	0,00	0,75	100,00%	0,15	0,90	0,20

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG NEAR									
			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
Chapter			Commitments	Payments	RAL	%to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
13	13 01	Administrative expenditure of the 'Regional and urban policy' policy area	0,05	0,04	0,01	11,48%	0,00	0,01	0,00
	13 03	European Regional Development Fund and other regional operations	0,42	0,00	0,42	100,00%	0,58	1,00	0,73
	13 04	Cohesion Fund (CF)	0,18	0,00	0,18	100,00%	0,31	0,49	0,42
	13 07	Aid Regulation	2,00	0,00	2,00	100,00%	1,85	3,85	2,23
	13 08	Structural Reform Support Programme - Operational technical assistance	0,93	0,00	0,93	100,00%	0,90	1,84	1,36
Total Title 13			3,58	0,04	3,54	98,78%	3,66	7,19	4,74

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG NEAR									
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
19	19 05	Cooperation with third countries under the Partnership Instrument (PI)	1,00	0,00	1,00	100,00%	0,73	1,73	1,52
Total Title 19			1,00	0,00	1,00	100,00%	0,73	1,73	1,52

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG NEAR									
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
21	21 02	Development Cooperation Instrument (DCI)	31,26	0,52	30,74	98,34%	105,99	136,73	116,68
	21 04	European Instrument for Democracy and Human Rights	27,90	2,99	24,91	89,27%	49,56	74,46	67,42
	21 08	Development and cooperation worldwide	13,50	0,00	13,50	100,00%	13,97	27,47	21,37
Total Title 21			72,66	3,51	69,15	95,17%	169,51	238,66	205,47

TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 (in Mio €) for DG NEAR									
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
22	22 01	Administrative expenditure of the 'Neighbourhood and enlargement negotiations' policy area	7,01	3,42	3,59	51,26%	0,02	3,61	3,39
	22 02	Enlargement process and strategy	1.441,12	158,74	1.282,38	88,98%	5.808,94	7.091,32	7.405,51
	22 04	European Neighbourhood Instrument (ENI)	2.611,07	570,01	2.041,06	78,17%	5.631,52	7.672,58	7.651,79
Total Title 22			4.059,20	732,16	3.327,03	81,96%	11.440,48	14.767,51	15.060,69

Total for DG NEAR			4.137,19	735,72	3.401,47	82,22 %	11.614,52	15.015,99	15.273,23
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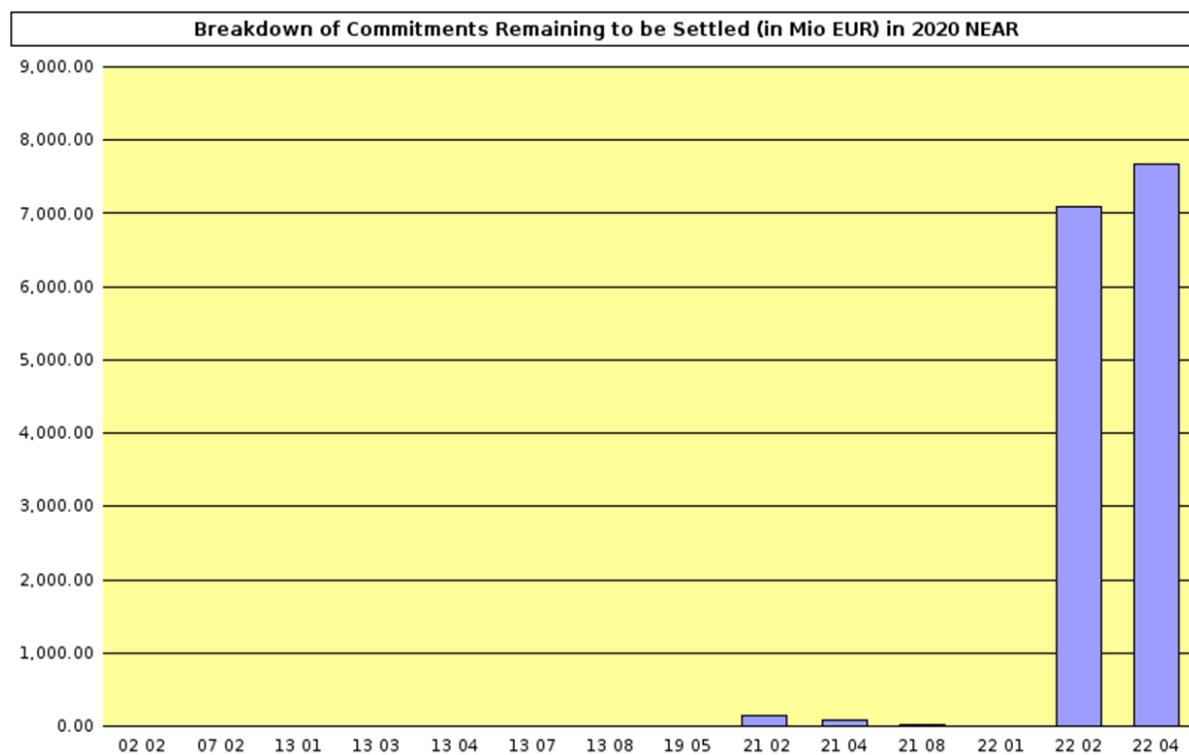


TABLE 4 : BALANCE SHEET for DG NEAR

BALANCE SHEET	2020	2019
A.I. NON CURRENT ASSETS	1.181.408.364,99	1.042.507.827,58
A.I.4. Non-Current Financial Assets	484.771.548,74	449.394.199,77
A.I.5. Non-Current Pre-Financing	693.687.229,57	591.585.055,45
A.I.6. Non-Cur Exch Receiv & Non-Ex Recoverab	2.949.586,68	1.528.572,36
A.II. CURRENT ASSETS	1.876.303.059,35	2.066.009.550,45
A.II.1. Current Financial Assets	11.223.450,88	16.686.560,63
A.II.2. Current Pre-Financing	1.576.715.723,33	1.757.920.644,63
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	46.286.176,35	41.610.775,75
A.II.6. Cash and Cash Equivalents	242.077.708,79	249.791.569,44
ASSETS	3.057.711.424,34	3.108.517.378,03
P.I. NON CURRENT LIABILITIES	-25.025.619,92	-20.507.034,62
P.I.2. Non-Current Provisions	-21.500.169,05	-18.486.895,00
P.I.3. Non-Current Financial Liabilities	-3.525.450,87	-2.020.139,62
P.III. NET ASSETS/LIABILITIES	-37.331.641,42	-61.218.380,24
P.III.1. Reserves	-37.331.641,42	-61.218.380,24
P.II. CURRENT LIABILITIES	-1.089.551.694,68	-1.055.452.325,47
P.II.2. Current Provisions	-61.449.356,33	-46.844.621,38
P.II.3. Current Financial Liabilities	-64.250,28	
P.II.4. Current Payables	-238.400.960,12	-317.847.857,87
P.II.5. Current Accrued Charges & Defrd Income	-789.637.127,95	-690.759.846,22
LIABILITIES	-1.151.908.956,02	-1.137.177.740,33
NET ASSETS (ASSETS less LIABILITIES)	1.905.802.468,32	1.971.339.637,70

P.III.2. Accumulated Surplus/Deficit	16.007.163.042,71	13.076.555.730,68
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Non-allocated central (surplus)/deficit*	-17.912.965.511,03	-15.047.895.368,38
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TOTAL DG NEAR	0,00	0,00
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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 5 : STATEMENT OF FINANCIAL PERFORMANCE for DG NEAR

STATEMENT OF FINANCIAL PERFORMANCE	2020	2019
II.1 REVENUES	-17.212.921,08	-25.629.349,16
II.1.1. NON-EXCHANGE REVENUES	-8.737.307,85	-17.146.040,48
II.1.1.5. RECOVERY OF EXPENSES	-5.277.611,91	-14.847.820,60
II.1.1.7. OTHER NON-EXCHANGE REVENUES	-3.459.695,94	-2.298.219,88
II.1.2. EXCHANGE REVENUES	-8.475.613,23	-8.483.308,68
II.1.2.1. FINANCIAL INCOME	-5.266.491,59	-7.625.940,69
II.1.2.2. OTHER EXCHANGE REVENUE	-3.209.121,64	-857.367,99
II.2. EXPENSES	3.709.066.242,82	2.956.236.661,19
II.2. EXPENSES	3.709.066.242,82	2.956.236.661,19
II.2.10. OTHER EXPENSES	40.001.443,74	45.936.335,16
II.2.1. EXP IMPL BY MEMBER STATES (SHARED)	-8.598.010,84	27.391.075,00
II.2.2. EXP IMPL BY COMMISS&EX.AGENC. (DM)	2.470.113.584,76	1.622.141.391,67
II.2.3. EXP IMPL BY OTH EU AGENC&BODIES (IM)	854.813,10	
II.2.4. EXP IMPL BY 3RD CNTR & INT ORG (IM)	983.931.358,12	1.048.627.928,92
II.2.5. EXP IMPL BY OTHER ENTITIES (IM)	200.035.112,75	206.453.593,28
II.2.8. FINANCE COSTS	22.727.941,19	5.686.337,16
STATEMENT OF FINANCIAL PERFORMANCE	3.691.853.321,74	2.930.607.312,03

TABLE 5bis : OFF BALANCE SHEET for DG NEAR

OFF BALANCE	2020	2019
OB.1. Contingent Assets	181.274.842,37	186.409.965,33
GR for performance	32.812.213,70	31.733.422,43
GR for pre-financing	132.439.478,99	135.534.693,22
OB.1.3. CA Other	16.023.149,68	19.141.849,68
OB.2. Contingent Liabilities	-25.006.614,18	-30.893.454,09
OB.2.1. Guarantees given for EU FI	-15.644.962,25	-17.717.793,46
OB.2.7. CL Legal cases OTHER	-9.361.651,93	-13.175.660,63
OB.3. Other Significant Disclosures	-13.990.507.255,35	-14.651.564.003,03
OB.3.2. Comm against app. not yet consumed	-13.990.507.255,35	-14.651.564.003,03
OB.4. Balancing Accounts	13.834.239.027,16	14.496.047.491,79
OB.4. Balancing Accounts	13.834.239.027,16	14.496.047.491,79
OFF BALANCE	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 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 in 2020 for NEAR

Legal Times												
Maximum Payment Time (Days)	Total Number of Payments		Percentage	Average Payment Times (Days)	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)	Late Payments Amount	Percentage
0	1	1	100,00 %	7,00							0,00	0,00 %
15	2				2	100,00 %	11,00				0,00	0,00 %
16	1				1	100,00 %	7,00				0,00	0,00 %
28	1				1	100,00 %	3,00				0,00	0,00 %
30	1103				1044	94,65 %	11,95	59	5,35 %	61,62	19.807.374,29	1,72 %
45	76				70	92,11 %	22,16	6	7,89 %	346,50	239.789,57	0,29 %
56	8				8	100,00 %	47,38				0,00	0,00 %
60	1440				1338	92,92 %	33,55	102	7,08 %	84,86	14.846.686,17	3,61 %
90	1121				1035	92,33 %	47,63	86	7,67 %	114,63	180.172.754,32	13,33 %

Total Number of Payments	3753	1	0,03 %		3499	93,23 %		253	6,74 %		215.066.604,35	7,05 %
Average Net Payment Time	35,40			7,00			31,04			95,77		
Average Gross Payment Time	52,08			7,00			47,89			110,29		

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
0,20	45,82	1312	34,96 %	3753	996.547.228,23	32,64 %	3.052.690.698,40

Late Interest paid in 2020			
DG	GL Account	Description	Amount (Eur)
NEAR	65010000	Interest expense on late payment of charges	5 887,14
NEAR	65010100	Interest on late payment of charges new FR	27 989,97
			33 877,11

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

TABLE 7 : SITUATION ON REVENUE AND INCOME in 2020 for DG NEAR

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	7=3-6
52	REVENUE FROM INVESTMENTS OR LOANS GRANTED, BANK AND OTHER INTEREST	166.071,42	1.447.861,00	1.613.932,42	116.928,91	21.244,18	138.173,09	1.475.759,33
63	CONTRIBUTIONS UNDER SPECIFIC AGREEMENTS	8.250.514,84	0,00	8.250.514,84	4.906.699,75	0,00	4.906.699,75	3.343.815,09
64	CONTRIBUTIONS FROM FINANCIAL INSTRUMENTS	36.694.173,16	0,00	36.694.173,16	36.694.173,16	0,00	36.694.173,16	0,00
66	OTHER CONTRIBUTIONS AND REFUNDS	61.872.985,29	42.822.798,73	104.695.784,02	52.082.541,94	9.123.518,57	61.206.060,51	43.489.723,51
90	MISCELLANEOUS REVENUE	39.100,74	276.753,90	315.854,64	60.263,97	286,92	60.550,89	255.303,75
Total DG NEAR		107.022.845,45	44.547.413,63	151.570.259,08	93.860.607,73	9.145.049,67	103.005.657,40	48.564.601,68

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

INCOME BUDGET RECOVERY ORDERS ISSUED IN 2020 Year of Origin (commitment)	Irregularity		OLAF notified		Total undue payments recovered		Total transactions in recovery context(incl. non-qualified)		% Qualified/Total RC	
	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount
2005							1	6.332.795,19		
2006							1	195.000,00		
2008	1	22.080,00			1	22.080,00	2	678.926,73	50,00%	3,25%
2009	1	900.000,00			1	900.000,00	5	4.329.814,71	20,00%	20,79%
2010	2	5.242,14			2	5.242,14	4	625.002,96	50,00%	0,84%
2011	1	81,58			1	81,58	11	9.493.911,67	9,09%	0,00%
2012	8	2.246.622,77			8	2.246.622,77	12	7.514.021,87	66,67%	29,90%
2013	19	639.094,77	1	6.948,00	20	646.042,77	51	41.452.846,94	39,22%	1,56%
2014	27	258.026,22			27	258.026,22	50	2.734.860,01	54,00%	9,43%
2015	29	200.247,98			29	200.247,98	56	6.425.373,83	51,79%	3,12%
2016	12	298.300,87			12	298.300,87	44	7.494.675,90	27,27%	3,98%
2017	7	1.599.934,71			7	1.599.934,71	47	4.829.698,77	14,89%	33,13%
2018	4	155.794,11			4	155.794,11	18	3.251.695,49	22,22%	4,79%
2019							3	19.997,14		
2020							1	52.808,00		
No Link	2	97.442,85			2	97.442,85	7	6.671.466,47	28,57%	1,46%
Sub-Total	113	6.422.868,00	1	6.948,00	114	6.429.816,00	313	102.102.895,68	36,42%	6,30%

EXPENSES BUDGET	Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context(incl. non-qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES							1	7.628,90		
NON ELIGIBLE IN COST CLAIMS	228	28.951.985,06	1	226.169,70	229	29.178.154,76	250	31.671.038,55	91,60%	92,13%
CREDIT NOTES	235	6.300.071,56	1	437.649,39	236	6.737.720,95	266	9.226.638,51	88,72%	73,02%
Sub-Total	463	35.252.056,62	2	663.819,09	465	35.915.875,71	517	40.905.305,96	89,94%	87,80%
GRAND TOTAL	576	41.674.924,62	3	670.767,09	579	42.345.691,71	830	143.008.201,64	69,76%	29,61%

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2020 for DG NEAR

	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
2005	2	2	0,00 %	267.184,00	267.184,00	0,00 %
2006	1	1	0,00 %	300.000,00	300.000,00	0,00 %
2007	5	5	0,00 %	644.073,07	644.073,07	0,00 %
2008	2	2	0,00 %	108.498,53	108.498,53	0,00 %
2009	1	1	0,00 %	82.866,00	82.866,00	0,00 %
2010	2	1	-50,00 %	144.160,20	71.964,00	-50,08 %
2011	4	4	0,00 %	1.568.697,49	1.568.697,49	0,00 %
2012	9	9	0,00 %	1.054.716,79	1.054.716,79	0,00 %
2013	11	8	-27,27 %	3.000.408,49	2.540.006,62	-15,34 %
2014	17	15	-11,76 %	2.449.465,40	2.328.648,28	-4,93 %
2015	16	12	-25,00 %	4.341.489,78	4.052.187,28	-6,66 %
2016	14	12	-14,29 %	2.253.261,12	1.906.874,61	-15,37 %
2017	29	26	-10,34 %	7.250.314,14	7.148.103,93	-1,41 %
2018	41	34	-17,07 %	5.810.902,86	5.615.070,07	-3,37 %
2019	77	31	-59,74 %	15.572.423,99	8.014.521,52	-48,53 %
2020		76			13.281.154,18	
	231	239	3,46 %	44.848.461,86	48.984.566,37	9,22 %

TABLE 10 :Recovery Order Waivers >= 60 000 € in 2020 for DG NEAR

	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
0	3233200017	3241509269	-96.714,25	Private Companies		
1	3233200022	3241813933	-72.781,82	Private Companies		
2	3233200024	3241508663	-60.006,47	Private Companies		
3	3233200027	3241313224	-458.426,25	Private Companies		
4	3233200049	3241014703	-72.196,20	Private Companies		
5	3233200074	3241904284	-113.636,86	Other Public Bodies		
6	3233200087	3241512343	-93.130,01	Private Companies		
7	3233200171	3241400918	-109.473,02	Private Companies		
8	3233200198	3241617203	-342.486,99	Private Companies		

Total DG NEAR	-1.418.851,87
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Number of RO waivers	9
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There are 12 waivers below 60 000 € for a total amount of -231,115.23

<p>0: The amount receivable cannot be recovered in view of the debtor's insolvency (pursuant to Article 101(2)(b) of the Financial Regulation).</p> <p>1: The amount receivable will be waved based on FR Article 101(2)(b)namely "where the amount receivable cannot be recovered in view of its age, of delay in the dispatch of the debit note in the terms defined in Article 98(2), of the insolvency of the debtor, or of any other insolvency proceedings proceedings".</p> <p>2: Renonciation de créance pour cause de recouvrement impossible et insolvabilité du débiteur.</p> <p>3: renunciation on the debt in accordance with Article 101(2) (b) of Regulation (EU, Euratom) 2018/1046, given the impossibility to recover the amount from the liquidation of Stichting IntEnt</p> <p>4: In accordance with Article 101 (2) (b) of the Financial Regulation 2018 (insolvency of the debtor), the EU Delegation to Albania has proposed to proceed with a waiver of the debt.</p> <p>5: Cost-effectiveness reasons (pursuant to Article 101(2) (a) of the Financial Regulation)</p> <p>6: The amount receivable cannot be recovered in view of insolvency of the debtor (pursuant to Article 101(2)(b) of the Financial Regulation).</p> <p>7: recovery impossible (old recovery order or delay in the dispatch of the debit note (i.e. 5 years, 98(2) FR) or insolvent debtor); Commission decision C(2020)6683</p> <p>8: Following the recommendation of Legal Service, pursuant to Article 101(2)(b) of the Financial Regulation, the debt of IMED was waived by Commission Decision C(2020) 7043 of 19/10/2020.</p>

TABLE 11 : Negotiated Procedures in 2020 for DG NEAR

External Procedures > € 20,000

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
Annex 1 - 11.1 (b) - Artistic/technical reasons or exclusive rights or technical monopoly/captive market	2	320.000,00
Annex 1 - 11.1 (c) - Extreme urgency caused by unforeseeable events not attributable to the contracting authority	12	15.766.315,60
Annex 1 - 11.1 (e) - New services/works consisting in the repetition of similar services/works	8	4.896.455,00
Annex 1 - 11.1 (f) (i) - Supplies of additional deliveries	1	38.640,00
Annex 1 - 39.1 (a) - Services entrusted to public-sector bodies or non-profit institutions or organisations	4	10.369.696,00
Annex 1 - 39.1 (b) - Tender procedure unsuccessful	9	19.413.840,10
Art. 134.1(e) (Without prior publication) New services or works consisting in the repetition of similar services or works	1	1.500.000,00
Art. 266.1(c) (External Actions - Service) Extension of service already started	1	1.932.958,50
Art. 270.1(b) (External Actions - works) Additional works which, though unforeseen circumstances, have become necessary	1	93.700,00
Total	39	54.331.605,20

Internal Procedures > € 60,000

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
Annex 1 - 11.1 (a) - Follow-up of an open/restricted procedure where no (or no suitable) tenders/requests to participate have been submitted	1	8.497.491,00
Total	1	8.497.491,00

TABLE 12 : Summary of Procedures in 2020 for DG NEAR

External Procedures > € 20,000

Procedure Legal base	Number of Procedures	Amount (€)
Competitive procedure with negotiation (Annex 1 - 12.1)	1	174.960,00
Exceptional Negotiated Procedure without publication of a contract notice (Art. 134 RAP)	1	1.500.000,00
(Ext. act) Service - Competitive Negotiated Procedure with at least three candidates without pub. (Art. 265.1(b) & 3 RAP)	2	237.475,00
(Ext. act) Service - Exceptional Negotiated Procedure with a single offer (Art. 266 RAP)	1	1.932.958,50
(Ext. act) Service - International Restricted Procedure with prior publication (Art. 265.1(a)(i) & 2 RAP)	6	15.800.149,83
(Ext. act) Supply - Exceptional Negotiated Procedure with a single offer (Art. 268 RAP)	1	359.907,50
(Ext. act) Supply - International Open Procedure after publication of a contract notice (Art. 267.1(a) RAP)	1	2.069.000,00
(Ext. act) Works - Exceptional Negotiated Procedure with a single offer (Art. 270 RAP)	1	93.700,00
Local open procedure - Supplies between EUR 100 000-300 000 - Works between EUR 300 000-5 000 000 - (local) publication (Annex 1 - 38.1 (c))	14	11.236.276,29
Negotiated procedure without prior publication (Annex 1 - 11.1)	25	21.227.008,52
Negotiated procedure with single tender (Annex 1 - 39.1)	13	29.783.536,10
Open procedure - As provided for in FR 164(1)(a) - Services/Supplies as from EUR 300 000 - Works as from EUR 5 000 000 - publication (Annex 1 - 38.1 (b))	27	21.997.988,10
Restricted procedure - As provided for in FR 164(1)(b) - Services/Supplies as from EUR 300 000 - Works as from EUR 5 000 000 - publication (Annex 1 - 38.1 (a))	43	117.108.763,00
Simplified procedure - Services/Works < EUR 300 000 - Supplies < EUR 100 000. Legal services as in Annex 1 - 38.6. (Annex 1 - 38.1 (d))	32	6.359.848,95
Total	168	229.881.571,79

Internal Procedures > € 60,000

Procedure Legal base	Number of Procedures	Amount (€)
Negotiated procedure middle value contract (Annex 1 - 14.2)	1	130.090,00
Negotiated procedure without prior publication (Annex 1 - 11.1)	1	8.497.491,00
Open procedure (FR 164 (1)(a))	1	223.589,85
Total	3	8.851.170,85

TABLE 13 : BUILDING CONTRACTS in 2020 for DG NEAR

Legal Base	Procedure subject	Contract Number	Contractor Name	Contract Subject	Contracted Amount (€)
Annex 1 - 11.1 (g) - Building contracts	EUROPEAID/414701/00/8NN/WKS	SCR.LCM.414701.01	ELAN PROPERTIES B.C.-S DOOEL SKOPJE	SCR.LCM.414701.01 - EUROPE HOUSE LEASE CONTRACT 2020-2022	171.097,92
Art. 134.1(g) (Without prior publication) for building contracts	EUROPEAID/385937/00/5NN/SER	SCR.LCM.385937.01	EGIS INTERNATIONAL SA*	SCR.LCM.385937.01-7 - SUPERVISION OF WORKS FOR CONSTRUCTION OF ZEDELJ BRIDGE ACCESS ROADS	482.795,00
		2			653.892,92

TABLE 14 : CONTRACTS DECLARED SECRET in 2020 for DG NEAR

Legal Base	LC Date	Contract Number	Contract Subject	Contracted Amount (€)
Art. 268.1(e) (External Actions - supply) Secret contracts	23/10/2020	SCR.LCM.419358.01	SCR.LCM.419358.01 - SUPPLY OF ONE INTERNATIONAL MOBILE SUBSCRIBER IDENTITY (IMS) CATCHER TO THE SPECIAL OPERATIONS UNIT OF THE KOSOVO POLICE	359.907,50
		1		359.907,50

TABLE 15 : FPA duration exceeds 4 years - DG

None of DG NEAR's FPA (if any) exceeds 4 years

TABLE 16 : Commitments co-delegation type 3 in 2020 for DG NEAR

DG NEAR has no commitments co-delegation type 3 in 2020

Annex 3 Financial Reports - for T004 - Financial Year 2020 DG NEAR**Table 1 : Commitments****Table 2 : Payments****Table 3 : Commitments to be settled****Table 4 : Balance Sheet****Table 5 : Statement of Financial Performance****Table 5 Bis: Off Balance Sheet****Table 6 : Average Payment Times****Table 7 : Income****Table 8 : Recovery of undue Payments****Table 9 : Ageing Balance of Recovery Orders****Table 10 : Waivers of Recovery Orders****Table 11 : Negotiated Procedures****Table 12 : Summary of Procedures****Table 13 : Building Contracts****Table 14 : Contracts declared Secret****Table 15 : FPA duration exceeds 4 years**

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS until 2020 for T004 (in Mio €) for DG NEAR						
Budget Title		Cumulative Commitment appropriations authorised	Commitment appropriations authorised in the year	Cumulative Commitments made	Commitments made in 2020	%
		1		2		3=2/1
01	Administrative expenditure	16,61	2,66	13,01	4,92	78,34 %
04	Civil society, local authority	39,97	-0,03	39,97	0,00	100,00 %
07	Democracy & human rights	36,53	11,53	36,53	11,53	100,00 %
08	Education	713,79	89,61	710,26	92,23	99,51 %
09	Employment and social inclusion	267,61	169,50	267,61	169,50	100,00 %
12	Food & nutrition security	17,00	-0,00	17,00	0,00	100,00 %
16	Health	312,56	50,30	312,14	56,07	99,86 %
20	Migration	35,38	-1,62	35,38	-0,57	100,00 %
24	Water & sanitation	310,95	9,52	310,95	10,00	100,00 %
26	Humanitarian aid (emergency response)	10,00	10,00	10,00	10,00	100,00 %
27	Civil protection	10,00	0,00	10,00	0,00	100,00 %
97	Multisector / Cross-cutting activities	470,32	40,73	470,18	44,63	99,97 %
98	Horizontal Operational Expenses	9,97	-1,37	9,97	-1,33	100,00 %
99	Reserves/unallocated Reserves/unallocated	114,67	69,61			
Total DG T004		2.365,36	450,45	2.243,00	397,00	94,83 %

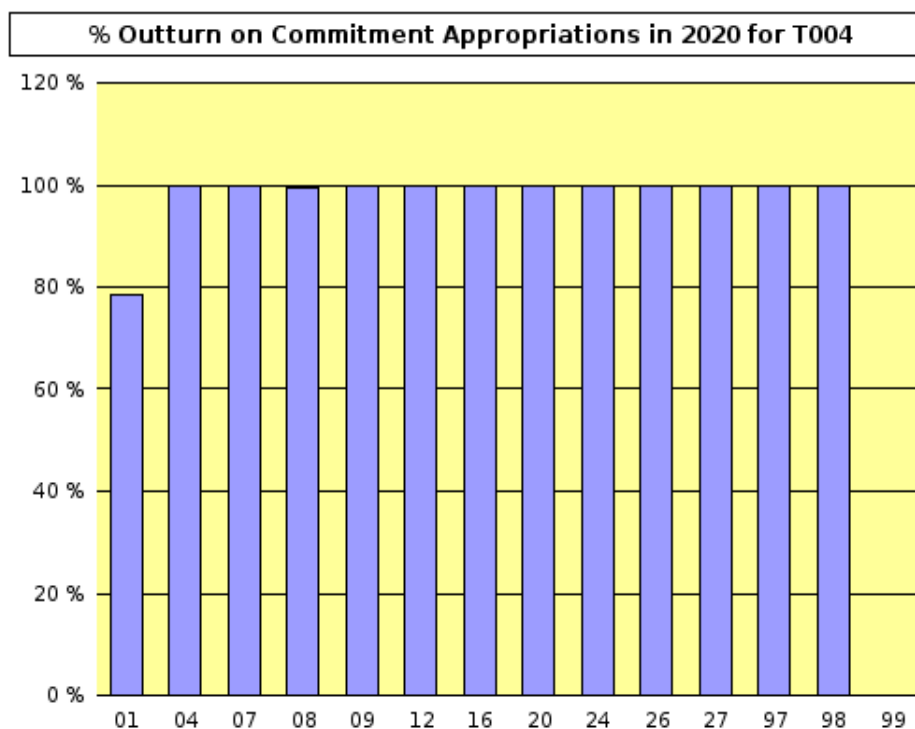


TABLE 1: OUTTURN ON PAYMENT APPROPRIATIONS for T004 until 2020 (in Mio €) for DG NEAR						
Budget Title		Cumulative Payments appropriations authorised	Payment appropriations authorised in the year	Cumulative Payments made	Payments made in 2020	%
		1		2		3=2/1
01	Administrative expenditure	16,61	4,00	13,01	4,92	78,34 %
04	Civil society, local authority	21,88	8,65	21,88	8,65	100,00 %
07	Democracy & human rights	23,68	5,74	22,35	4,49	94,42 %
08	Education	511,34	110,57	511,34	110,86	100,00 %
09	Employment and social inclusion	173,66	131,16	173,66	131,16	100,00 %
12	Food & nutrition security	16,89	2,35	16,89	2,35	100,00 %
16	Health	226,49	91,67	226,06	92,31	99,81 %
20	Migration	35,10	1,33	33,77		96,22 %
24	Water & sanitation	150,75	36,23	150,75	36,23	100,00 %
26	Humanitarian aid (emergency response)	7,97	7,97	7,97	7,97	100,00 %
27	Civil protection	9,00	3,55	9,00	3,55	100,00 %
97	Multisector / Cross-cutting activities	323,01	94,56	323,01	96,79	100,00 %
98	Horizontal Operational Expenses	5,13	1,27	5,13	1,58	100,00 %
99	Reserves/unallocated Reserves/unallocated	23,28	-34,51			
Total DG T004		1.544,80	464,53	1.514,84	500,86	98,06 %

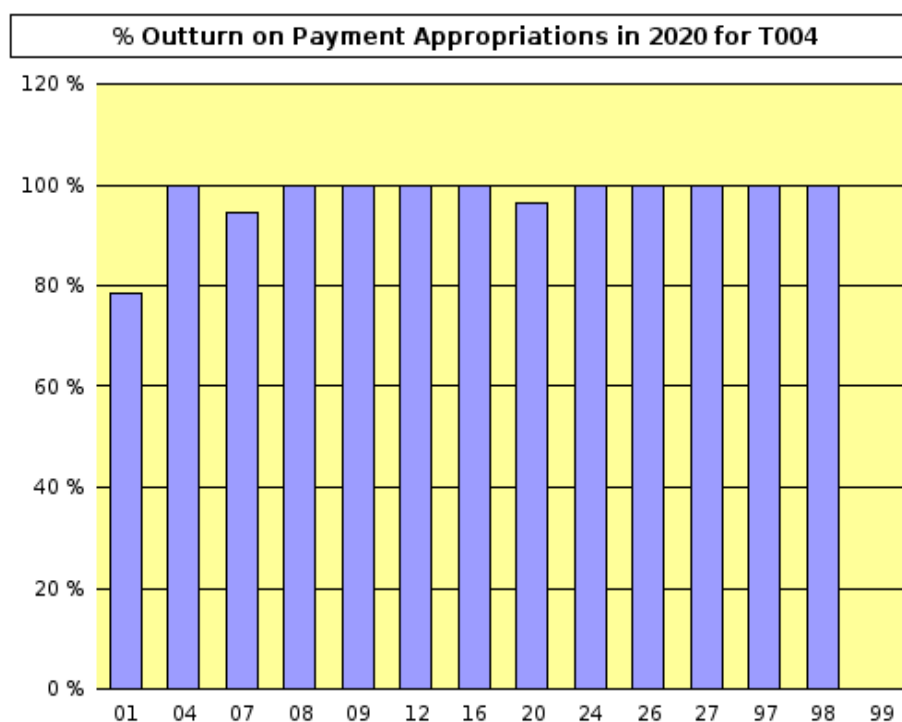


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 for T004 (in Mio €) for DG NEAR								
Budget Title		Commitments	Contracted	Payments	% to be settled	to be settled at end 2020	to be settled at end 2019	RAL Evolution %
		1		2	3 = 2/1	4 = 2-1	5	3=2/1
01	Administrative expenditure	13,01	13,01	13,01	100,00%	0,00	0,00	0,00%
04	Civil society, local authority	39,97	39,97	21,88	54,73%	18,09	26,74	-32,34%
07	Democracy & human rights	36,53	25,53	22,35	61,19%	14,18	7,13	98,79%
08	Education	710,26	623,34	511,34	71,99%	198,91	217,54	-8,56%
09	Employment and social inclusion	267,61	264,31	173,66	64,89%	93,95	55,60	68,95%
12	Food & nutrition security	17,00	17,00	16,89	99,34%	0,11	2,46	-95,48%
16	Health	312,14	312,14	226,06	72,42%	86,08	122,31	-29,63%
20	Migration	35,38	35,38	33,77	95,44%	1,61	2,18	-26,09%
24	Water & sanitation	310,95	262,95	150,75	48,48%	160,20	186,42	-14,07%
26	Humanitarian aid (emergency response)	10,00	10,00	7,97	79,71%	2,03		
27	Civil protection	10,00	10,00	9,00	90,00%	1,00	4,55	-78,01%
97	Multisector / Cross-cutting activities	470,18	469,67	323,01	68,70%	147,17	199,32	-26,17%
98	Horizontal Operational Expenses	9,97	9,25	5,13	51,47%	4,84	7,75	-37,54%
Total DG T004		2.243,00	2.092,56	1.514,84	67,54%	728,16	832,02	87,52%

Breakdown of Commitments Remaining to be Settled (in Mio EUR) at 31/12/2020

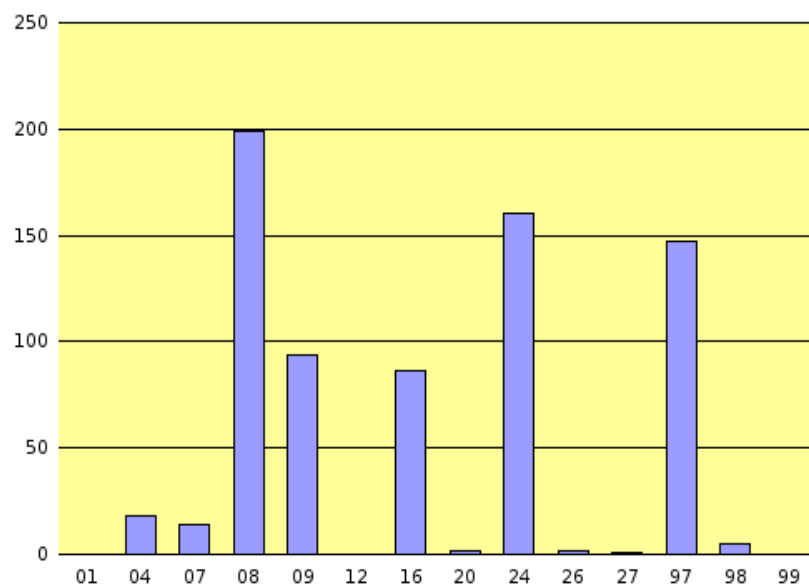


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2020 for T004 (in Mio €) for DG NEAR

Budget Title		Commitments outstanding at the end of previous				Commitments of the current year			Total commitm. outstanding at the end of the year
		Commitm. carried forward from previous year	Decommitm./ Revaluations/ Cancellations	Payments	Commitm. outstanding at year-end	Commitm./ Decommitm./ Revaluations/ Cancellations	Payments	Commitm. outstanding at year-end	
		1	2	3	4=1+2-3	5	6	7=5-6	
01	Administrative expenditure	0,00	0,00		0,00	4,92	4,92	0,00	0,00
04	Civil society, local authority	26,74	0,00	8,65	18,09				18,09
07	Democracy & human rights	7,13		4,49	2,65	11,53		11,53	14,18
08	Education	217,54	-4,16	93,73	119,66	96,39	17,14	79,25	198,91
09	Employement and social inclusion	55,60	0,00	46,51	9,09	169,50	84,65	84,85	93,95
12	Food & nutrition security	2,46	0,00	2,35	0,11				0,11
16	Health	122,31	-0,43	10,71	111,18	56,50	81,60	-25,10	86,08
20	Migration	2,18	-0,57		1,61				1,61
24	Water & sanitation	186,42	0,00	26,23	160,20	10,00	10,00	0,00	160,20
26	Humanitarian aid (emergency response)					10,00	7,97	2,03	2,03
27	Civil protection	4,55		3,55	1,00				1,00
97	Multisector / Cross-cutting activities	199,32	-7,57	57,41	134,34	52,20	39,37	12,83	147,17
98	Horizontal Operational Expenses	7,75	-1,45	1,26	5,04	0,13	0,33	-0,20	4,84
Total DG T004		832,02	-14,18	254,88	562,97	411,17	245,98	165,19	728,16

TABLE 4 : BALANCE SHEET for T004

BALANCE SHEET	2020	2019
A.I. NON CURRENT ASSETS	34.748.998,85	9.318.245,53
A.I.5. Non-Current Pre-Financing	34.748.998,85	9.318.245,53
A.II. CURRENT ASSETS	296.261.897,54	254.967.478,45
A.II.2. Current Pre-Financing	260.789.294,80	171.412.751,74
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	5.651.256,54	2.420.650,65
A.II.6. Cash and Cash Equivalents	29.821.346,20	81.134.076,06
ASSETS	331.010.896,39	264.285.723,98
P.I. NON CURRENT LIABILITIES	-268.131.022,53	-213.616.976,00
P.I.3. Non-Current Financial Liabilities	-268.131.022,53	-213.616.976,00
P.III. NET ASSETS/LIABILITIES	0,00	0,00
P.III.2. Accumulated Surplus / Deficit	0,00	0,00
P.II. CURRENT LIABILITIES	-62.879.873,86	-50.668.747,98
P.II.4. Current Payables	-3.614.328,09	-11.087.002,34
P.II.5. Current Accrued Charges & Defrd Income	-59.265.545,77	-39.581.745,64
LIABILITIES	-331.010.896,39	-264.285.723,98
NET ASSETS (ASSETS less LIABILITIES)	0,00	0,00

Non-allocated central (surplus)/deficit*	0,00	0,00
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TOTAL DG NEAR	0,00	0,00
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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 6: AVERAGE PAYMENT TIMES in 2020 for T004 for DG NEAR

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)
30	36	30	83,33 %	13,77	6	16,67 %	391,33
60	11	11	100,00 %	29,36			
90	33	30	90,91 %	61,10	3	9,09 %	558,33

Total Number of Payments	80	71	88,75 %		9	11,25 %	
Average Net Payment Time	82,40			36,18			447,00
Average Gross Payment Time	95,48			50,92			447,00

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	44	24	30,00 %	80	163.041.696,08	33,77 %	482.848.984,00

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

TABLE 7 : SITUATION ON REVENUE AND INCOME in 2020 for T004 for DG NEAR

Revenue Type	RO created during 2020			RO created before 2020			Total		
	Issued	Cashed	Open amount	Open amount at the beginning of the year	Cashed	Open amount	Issued	Cashed	Open amount
	1	2	3 = 1 - 2	4	5	6 = 4 - 5	7 = 1 + 4	8 = 2+5	9 = 3 + 6
Contributions	462,71	462,71	0,00	0,00		-0,00	462,71	462,71	-0,00
Interests	-0,18	0,00	-0,18	0,13		0,13	-0,05	0,00	-0,05
Returns	2,00	2,00	0,00				2,00	2,00	0,00
Total T004	464,53	464,71	-0,18	0,13		0,13	464,66	464,71	-0,05

TABLE 7 : SITUATION ON REVENUE AND INCOME in 2020 for T004

Financial Year	Issuing year	Revenue Type	Issued	Cashed	outstanding
2020	2020	Contributions	462,71	462,71	0,00
	2020	Interests	-0,18	0,00	-0,18
	2020	Returns	2,00	2,00	0,00
2020			464,53	464,71	-0,18
2019	2019	Contributions	287,36	287,36	0,00
	2019	Interests	0,00	0,00	0,00
	2018	Contributions	0,00	5,00	-5,00
	2016	Contributions	0,00	0,43	-0,43
2019			287,36	292,79	-5,43
2018	2018	Contributions	299,28	294,28	5,00
	2018	Interests	0,00	0,00	0,00
	2017	Contributions	0,00	20,25	-20,25
2018			299,28	314,53	-15,25
2017	2017	Contributions	188,47	168,22	20,25
2017			188,47	168,22	20,25
2016	2016	Contributions	258,23	257,80	0,43
	2016	Interests	0,13	0,00	0,13
	2015	Contributions	0,00	7,86	-7,86
2016			258,36	265,66	-7,30
2015	2015	Contributions	46,79	38,93	7,86
	2015	Interests	0,00	0,00	0,00
2015			46,79	38,93	7,86
		Total for T004	1.544,80	1.544,80	-0,05

TABLE 8 : RECOVERY OF PAYMENTS in 2020 for T004
(Number of Recovery Contexts and corresponding Transaction Amount) for DG NEAR

Year of Origin (commitment)	Total undue payments recovered		Total transactions in recovery context(incl. non-qualified)		% Qualified/Total RC	
	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount
No Link			1	2.000.000,00		
Sub-Total			1	2.000.000,00		

EXPENSES BUDGET	Irregularity		OLAF Notified		Total undue payments recovered		Total transactions in recovery context(incl. non-qualified)		% Qualified/Total RC	
	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES										
NON ELIGIBLE IN COST CLAIMS	3	1.524.406,04			3	1.524.406,04	5	2.415.144,12	60,00%	63,12%
CREDIT NOTES										
Sub-Total	3	1.524.406,04			3	1.524.406,04	5	2.415.144,12	60,00%	63,12%
GRAND TOTAL	3	1.524.406,04			3	1.524.406,04	6	4.415.144,12	50,00%	34,53%

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2020 for T004 for DG NEAR

	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

TABLE 10 : Recovery Order Waivers >= 60 000 € in 2020 for T004 for DG NEAR

Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
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Total DG NEAR	
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Number of RO waivers	
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TABLE 11 : Negotiated Procedures in 2020 for T004 for DG NEAR

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

TABLE 12 : Summary of Procedures in 2020 for T004

External Procedures > € 20,000

Procedure Legal base	Number of Procedures	Amount (€)
Restricted procedure - As provided for in FR 164(1)(b) - Services/Supplies as from EUR 300 000 - Works as from EUR 5 000 000 - publication (Annex 1 - 38.1 (a))	1	2.882.350,00
Total	1	2.882.350,00

TABLE 13 : BUILDING CONTRACTS in 2020 for T004

Legal Base	Procedure subject	Contract Number	Direct or Specific?	Contractor Name	Contract Subject	Amount (€)

TABLE 14 : CONTRACTS DECLARED SECRET in 2020 for T004

Legal Base	Direct or Specific?	LC Date	Contract Number	Contract Subject	Contracted Amount (€)

TABLE 15 : FPA duration exceeds 4 years for T004

None of T004's FPA (if any) exceeds 4 years

ANNEX 4: Financial Scorecard

DG NEAR

The Annex 4 of each Commission service 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)³³:

- Commitment Appropriations (CA) Implementation
- CA Forecast Implementation
- Payment Appropriations (PA) Implementation
- PA Forecast Implementation
- Global Commitment Absorption
- Timely Payments


For each indicator, its value (in %) for the Commission service is compared to the common target (in %). The difference between the indicator's value and the target is colour coded as follows:


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


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


³³ 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.

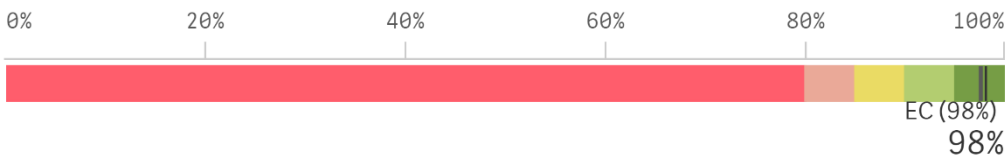
NEAR Budget


Indicator	CA Implementation
Category	Efficiency Controls / Budget
Objective	Ensure efficient use of commitment appropriations
Result	<p>DG NEAR achieved 101% compared to the EC result of 99%</p>  <p>CA Implementation higher than 100% is a result of DG NEAR consuming commitment appropriations of a different DG under a co-delegation, which were not transferred to DG NEAR.</p>
Comment	CA implementation higher than 100% is a result of DG NEAR consuming commitment appropriations of a different DG under a co-delegation for credits which were not transferred to DG NEAR.
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:</p> <p>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	<u>PA Implementation</u>
Category	Efficiency Controls / Budget
Objective	Ensure efficient use of payment appropriations
Result	<p>DG NEAR achieved 101% compared to the EC result of 99%</p>  <p>PA Implementation higher than 100% is a result of DG NEAR consuming commitment appropriations of a different DG under a co-delegation, which were not transferred to DG NEAR.</p>
Comment	PA implementation higher than 100% is a result of DG NEAR consuming commitment appropriations of a different DG under a co-delegation for credits which were not transferred to DG NEAR.
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	<u>CA Forecast Implementation</u>
Category	Efficiency Controls / Budget
Objective	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year
Result	<p>DG NEAR 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	<u>PA Forecast Implementation</u>
Category	Efficiency Controls / Budget
Objective	Ensure the cumulative alignment of the payment implementation with the commitment forecast in a financial year
Result	<p>DG NEAR achieved 89% compared to the EC result of 99%</p>  <p>0% 20% 40% 60% 80% 100%</p> <p>89% EC (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 NEAR achieved 98% compared to the EC result of 98%</p>  <p>0% 20% 40% 60% 80% 100%</p> <p>EC (98%) 98%</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 NEAR achieved 93% compared to the EC result of 99%</p>  <p>0% 20% 40% 60% 80% 100%</p> <p>EC (99%) 93%</p>
Comment	DG NEAR ensured efficient processing of payments within the legal deadlines during the year 2020.
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")


EU Regional Trust Fund in response to the Syrian Crisis


Indicator	CA Implementation
Category	Efficiency Controls / Budget
Objective	Ensure efficient use of commitment appropriations
Result	<p>DG NEAR achieved - compared to the EC result of -</p> 
Comment	The indicator is not applicable for DG NEAR in 2020 due to the lack of underlying transactions recorded by DG NEAR in 2020.
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:</p> <p>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	<u>PA Implementation</u>
Category	Efficiency Controls / Budget
Objective	Ensure efficient use of payment appropriations
Result	<p>DG NEAR achieved - compared to the EC result of -</p> 
Comment	The indicator is not applicable for DG NEAR in 2020 due to the lack of underlying transactions recorded by DG NEAR in 2020.
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	<u>CA Forecast Implementation</u>
Category	Efficiency Controls / Budget
Objective	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year
Result	<p>DG NEAR achieved - compared to the EC result of -</p>  <p>0% 20% 40% 60% 80% 100%</p>
Comment	The indicator is not applicable for DG NEAR in 2020 due to the lack of underlying transactions recorded by DG NEAR in 2020.
Definition	<p>Formula: $\text{Value A} / \text{Value B}^{*,**}$</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><i>*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)</i></p> <p><i>**if Value A / Value B > 200 % then the result indicator will be equal to 0%</i></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	<u>PA Forecast Implementation</u>
Category	Efficiency Controls / Budget
Objective	Ensure the cumulative alignment of the payment implementation with the commitment forecast in a financial year
Result	<p>DG NEAR achieved - compared to the EC result of -</p> <p>0% 20% 40% 60% 80% 100%</p>
Comment	The indicator is not applicable for DG NEAR in 2020 due to the lack of underlying transactions recorded by DG NEAR in 2020.
Definition	<p>Formula: $\text{Value A} / \text{Value B}^{*,**}$</p> <ul style="list-style-type: none"> - Value A: Payment Accepted Amount (Eur) - Value B: Payment Forecast Amount (Eur) <p><i>*if Value A / Value B between 100 and 200% then the result indicator will be equal to 1</i></p> <p><i>- (ABS(Value B – Value A) / Value B)</i></p> <p><i>**if Value A / Value B > 200 % then the result indicator will be equal to 0%</i></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 NEAR achieved 96% compared to the EC result of 96%</p>  <p>0% 20% 40% 60% 80% 100%</p> <p>EC (96%) 96%</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 NEAR achieved 97% compared to the EC result of 97%</p>  <p>0% 20% 40% 60% 80% 100%</p> <p>EC (97%) 97%</p>
Comment	DG NEAR ensured efficient processing of payments within the legal deadlines during the year 2020.
Definition	<p><i>Formula: Value A / Value B</i></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><i>Scope:</i></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")

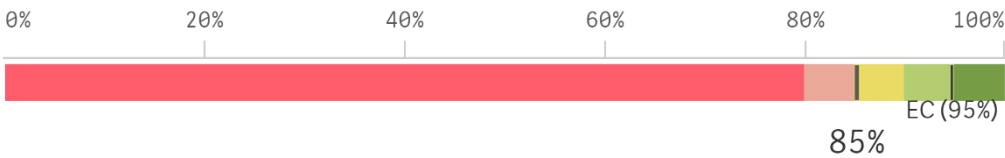
North of Africa Window of the EU Trust Fund for Africa


Indicator	<u>CA Implementation</u>
Category	Efficiency Controls / Budget
Objective	Ensure efficient use of commitment appropriations
Result	<p>DG NEAR achieved - compared to the EC result of -</p> 
Comment	The indicator is not applicable for DG NEAR in 2020 due to the lack of underlying transactions recorded by DG NEAR in 2020.
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:</p> <p>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	<u>PA Implementation</u>
Category	Efficiency Controls / Budget
Objective	Ensure efficient use of payment appropriations
Result	<p>DG NEAR achieved - compared to the EC result of -</p> 
Comment	The indicator is not applicable for DG NEAR in 2020 due to the lack of underlying transactions recorded by DG NEAR in 2020.
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	<u>CA Forecast Implementation</u>
Category	Efficiency Controls / Budget
Objective	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year
Result	<p>DG NEAR achieved - compared to the EC result of -</p> 
Comment	The indicator is not applicable for DG NEAR in 2020 due to the lack of underlying transactions recorded by DG NEAR in 2020.
Definition	<p>Formula: $\text{Value A} / \text{Value B}^{*,**}$</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><i>*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)</i></p> <p><i>**if Value A / Value B > 200 % then the result indicator will be equal to 0%</i></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	<u>PA Forecast Implementation</u>
Category	Efficiency Controls / Budget
Objective	Ensure the cumulative alignment of the payment implementation with the commitment forecast in a financial year
Result	<p>DG NEAR achieved - compared to the EC result of -</p> 
Comment	The indicator is not applicable for DG NEAR in 2020 due to the lack of underlying transactions recorded by DG NEAR in 2020.
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 NEAR achieved 85% compared to the EC result of 95%</p>  <p>0% 20% 40% 60% 80% 100%</p> <p>85% EC (95%)</p>
Comment	Several of the contract under EUTF-NOA L1 commitments adopted in 2020 have not yet been finalised due to the difficult nature of the actions in question. The vast majority of funds relates to sensitive actions to be implemented in Libya. The difficult security and political context in Libya makes thorough negotiations indispensable.”
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 Decommittment 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 NEAR achieved 98% compared to the EC result of 98%</p>  <p>The chart displays a scale from 0% to 100% in 20% increments. A red bar extends to the 98% mark, labeled '98%'. A green bar also extends to the 98% mark, labeled 'EC (98%)'.</p>
Comment	DG NEAR ensured efficient processing of payments within the legal deadlines during the year 2020.
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

The criteria used by DG NEAR to determine the materiality of potential weaknesses have been established in line with the Standing Instructions for the 2020 AAR. These instructions propose a standard quantitative materiality threshold of maximum 2% for the authorised payments of the reporting year, but also allow a multi-annual approach. Because of their multiannual nature, the effectiveness of DG NEAR's control strategy can only be fully measured and assessed once all audits, checks and controls have been fully implemented and systematic errors have been detected and corrected.

The question of being on track towards the control objective of legality and regularity is reassessed annually, taking into account both the frequency and importance of the errors found as well as a cost/benefit analysis of the effort needed to detect and correct them. Notwithstanding the multiannual span of DG NEAR's control strategy, its Director-General is required to sign a statement of assurance for each financial reporting year. In order to determine whether to qualify this statement of assurance with a reservation, the effectiveness of the control systems in place needs to be assessed not only for the year of reference but also with a multiannual perspective, to determine whether it is possible to reasonably conclude that the control objectives will be met in the future as expected.

The identification and potential correction of internal control weaknesses (and in particular errors with financial impact), the criteria for making a decision on whether there is material error in the expenditure of the DG and the question of whether to make a reservation in the AAR, will therefore be based on the full range of internal controls described in this AAR and on the level of error identified in the RER Studies on a multi-annual basis and in the Annual Reports by the ECA.

In quantitative terms

DG NEAR ensures that the RER, i.e. the level of errors which remain undetected and uncorrected, does not exceed 2% by the end of the management cycle. DG NEAR considers that a weakness is quantitatively significant and deserves to be disclosed as a reservation to the Declaration when the value of the transactions affected by this weakness represents more than 2% of all the transactions of the same nature (instrument, method of implementation) closed during the period under review (01/09/2019 – 31/08/2020).

In qualitative terms

DG NEAR considers issuing a reservation if (i) significant errors, taking into account their frequency of occurrence, or (ii) significant weaknesses in the Internal Control have been identified.

The identification of significant weaknesses in the Internal Control system comes from various sources, such as the annual assessment of internal controls, the conclusions from reports issued by the various control bodies (ECA, IAS) and major issues that have been outlined by the various controlling bodies or situations where a significant reputational risk may occur (e.g. major fraud cases or decisions with a significantly negative political impact).

De minimis' threshold for financial reservations

As from 2019³⁴, 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.

³⁴ Agreement of the Corporate Management Board of 30/4/2019.

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

6.1. Direct Management

Under Direct Management, funds are channelled to the final recipients through contracts signed directly by the Commission as contracting authority. Under Direct Management, the control environments are Grants in Direct Management (RCS 1); Procurement in Direct Management (RCS 2); Budget Support (RCS 3); in addition the Pegase mechanism to channel Direct Financial Support to the Palestinian institutions includes a specific set of controls which has been reviewed in recent years by the ECA.

6.1.1 Grants in Direct Management (RCS 1)

Grants are financial contributions awarded as donations to third parties in order to co-finance actions intended to help achieve a Union policy objective (action grants), or the functioning of a body which has an objective forming part of, and supporting, a Union policy (operating grants). Grants are based on the reimbursement of eligible costs actually incurred by the beneficiaries, or on financing not linked to the costs of the relevant operations, on unit costs, on lump sums, on flat-rate financing, or on any combination of these forms. Whatever the form of the grant, the latter aims at co-financing the cost of the activities carried out by the beneficiaries for implementing the concerned actions or work programmes. The results of the action remain the property of the beneficiaries.

Stage 1: Prior to Contracting

Grants are subject to the publication of work programmes on the Commission websites³⁵ and implemented principally through calls for proposals³⁶. Calls for proposals are based on a standard template and regularly updated in accordance inter alia with the changes in the Financial Regulation and relevant case law. Applicants are expected to present proposals for actions that correspond to stated objectives and fulfil the required conditions set in each call. All applications are examined and assessed on the basis of eligibility and evaluation criteria (selection and award) that were clearly announced in the calls for proposals. This includes an assessment, by an Evaluation Committee composed in majority of DG NEAR staff, of the technical and financial capacity of the applicant, as well as of the relevance, impact, sustainability and cost effectiveness of the proposals. In order to prevent any potential conflict of interest, each member of the Evaluation Committee must sign a declaration of impartiality and confidentiality. At the end of the evaluation process, DG NEAR notifies all applicants to inform them of the final decision concerning their proposals. Grants may also be concluded following a direct award.

³⁵ The Action Documents annexed to the Commission Implementing Decisions adopting Annual Action Programmes constitute the work programmes and the publication consists therefore on making available on Commission website the Action Documents. Additionally, calls for proposals may be announced on the concerned Delegations websites for those that concern the corresponding countries.

³⁶ Part of the grants portfolio is made of grants concluded following direct award, in accordance with the relevant legal provisions (Article 190 of the Rules of Application of the Financial Regulation). The RCS1 described in this report also applies mutatis mutandis to those grants directly awarded.

A – Identification and formulation of action to be co-financed including choice of instrument and implementation modality

Main control objectives: Ensuring that the Commission selects the most appropriate instrument in its cooperation with partner countries in line with the policy objectives (effectiveness); compliance (legality and regularity) and ensures the proper type of support and modalities specific to each partner country

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The instrument and/or implementation modality is not well suited to work towards the identified objectives and/or lead to a substantial increase of implementation risks.	Quality Review	100%	Economy: Estimation of cost of controls of grant operations up to the identification and formulation, including staff costs. External costs of control are based on values of respective contracts and related disbursements

B - Preparation, adoption and publication of the Annual Work Programmes 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 and regularity); Prevention of fraud (anti-fraud strategy)

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The annual work programmes and the subsequent calls for proposals do not adequately reflect the policy objectives, priorities, are incoherent and/or the essential eligibility, selection and award criteria are not adequate to ensure the evaluation of the proposals.	Hierarchical validation within the authorising department Explicit allocation of responsibility to individual officials (reflected in task assignment or function descriptions) Centralised checklist-based verification	If risk materialises, all grants awarded during the year under this work programme or call would be irregular, inadequate and/or ineffective. Possible impact 100% of budget involved and significant reputational consequences. Coverage / Frequency: 100% Depth: Checklist includes a list of the requirements of the regulatory provisions identified.	Effectiveness: Number of calls published and grants awarded. Efficiency: Time to prepare and adopt calls and time for publication. Number of clarifications needed Economy: Estimated cost of controls of grant preparation adoption and publication.

C - 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 and regularity); Prevention of fraud (anti-fraud strategy)

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The evaluation, ranking and selection of proposals is not carried out in accordance with the established procedures, the policy objectives, priorities and/or the essential eligibility, or with the selection and award criteria defined in the annual work programme and subsequent calls for proposals.	Assignment of staff (e.g. programme officers) and/or Selection and appointment of expert assessors Transparent publication of calls	100% vetting for technical expertise and independence (e.g. conflicts of interests, nationality bias, ex-employer bias, collusion)	Effectiveness: Number of requests of clarification or corrigendum regarding the call. Errors identified during RER exercise and/or DAS sampling. Efficiency: Time to grant, time to inform, need to relaunch. Economy: Estimation of cost of controls of grant selection.
	Redress procedure	100% of contested decisions are analysed by AOSD services	

Stage 2 - Contracting: Transformation of selected proposals into legally binding grant agreements

DG NEAR establishes and signs contracts with successful applicants. For this, proposals (description of the action and the budget) are reviewed in order to remove possible arithmetical errors and ineligible costs, and in order to bring clarifications and minor corrections where relevant. A standard grant contract model is used for all EU-financed grant contracts for external actions.

Main control objectives: Ensuring that the actions and funds allocation is optimal (best value for public money; effectiveness, economy, efficiency); Compliance (legality and regularity); Prevention of fraud (anti-fraud strategy)

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The description of the action in the grant agreement includes tasks which do not contribute to the achievement of the programme objectives and/or that the budget foreseen overestimates the costs necessary to carry out the action. The beneficiary lacks operational and/or financial capacity to carry out the actions. Procedures do not comply with regulatory framework.</p>	<p>Project Officers implement evaluators' recommendations, including elimination of ineligible costs and arithmetical errors in budgets in a dialogue with the selected applicants during the contract preparation stage. Hierarchical validation of proposed adjustments. Validation of beneficiaries (operational and financial viability). Signature of the grant agreement by the AO. In-depth financial verification and taking appropriate measures for high risk beneficiaries. Reinforce financial and contractual circuits.</p>	<p>100% of the selected proposals and beneficiaries are scrutinised. Coverage: 100% of draft grant agreements. Depth may be determined after considering the type or nature of the applicant (e.g. large internationally recognized NGOs or local organizations multiple co-applicants, and/or of the modalities (e.g. part of human resources or equipment compared to the total cost of the action) and/or the total value of the grant.</p>	<p>Effectiveness: Final eligible costs accepted, need for riders to facilitate implementation</p> <p>Efficiency: budget savings, reallocation to next ranked proposals</p> <p>Economy: Estimation of cost of controls related to contracting.</p>

Stage 3 - Monitoring the execution. This stage covers the monitoring the operational, financial and reporting aspects related to the project and grant agreement

All payment requests and related reports are verified and approved by DG NEAR staff (ex-ante controls). Before any transaction (payment, rider,...) is authorised, the operational and financial aspects are initiated and verified by two different (operational/financial) entities. This is the "four eyes" principle of the Financial Regulation, which DG NEAR, taking into consideration the specific high risk environment of external aid actions, reinforces by requiring controls by two separate agents for each of these two stages. Checklists and types of controls are regularly updated in accordance with the results of the risk analyses as well as changes in the regulatory environment or feedback from field users.

The first pre-financing payment, which covers either 80% of the amount of the contract or 100% of the EU's part of the first annual budget for the first year of implementation, is paid after both parties have signed the contract. For multi-annual actions, an interim report (technical and financial) and payment request are sent once a year. The balance is paid on approval of the final report. If it appears that actual eligible costs are lower than anticipated or declared, the grant is reduced proportionately and any unused amount is recovered.

When required by the grant contract, payment requests or final reports are accompanied by an expenditure verification report of an independent external auditor contracted by the grant beneficiary. DG NEAR has developed standard Terms of Reference including a reporting model for expenditure verifications that are part of the standard annexes of the standard grant contracts. They reinforce the verification of compliance with the contract terms including those relating to procurement by the beneficiary. These templates are reviewed on a regular basis to ensure the highest efficiency as well as compliance with changes in the relevant legal framework (e.g. Financial Regulation).

Expenditure verifications are compulsory for:

- Any request for payment of the balance in the case of grants of more than EUR 100.000;
- Any request for further (annual) pre-financing payments in case of grants of EUR 5.000.000 or more.

Additional audits to be carried out by external auditors can be contracted by DG NEAR as part of DG NEAR's annual audit plans based on risk analyses or as deemed appropriate by the AOSD.

Main control objectives: ensuring that the operational results (deliverables) from the projects are of good value and meet the objectives and conditions (effectiveness and efficiency); ensuring that the related financial operations comply with regulatory and contractual provisions (legality and regularity); prevention of fraud (anti-fraud strategy); ensuring appropriate accounting of the operations (reliability of reporting, safeguarding of assets and information)

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The actions foreseen are not, totally or partially, carried out in accordance with the technical description and requirements foreseen in the grant agreement and/or the amounts paid exceed that due in accordance with the applicable contractual and regulatory provisions.	Operational and financial checks in accordance with the financial circuits. Transaction authorisation by the AO For riskier operations, ex-ante in-depth and/or on-site verification.	100% of the projects are controlled, including only value-adding checks. Riskier operations subject to in-depth and/or on-site controls. The depth depends on risk criteria.	Effectiveness: Delivered output, sustainability. Efficiency: KPI on Ineligible amount detected through ex-ante controls, number of contracts suspended, amount of penalties, monitoring missions and projects' visits. Economy: Estimation of cost of controls related to monitoring of implementation.
	For high risk operations, reinforced monitoring Risk assessment to identify potential ROM, evaluations and on-the-spot (OV and/or FV) monitoring visit. Earmark projects for <i>risk-based</i> system audits (during the first phase of implementation of the project) and financial audits (after receiving at least one interim payment or at the end of the project) : (<i>see below annual control plans</i>)	High risk operations identified by risk criteria. Red flags: delayed interim deliverables, suspicion of plagiarism, unstable co-applicants set-up requesting many amendments, Early Detection and Exclusion System (EDES), etc.	
	If needed: application of Suspension/interruption of payments, Penalties. Referring grant to OLAF	Depth: depends from results of controls.	
	Expenditure verification accompanying <ul style="list-style-type: none"> Any request for payment of the balance in the case of grants of more than EUR 100.000; Any request for pre-financing payments per financial year in case of grants of EUR 5.000.000 or more. Annual Control Plans: Audits and expenditure verifications are planned annually for ongoing and closed operations of DG NEAR overall portfolio. The operations to be verified or audited are determined through risk analyses. These controls can take place before or after disbursements recognizing expenditure.	Coverage: > 10% of ongoing or very recently closed operations	Efficiency: KPIs on implementation of audit plans, and on ineligible expenditure detected through ex post controls Economy: Estimation of cost of controls related to audits and verifications.

Stage 4 - Ex-Post controls and Follow-up

Payments for grants in direct management are included in the population of the RER study undertaken each year for DG NEAR on a representative sample of closed contracts. Findings from the risk based audits and from the RER study are systematically followed up by DG NEAR, taking the necessary actions for the recovery of non-eligible expenditures where appropriate.

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 and 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 <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The ex-ante controls (as such) fail to prevent, detect and correct erroneous payments or attempted fraud.</p> <p>The ex-post controls focus on the detection of residual errors.</p>	<p>Through a residual error rate (RER) study a representative sample of closed operations is reviewed in order to determine the effectiveness of the pyramid of controls put in place by the DG. Findings are validated with fund recipients, used for possible ex-post corrections (i.e. recoveries), taken into consideration for improvements of ex-ante controls, and referred to OLAF where needed.</p>	<p>MUS sample sufficiently representative to draw valid management conclusions.</p>	<p>Effectiveness: Residual error rate below tolerable threshold.</p> <p>Efficiency: time to deliver RER results, on time for the assurance of the AAR</p> <p>Economy: Estimation of cost of RER controls of grant operations</p>

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
	Supervision missions to Delegations by independent staff not involved in the operational and financial circuits	Size and composition of sample are determined in accordance with the cooperation portfolios managed by the visited Delegations.	Effectiveness: number of supervision mission, number of SMART recommendations accepted and described in an action plan Efficiency: Time to prepare supervision missions Economy: Estimated cost of supervision missions

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 and regularity; anti-fraud strategy); Ensuring appropriate accounting of the recoveries made (reliability of reporting)

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The errors, irregularities and cases of fraud detected are not addressed or not addressed timely	Systematic registration of audit / control results to be implemented. Financial operational validation of recovery in accordance with financial circuits. Authorisation by AO.	Coverage: 100% of final audit results <i>with a financial impact</i> .	Effectiveness: All RER detected are recorded in the audit module, followed up and closed Efficiency: time to close audit module RER entries, amount recovered and time to implement action plans following supervision missions. Economy: Estimation of cost of follow up of financial recommendations on grant operations.

6.1.2 Procurement in Direct Management (RCS 2)

Procurement contracts are commercial contracts concluded in writing between economic operators and one or more contracting authorities in order to obtain the execution of works, the supply of goods or the provision of services. In direct management, procurement contracts with third parties are awarded and managed directly by DG NEAR in accordance with the applicable rules and procedures. There are three types of procurement contracts: service contracts (fee based or global price), supply contracts and works contracts.

Stage 1: Prior to Contracting

The basic means of awarding contracts is competitive tendering. All contract awards must obey the principles of transparency, proportionality, equal treatment, non-discrimination and sound financial management. Standard tender procedures are used according to predefined thresholds per type of contract. The selection of the contractor is made by an evaluation committee composed of DG NEAR staff (and possibly one voting member from the beneficiary country) based on pre-defined eligibility, capability (selection) and award criteria. In order to prevent any potential conflict of interest, each member of the Evaluation Committee must sign a declaration of impartiality and confidentiality. At the end of the evaluation process, DG NEAR notifies all tenderers of the final decision concerning their offers.

A – Identification and formulation of action to be financed including choice of instrument and implementation modality

Main control objectives: Ensuring that the Commission selects the most appropriate instrument in its cooperation with partner countries in line with the policy objectives (effectiveness); compliance (legality and regularity) and ensures the proper type of support and modalities specific to each partner country

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The instrument and/or implementation modality is not well suited to work towards the identified objectives and/or lead to a substantial increase of implementation risks.	Quality Review	100%	Economy: Estimation of cost of controls of procurement operations up to the identification and formulation, including staff costs. External costs of control are based on values of respective contracts and related disbursements

B - Planning the procurement

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

Overall cost efficiency indicator: total cost of controls of process / total expenditure executed during the year

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The needs are not well defined (operationally and economically) and that the decision to procure was inappropriate to meet the operational objectives</p> <p>Discontinuation of the services or of works provided, or of the delivery of supplies due to a late contracting (poor planning and organisation of the procurement process)</p>	<p>Validation by AO(S)D of justification (economic operation) for launching a procurement process.</p> <p>Publication of intended procurements</p>	<p>100% of the forecast procurements</p>	<p>Effectiveness: Number of planned tenders that were cancelled.</p> <p>Efficiency: Time to prepare and adopt calls and time for publication. Number of clarifications and corrigendum needed</p> <p>Economy: Estimated cost of controls of the planning and publication of procurement operations</p>

C - Needs assessment, selection of the offer and evaluation

Main control objectives: Effectiveness, efficiency and economy. Compliance (legality and regularity). Prevention of Fraud (Anti-fraud strategy)

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The best offer/s are not submitted due to the poor definition of the tender specifications	AOSD supervision and approval of specifications	100% of the calls for tenders including the technical specifications are verified ex-ante by Commission staff	Effectiveness: Number of requests of clarification regarding the tender. Number of complaints. Number of litigation cases filed. Errors identified during RER exercise and/or DAS sampling.
	Call for tenders which are technically complex are elaborated by external experts contracted through service contracts and then verified by Commission staff.		
The most economically advantageous offer not being selected, due to a biased, inaccurate or 'unfair' evaluation process	Formal evaluation process: Opening committee and Evaluation committee	100% of the offers analysed. and all documents transmitted	Efficiency: Time to identify the best offer, time to inform, need to relaunch. Economy: Estimation of cost of controls of the supervision of specifications and procurement selection.
	Opening and Evaluation Committees' declaration of absence of conflict of interests	100% of the members of the opening committee and the evaluation committee	
	Exclusion decisions documented	100% checked and required documents provided are consistent	

Stage 2 - Contracting: Transformation of selected offers into legally binding contracts

DG NEAR establishes and signs contracts with successful tenderers using standard contract models.

Main control objectives: Ensuring that the actions and funds allocation is optimal (best value for public money; effectiveness, economy, efficiency); Compliance (legality and regularity); Prevention of fraud (anti-fraud strategy)

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The contractor lacks operational and/or financial capacity to carry out the actions. Procedures do not comply with regulatory framework.	Validation of substantiating documents and experience provided and declared by contractors Signature of contracts by the AO. Financial and contractual circuits.	100% of tenders are scrutinised.	Effectiveness: Final eligible costs accepted, need for riders to facilitate implementation Economy: Estimation of cost of controls related to contracting.

Stage 3 – Monitoring Implementation / Financial transactions

All invoices and related documents (reports, certificates, guarantees etc.) are verified and approved by DG NEAR staff (ex-ante controls). Before any transaction is authorised, the operational and financial aspects are initiated and verified by two different (operational/financial) entities. This is the "four eyes" principle of the Financial Regulation, which DG NEAR, taking into consideration the specific high risk environment of external aid actions, reinforces by requiring controls by two separate agents for each of these two stages. Checklists and types of controls are regularly updated in accordance with the result of risk analyses as well as changes in the regulatory environment or feedback from field users.

Disbursement of pre-financing is subject to contractual conditions (e.g. if an advance exceeds a specified threshold, the contractor must provide a financial guarantee for the full amount of the pre-financing payment; performance and retention guarantees may also be required above certain thresholds for supply and works contracts). The release of intermediary and final payments is subject to verification/validation of expenditure³⁷:

- **Service contracts:** All invoices must be accompanied by an interim or final report. All invoices for a fee-based contract must also be accompanied by an up-to-date financial report. Before payments are made for a fee-based contract, an external auditor, contracted by the contractor must examine and verify the invoices and the financial reports sent by the contractor to the Commission. DG NEAR has developed standard Terms of Reference including a reporting model for expenditure verifications which are part of the standard annexes of the standard service contracts.
- **Supply contracts:** The supplies are not accepted until the prescribed verifications and tests have been carried out. The supplies are taken over by the beneficiary when they have been delivered in accordance with the contract, have satisfactorily passed the required tests, or have been commissioned, and after a certificate of acceptance has been issued and has been endorsed by the contracting authority project manager, i.e. the legal or natural person responsible for monitoring the execution. Origin of the supplies is also verified prior to payment where relevant.
- **Works contracts:** The works are not accepted until the prescribed verifications and tests have been carried out. The works are taken over by the partner country beneficiary authorities when they have satisfactorily passed the tests on completion and a certificate of acceptance has been issued or is deemed to have been issued by the Supervisor i.e. the legal or natural person responsible for monitoring the execution of the contract on behalf of the Contracting Authority.

Additional audits to be carried out by external auditors can be contracted by DG NEAR as part of DG NEAR's annual audit plans based on risk analyses or as deemed appropriate by the AOSD.

³⁷ These invoices may be subject to additional ex-ante audits contracted as part of NEAR's annual control plans by the Commission as deemed appropriate by the Authorising Officer by Sub-delegation.

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The services/supplies/ works foreseen are not, totally or partially, provided in accordance with the technical description and requirements foreseen in the contract and/or the amounts paid exceed that due in accordance with the applicable contractual and regulatory provisions. Business discontinues because contractor fails to deliver	Operational and financial checks in accordance with the financial circuits. Transaction authorisation by the AOSD For riskier operations, ex-ante in-depth and/or on-site verification.	100% of the projects are controlled, including only value-adding checks. Riskier operations subject to in-depth and/or on-site controls. The depth depends on risk criteria.	Effectiveness: Delivered output, Number of riders, amount of liquidated damages, sustainability. Efficiency: KPI on Ineligible amount detected through ex-ante controls, number of contracts suspended, amount of penalties. Economy: Estimation of cost of controls related to monitoring of implementation
	For high risk operations, reinforced monitoring Risk assessment to identify potential ROM, evaluations and on-the-spot (OV and/or FV) monitoring visit. Earmark projects for <i>risk-based</i> system audits (during the first phase of implementation of the project) and financial audits (after receiving at least one interim payment or at the end of the project) : (<i>see below annual control plans</i>)	High risk operations identified by risk criteria. Red flags: delayed interim deliverables, suspicion of plagiarism, unstable consortium, requesting many amendments, Early Detection and Exclusion System (EDES), etc.	
	If needed: application of Suspension/interruption of payments, Penalties or liquidated damages. Referring procurement contract to OLAF	Depth: depends from results of controls.	

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
	<p>Expenditure verification accompanying most service interim and final invoices (following contractual conditions); acceptance certificates for supplies; role of supervisor on works monitoring; Annual Control Plans: Audits and expenditure verifications are planned annually for ongoing and closed operations of DG NEAR overall portfolio. The operations to be verified or audited are determined through risk analyses. These controls can take place before or after disbursements recognizing expenditure.</p>	<p>Coverage: > 10% of ongoing or "recently" closed operations</p>	<p>Efficiency: KPIs on implementation of audit plans, and on ineligible expenditure detected through ex post controls</p> <p>Economy: Estimation of cost of controls related to audits and verifications.</p>

Stage 4 – Ex-Post controls

Tender procedures and payments for procurement contracts in direct management are included in the population of the RER study undertaken each year for DG NEAR on a representative sample of closed contracts. Findings from the risk based audits and from the RER study are systematically followed up by DG NEAR taking the necessary actions for the recovery of non-eligible expenditures where appropriate.

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 of ex-ante controls (legality and 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	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The ex-ante controls (as such) fail to prevent, detect and correct erroneous tender procedures, payments or attempted fraud. The ex-post controls focus on the detection of residual errors.	Through a residual error rate (RER) study a representative sample of closed operations is reviewed in order to determine the effectiveness of the pyramid of controls put in place by the DG. Findings are validated with fund recipients, used for possible ex-post corrections (i.e. recoveries), taken into consideration for improvements of ex-ante controls, and referred to OLAF where needed.	MUS sample sufficiently representative to draw valid management conclusions.	Effectiveness: Residual error rate below tolerable threshold. Efficiency: time to deliver RER results, on time for the assurance of the AAR Economy: Estimation of cost of RER controls of grant operations
	Supervision missions to Delegations by independent staff not involved in the operational and financial circuits	Size and composition of sample are determined in accordance with the cooperation portfolios managed by the visited Delegations.	Effectiveness: number of supervision mission, number of SMART recommendations accepted and described in an action plan Efficiency: Time to prepare supervision missions Economy: Estimated cost of supervision missions

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 and regularity; anti-fraud strategy); ensuring appropriate accounting of the recoveries made (reliability of reporting)

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The errors, irregularities and cases of fraud detected are not addressed or not addressed timely	Systematic registration of audit / control results to be implemented. Financial operational validation of recovery in accordance with financial circuits. Authorisation by AO.	Coverage: 100% of final audit results <i>with a financial impact</i> . Findings of systemic errors are considered for corrections of non-audited projects by the same contractor, taken into account for future projects.	Effectiveness: All RER detected are recorded in the audit module, followed up and closed Efficiency: time to close audit module RER entries, amount recovered and time to implement action plans following supervision missions. Economy: Estimation of cost of follow up of financial recommendations.

6.1.3 Budget Support in Direct Management (RCS 3)

Budget support is the transfer of financial resources from the Commission to the National Treasury of a partner country, following the fulfilment of jointly agreed conditions for disbursement. The financial resources received become part of the global resources of the partner country, and are consequently used in accordance with the public financial management system of the partner country.

As it contributes to financing the totality of a country's budget and not a specific subset of budgeted expenditures, Budget Support is accompanied by a dialogue on the overall approach of budget policy and the functioning of public financial management in a context of harmonisation and alignment. This dialogue frequently leads to agreement on capacity development measures.

The Commission implements budget support directly and performs most control functions. However the assessment of the achievement of disbursement conditions is generally performed by external experts contracted by the Commission.

Stage 1: Identification and formulation

In line with the legal framework, Commission communication COM(2011) 638/2 ('The Future Approach To EU budget support To Third Countries') sets the four main budget support eligibility criteria as follows:

- a stability oriented macro-economic policy;
- a credible programme to improve public financial management;
- a well-defined national development policy (supported by the EU); and
- transparency and oversight of the budget.

When designing budget support programmes, DG NEAR relies on a framework based on clear policy objectives of the partner country, priorities and results to be achieved, their consistency with budgetary allocations, and the capacity of the partner to implement them. This framework is the basis for the policy dialogue with the partner country and the assessment of performance which ultimately trigger disbursements.

Main control objectives: Ensuring that the Commission selects the most appropriate instrument in its cooperation with partner countries in line with the policy objectives (effectiveness); compliance (legality and regularity) and ensures the proper type of support and modalities specific to each partner country

Overall control efficiency indicator: Estimated cost of controls of budget support operations divided by total amount of expenditure under budget support operations in the year.

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<ul style="list-style-type: none"> - The Commission supports partner countries which do not meet the criteria on fundamental values and/or the 4 eligibility criteria - The programme is wrongly formulated to meet the general objectives for budget support programmes. - The programme's specific objectives and indicators are not aligned with partner countries own development policies, are not coordinated with other aligned donors, are not consistent with EU development policy or will have no impact on the on-going reforms. 	Quality Review in HQ to analyse the identification fiche of the project (FIP).	100% of BS FIP	Economy: Estimation of cost of controls of identification and formulation.
	Quality Review in HQ to analyse the action document of the project and the draft Financing agreement (FA).	100 % of BS FAs	
	DG NEAR step by step financial circuit for level one commitments in budget support operations.	100 % of BS FAs	
	RISK assessment framework for budget support operations: Implemented by the Delegation and reviewed in the FAST ³⁸ for substantial or high risk BS programmes. Political dialogue with partner countries authorities donor coordination by EU Delegation, internal coordination inside the Commission (Delegation, DG NEAR, Line DGs) and involvement of EEAS.	Substantial or high risk BS FAs	

³⁸ Financial Assistance Steering Committee.

Stage 2 – Contracting

DG NEAR concludes standard Financing Agreements (FA) with partner countries benefitting from budget support. These FA include objectives, expected results, main activities, financing plan/budget, implementation modalities, monitoring of performance and criteria for disbursement.

Main control objectives: Ensuring that the main parameters of the budget support transaction are correctly encoded in the contract database.

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
Important parameters relevant for disbursements under budget support operations are wrongly encoded.	DG NEAR step by step financial circuit for level two commitments in budget support operations.	100% of parameters	Economy: Estimation of cost of controls of staff verifying the main parameters.

Stage 3 – Monitoring of the implementation – operational, financial and reporting aspects

Disbursements only take place once agreed measurable results (e.g. policy reforms or service delivery targets) have been achieved and the above mentioned budget support eligibility criteria and indicators are met. Thus, the ex-ante transactional checks performed by Commission staff at the point of payment claims on continuing eligibility and fulfilment of disbursement performance criteria are fundamental to the budget support control structure. In case of partial or weak fulfilment of disbursement conditions, the Commission may withhold or reduce disbursements, often in a co-ordinated manner with other donors, until corrective measures are undertaken by the partner government and agreed conditions are finally fulfilled.

Senior management level governance over budget support is ensured by the **FAST (Financial Assistance Steering committee)**, which is an internal DG NEAR committee chaired by the Director-General. A key tool for the FAST to maintain strategic oversight over budget support are country specific strategic discussions, which are conducted in low/medium risks beneficiaries. These discussions typically cover the ongoing portfolio with disbursements, as well as the outlook for the new operation together with the context, challenges, opportunities and key benefits of budget support in the country. In addition, the FAST reviews payments, discusses the conditions for possible disbursements and approves the disbursements to beneficiaries.

The FAST validates also the Risk Management Frameworks (RMFs) for the budget support beneficiaries. The **risk management framework** is part of DG NEAR's decision-making process regarding budget support operations. Building on an identification of major risks and ways to mitigate them, the risk management framework systematically informs the policy dialogue with partner countries on the strategic level, as well as focussing on key issues.

Eligibility criteria have to be met both prior to and throughout the subsequent life of a budget support programme. The continuous assessment of the eligibility criteria enables the Commission to ensure the legality and efficiency of the programmes, from commitments through to disbursements.

Main control objectives: Ensuring that the operational results meet the conditions, objectives and expected results (effectiveness and efficiency); ensuring that the related financial operations comply with regulatory and contractual provisions (legality and regularity); ensuring appropriate accounting of the operations (reliability of reporting, safeguarding of assets and information).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>1. The Commissions fails to identify a significant deterioration of fundamental values and/or wrong assessment on the 4 eligibility criteria before BS payments are released.</p> <p>2. The Commission makes a wrong calculation of the amount to be disbursed for the variable tranches</p> <p>3.- Risk that transfer of funds into the Treasury account has not respected the terms of the financing Agreement on exchange rate and treasury credit delay</p>	<p>Policy structured dialogue On eligibility, risk assessment framework and policy performance framework;</p> <p>DG NEAR step by step financial circuit for payments in BS operations;</p> <p>Clear and unambiguous calculation methods for variable tranches are introduced in the financing agreements (e.g. amounts paid in proportion of the fulfilment of criteria and objectives set in a policy matrix).</p> <p>RISK assessment framework Implemented by the Delegation and reviewed in the FAST for substantial or high risk BS programmes</p> <p>Beneficiary's obligation to confirm date of credit and exchange rate used</p>	<p>100% of BS payments</p> <p>100% of BS payments</p> <p>Substantial or high risks BS payments</p>	<p>Economy: Estimation of cost of controls of monitoring.</p>

Stage 4 – Ex post controls

Payments for budget support are included in the population of the RER study undertaken each year by DG NEAR on a representative sample of closed contracts. Findings from the RER study are systematically followed up by DG NEAR, taking necessary actions for the recovery of non-eligible amounts where appropriate.

A – Ex-post controls and follow-up

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The ex- ante controls fail to prevent, detect and correct erroneous disbursements or fraud.	Residual error rate study.	BS payments are included in the scope of the RER study (MUS sample).	Effectiveness: Residual error rate below tolerable threshold. Efficiency: time to deliver RER results, on time for the assurance of the AAR Economy: Estimation of cost of RER controls of grant operations
The ex-post controls focus on the detection of residual errors.	Review of sample transactions during supervision missions to Delegations.	Size and composition of sample are determined in accordance with the cooperation portfolios managed by the visited Delegations.	Effectiveness: number of supervision mission, number of SMART recommendations accepted and described in an action plan Efficiency: Time to prepare supervision missions Economy: Estimated cost of supervision missions

B - Implementing results from ex-post audits/controls

Main control objectives: Ensuring that the results from ex-post controls lead to appropriate corrective measures (legality and regularity; anti-fraud strategy).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The deficiencies, errors, and irregularities detected through ex-post controls are not addressed (timely).	Systematic registration of ex-post control outcomes to be implemented. Authorisation by AOSD.	Coverage: 100% of ex-post control outcomes <i>with a financial impact</i> . Findings of systemic errors might be extended to non-audited BS schemes with the same partner country.	Effectiveness: All RER detected are recorded in the audit module, followed up and closed Efficiency: time to close audit module RER entries, amount recovered and time to implement action plans following supervision missions. Economy: Estimation of cost of follow up of financial recommendations.

6.2 Indirect Management

Indirect management is a method of implementation under which the final recipient receives EU funds through an agreement concluded with an intermediary entity to which the tasks of selecting the final recipients and managing the resulting contracts have been entrusted by the Commission. The recipient is either an Indirect Management Entrusted Entity (IMEE) such as an International Organisation or a Member State Agency; or an Indirect Management with Beneficiary/partner Country (IMBC). It is important to mention that under the ENI instrument, the entrustment to a beneficiary country is only partial as payments are still made directly by the Commission (except for limited imprest accounts schemes), while under the IPA instrument the entrustment is full, including payments. The significant control environments identified and described below are those of IMBC in the IPA zone (RCS 4) and IMEE (RCS 5).

6.2.1 Indirect management with IPA beneficiary countries (RCS 4)

Under IPA II IMBC, the entities designated by IPA II beneficiary countries are entrusted by the Commission with the implementation of the IPA II assistance. The Commission remains ultimately responsible for the EU budget, in line with Article 317 TFEU and informs the European Parliament and the Council of the operations carried out by the entities and persons in charge. This method of implementation relies on the (pre-assessed) conditions and systems of the third countries (complemented since 2016 by the RER) and the efficiency of these systems depends on the state of development of administrative capacity in the country concerned.

All IPA beneficiary countries implementing the budget under indirect management are required to respect some ground rules such as ensuring sound financial management, the absence of conflict of interest, the respect of the principle of transparency and the setting up of an effective and efficient internal control system when implementing the EU budget. In addition, they shall provide to the Commission an annual management declaration, implementation reports and annual accounts followed by an audit activity report and opinion.

Stage 1 – Programming, evaluation and selection of proposals

In order to safeguard the financial interests of the Union, the IPA II Framework Agreements signed with the IPA II beneficiary countries require them to:

- a) set up and ensure the functioning of an effective and efficient internal control system;
- b) use an accounting system that provides accurate, complete and reliable information in a timely and regular manner clearly distinguishing costs accepted and payments made;
- c) provide for the structures and authorities referred to in Article 10(1) and (2) of the IPA II Framework Agreement being subject to an independent external audit, performed in accordance with internationally accepted auditing standards by an audit authority functionally independent of the structures and authorities concerned;
- d) apply appropriate rules and procedures for providing financing from IPA II assistance

through grants, procurement and financial instruments.

The IPA II beneficiary shall further:

- a) ensure the ex-post publication of information on recipients of IPA II assistance;
- b) ensure a reasonable protection of personal data as laid down in Directive 95/46/EC of the European Parliament and the Council and Regulation (EC) No 45/2001 of the European Parliament and the Council.

Before the Commission signs a financing agreement entrusting the implementation of IPA II assistance, it reviews the request by the National Authorising Officer and the established structures and authorities referred to in Article 10 of the IPA II Framework Agreement and, for the purposes of the ex-ante assessment pursuant to Article 154.1.3. of the Financial Regulation 2018/1046 (repealing the Financial Regulation 966/2012), obtains evidence that the requirements set out in points (a) to (d) of Article 12(3) and those of Annex B to the IPA II Framework Agreement are fulfilled. This review may include on-the-spot verifications by the Commission. Moreover and as a rule, all contracts must be awarded and implemented in accordance with the procedures and standard documents laid down by the Commission for its external operations, in force at the time of the launch of the procedure in question (with ex-ante or ex-post control by the Commission).

Ex-ante control means that the EU delegations carry-out controls at regular steps during the procedure (for calls for tenders or proposals) and give their approval at all important stages and before the award of a contract, as detailed in the 'Procurement and Grants for European Union external actions – A practical Guide' (PRAG). This represents an important mitigating element in the overall assessment of the functioning of IPA management, control and supervision systems in the IPA beneficiary countries. In case where the approval cannot be granted, the corresponding activities are not eligible for IPA II funding.

A - Preparation, adoption and publication of the Programming decision(s) (including choice of method of implementation), publication evaluation and selection of proposals/offers

Main control objectives: Ensuring that the Commission selects the implementation mode and subsequently the /proposals/offers that contribute the most towards the achievement of the policy or programme objectives (effectiveness); compliance (legality and regularity); prevention of fraud (anti-fraud strategy)

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The Decision(s) do not adequately reflect the policy objectives, priorities; For IPA, the establishment (or prolongation) of the mandate of the beneficiary country is affected by issues, which would undermine the basis for the management of the related EU funds (via that particular entity).</p>	<p>Hierarchical validation within the authorising department; Inter-service consultation, including all relevant DGs; Adoption by the Commission Systems audits and/or verification missions (for IMBC under IPA): systematic and standard desk-review and risk-based field visit verification, ex-ante control by EU delegations</p>	<p>If risk materialises risk that some or all costs would be irregular. Possible impact on budget involved and significant reputational consequences.</p> <p>Coverage / Frequency: 100%</p> <p>Depth: systematic control of the necessary requirements</p>	<p>Effectiveness:</p> <ul style="list-style-type: none"> - findings following verification by the Commission - Consumption rate of commitment credits <p>Economy: Cost of control for the programming phase</p>

B - Selecting and awarding: Evaluation and selection of proposals/offers

Main control objectives: Ensuring that the most promising proposals / best value for money offers for meeting the policy objectives are among (a good balance of) the proposals / are the offers selected (effectiveness) by IPA II beneficiary countries; Compliance (legality and regularity) and prevention of fraud (anti-fraud strategy) by IPA II beneficiary countries

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The evaluation, ranking and selection of proposals/offers is not carried out in accordance with the policy objectives, priorities and/or the essential eligibility, or with the selection and award criteria defined in the Decisions and subsequent calls for proposals/tenders.</p> <p>Eligibility, selection and award criteria are not adequate to ensure the evaluation of the proposals/offers;</p>	<p>Assignment of staff (e.g. Task Managers).</p> <p>For IMBC, ex-ante controls by EU Delegations</p>	100%	<p>Effectiveness: Appropriate planning of selection and award of contracts within the deadlines</p> <p>Efficiency: Rejection rates³⁹</p> <p>Economy: Cost of control for the evaluation phase.</p>

³⁹ Ratio between the number of rejections of tender, evaluation, and contracts documents submitted by National Implementing Agencies (IAs) for the Commission's ex ante control and the absolute number of submissions of documents for approval in the reporting year.

Stage 2 - Contracting: Transformation of selected proposals / offers into legally binding grant agreements / contracts

The national Contracting Authority establishes and signs agreements with the organisations assessed and identified under stage 1. Standard agreement models are used for all EU-financed operations under IMBC. The endorsement of a contract by the Commission prior to its conclusion by the Contracting authority signals the Commission's agreement to the financing of the contract. In the event of a failure to comply with the procedures, the Commission may refuse its approval for a given transaction and thereby refuse EU funding for the transaction in question.

Main control objectives: Ensuring that the actions and fund allocation is optimal (best value for public money; effectiveness, economy, efficiency); Compliance (legality and regularity); Prevention of fraud (anti-fraud strategy)

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The description of the action in the grant agreement /contracts includes tasks which do not contribute to the achievement of the operational objectives and/or that the budget foreseen overestimates the costs necessary to carry out the action.</p> <p>The recipient /contractor does not meet eligibility criteria or lack financial capacity to carry out the actions</p>	<p>Assignment of staff (e.g. Task Managers).</p> <p>Standard and systematic verification missions, for IMBC ex-ante control by EU Delegations.</p>	<p>100% of the selected proposals / offers and recipients / candidates are scrutinised.</p> <p>Coverage: 100% of draft grant agreements / contracts.</p>	<p>Effectiveness: Contracting rates within the D+3 deadline.</p> <p>Efficiency:</p> <ul style="list-style-type: none"> - Rejection Rates - Derogations, prior approvals and other exceptions authorised <p>Economy: Cost of control for the contracting phase.</p>

Stage 3 - Monitoring the execution.

This stage covers the monitoring the operational, financial and reporting aspects related to the projects following the principles and using the controls foreseen in the framework agreements. At IPA II beneficiary countries level, the summary of the daily control framework is the following:

- The **Contracting Authority** performs management verifications before declaring expenditure to the National Fund, ex ante documentary checks on all payment claims and on the spot checks on sampled transactions;
- The **National Authorising Officer**, supported by the Management Structure, analyses the documentation and reports from the previous level of verification before certifying the legality and regularity of expenditure declared to the Commission. He/she takes steps to satisfy him/herself that adequate controls have been made by the Contracting Authority, including carrying out his/her own checks (such as monitoring missions and risk based on the spot checks) when deemed necessary.

The **Audit Authority** has the responsibility to design an audit strategy in order to perform audits of the management, control and supervision systems and ex post audits of representative samples of operations, as well as complementary audits on high risk operations where necessary. The Audit Authority provides the Commission an Annual Activity Report and an annual audit opinion on the functioning of the management, control and supervision systems, and in particular, of the quality and effectiveness of the verification by contracting authorities and the management structure, and the error rate resulting from its audit of sampled transactions and the assurance provided by the NAO.

Main control objectives: ensuring that the operational results (deliverables) from the projects are of good value and meet the objectives and conditions (effectiveness and efficiency); ensuring that the related financial operations comply with regulatory and contractual provisions (legality and regularity); prevention of fraud (anti-fraud strategy); ensuring appropriate accounting of the operations (reliability of reporting).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The actions foreseen are not, totally or partially, carried out in accordance with the technical description and requirements foreseen in the grant agreement /contract and/or the amounts paid exceed that due in accordance with the applicable contractual and regulatory provisions (ineligible/irregular).	Operational monitoring in accordance with the responsibilities of the Commission For high/very high projects this may include on the spot missions	100% of the projects are monitored; Verification mission by Commission staff	Effectiveness: Delivered output, sustainability. Efficiency: Irregularities reported by the National authorities; Verification recommendations by the Commission and audit findings by the NAO and Audit Authority. Economy: Cost of control for the monitoring phase
	If needed: application of interruption of payments or penalties. Referring contractors to OLAF and management of reported cases of irregularities.	Depth: depends on results of ex ante controls / risk assessment.	

Stage 4 - Ex-Post controls⁴⁰

Closed contracts of operations in IPA IMBC are included in the population of the RER study of the DG.

A - Reviews, audits and monitoring

Main control objectives: Measuring the effectiveness of ex-ante controls; detect and correct any error or fraud remaining undetected after the implementation of ex-ante controls (legality and regularity; anti-fraud strategy); Ensuring appropriate accounting of the recoveries to be made (reliability of reporting, safeguarding of assets and information).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The ex-ante controls fail to prevent, detect and correct erroneous payments or attempted fraud.	Specific statistically representative RER study for IMBC	Methodology developed by an external auditor.	Effectiveness: Residual error rate below tolerable threshold. Efficiency: time to deliver RER results, on time for the assurance of the AAR Economy: Estimation of cost of RER controls of grant operations
The audit strategy focus on the detection of external errors (e.g. made by recipients) and do not consider any internal errors made by staff or embedded systematically in the own organisation	Audit Authority to establish an audit strategy, performed by independent staff not involved in the operational and financial circuits	The representative sample enables drawing valid conclusions about the entire population.	Effectiveness: substantiated audit opinion by the audit authority. Economy: Estimation of cost of controls to review AA structure design and operating effectiveness.

⁴⁰ As of year 2019, contracting in all IPA IMBC countries is also subject to full ex-ante control by the EU Delegations.

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 and regularity; anti-fraud strategy); Ensuring appropriate accounting of the recoveries made (reliability of reporting)

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The errors, irregularities and cases of fraud detected are not addressed or not addressed timely	Systematic registration of audit / control results to be implemented. Financial operational validation of recovery in accordance with financial circuits and Authorisation by the relevant AOSD	Coverage: Final audit results with a financial impact.	Effectiveness: All RER detected are followed up and closed Efficiency: time to close audit module RER entries, amount recovered Economy: Estimation of cost of follow up of financial recommendations.

6.2.2 Indirect management with entrusted entities (RCS 5)

Under indirect management with entrusted entities, the implementation of the budget is entrusted by the Commission to this type of entity in the form of programmes or actions. Entrustment to EIB and EIF are also included in this RCS. Candidate entities to be entrusted with budget-implementation tasks (the candidate delegatee) must demonstrate a level of financial management and protection of the EU financial interests equivalent to that required when the Commission manages European Union funds. This is verified by carrying out an ex-ante assessment ("pillar assessment") for which the entities concerned must have been assessed positively.

Stage 1 – Prior to Contracting

A – Ex-ante (re)assessment of the entrusted entity's financial and control framework (towards "budget autonomy"; "financial rules").

Main control objectives: Ensuring that the entrusted entity is fully prepared to start/continue implementing the delegated funds autonomously with respect of all 5 Internal Control Objectives.

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The financial and control framework deployed by the entrusted entity is not fully mature to guarantee achieving all 5 ICOs (<i>legality and regularity, sound financial management, true and fair view reporting, safeguarding assets and information, anti-fraud strategy</i>).	Ex-ante pillar assessment, conditional to granting budget autonomy Hierarchical validation within the authorising department Requiring justification and prior consent for any deviating financial rules Postponing the budget autonomy Obligation to notify any subsequent changes embedded in Board proceedings	Coverage/frequency: 100% of entrusted entities/once Depth may be determined after considering the <u>type or nature</u> of the entrusted entity and/or the <u>value</u> of the budget concerned.	Effectiveness: All pillar assessments finalized when opportunity and legal checks are validated. Efficiency: Time to assess the pillars of an entity Economy: Estimation of cost of controls implemented by DG NEAR staff.

B - Identification and formulation

Main control objectives: Ensuring that the Commission selects the most appropriate instrument in its cooperation with partner countries in line with the policy objectives (effectiveness); compliance (legality and regularity) and ensures the proper type of support and modalities specific to each partner country

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The instrument and/or implementation modality is not well suited to work towards the identified objectives and/or lead to a substantial increase of implementation risks.	Quality Review	100%	Economy: Estimation of cost of controls in the identification and formulation phases.

Stage 2 – Contracting (i.e. Establishment (or prolongation) of the mandate to the entrusted entity (“delegation act”/ “contribution agreement” / etc...)

DG NEAR establishes and signs agreements with the organisations assessed and identified under stage 1. A standard agreement model is used for all EU-financed operations under indirect management with entrusted entities. Where relevant, specificities of eligible entities are addressed in framework agreements and in some specific cases through the use of separate templates (e.g. World Bank Group).

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>The establishment (or prolongation) of the mandate of the entrusted entity is affected by legal issues, which would undermine the legal basis for the management of the related EU funds (via that particular entity).</p>	<p>The establishment of the agreements concerned (PAGoDAs, Delegation Agreements, Contribution Agreements etc.) is submitted to hierarchical validation within the authorising department and to Inter-service consultation, including all relevant DGs.</p>	<p>Coverage: 100% Frequency: once If risk materialises, all funds delegated during the year(s) to the entrusted entity would be irregular. Possible impact 100% of budget involved and significant reputational consequences.</p>	<p>Economy: Estimation of cost of controls cost of controls of the mandate.</p>
<p>The Commission has not sufficient information from independent sources on the entity's management achievements, which prevents drawing conclusions on the assurance for the budget entrusted to the entity – which may reflect negatively on the Commission's governance reputation and quality of reporting.</p>	<p>Agreements specify the control, accounting, audit, publication, etc. related requirements in strict observance of the EU Financial Regulation</p> <ul style="list-style-type: none"> -ad hoc clauses in framework agreements - potential escalation of any major governance-related issues with entrusted entities - referral to OLAF 	<p>Coverage: 100%</p>	

Stage 3 – Monitoring the implementation

All payment requests and related reports are verified and approved by DG NEAR staff (ex-ante controls). Before any transaction is authorised, the operational and financial aspects are initiated and verified by two different (operational/financial) services.⁴¹ This is the "four eyes" principle of the Financial Regulation, which DG NEAR, taking into account the specific high risk environment of external aid actions, reinforces by requiring controls by two separate agents for each of these two stages. Checklists and types of controls are regularly reviewed and updated to respond to feedback from risk analyses and from field users as well as changes to the regulatory environment.

Additional verification missions to be carried out by external auditors can be contracted by DG NEAR on the basis of a risk analysis.

⁴¹ These payment requests may be subject to additional ex-ante verifications contracted as part of NEAR's annual audit plans by the Commission as deemed appropriate by the Authorising Officer by Sub-delegation.

A - Operations: monitoring, supervision, reporting (“representation” / “control with or around the entity”).

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
<p>Due to weak "modalities of cooperation, supervision and reporting", the Commission is not (timely) informed of relevant management issues encountered by the entrusted entity, and/or does not (timely) react upon notified issues by mitigating them or by making a reservation for them – which may reflect negatively on the Commission's governance reputation and quality of accountability reporting.</p>	<p>Agreement specifying the control, accounting, audit, publication, etc. related requirements – <i>incl. the modalities on reporting back relevant and reliable control results</i></p> <p>Monitoring or supervision of the entrusted entity (e.g. 'regular' monitoring meetings at operational level; review of reported control results and any underlying mngt/audit reports; representation and intervention at the board, scrutiny of annual report, etc.).</p> <p>Management review of the supervision results.</p> <p><u>If appropriate/needed:</u></p> <ul style="list-style-type: none"> - reinforced monitoring of operational and/or financial aspects of the entity - intervention, e.g. via own audits on-the-spot, by IAS - potential escalation of any major governance-related issues with entrusted entities - referral to OLAF 	<p>Coverage: 100% of the entities are monitored / supervised.</p> <p>Frequency: meetings take place regularly depending on the delegated activities and delegated entities, reports submitted at least annually (depending of contractual provisions). <u>In case of</u> operational and/or financial issues, measures are being reinforced.</p> <p>The depth depends on the <u>mandate</u> of the (type of) entity, inter alia whether the Commission has full access to the entity's internal control information.</p>	<p>Economy: Estimation of cost of controls related to monitoring of implementation of operations.</p>

B – 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 and regularity, sound financial management, anti-fraud strategy).

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The Commission pays out the (next) contribution to the entrusted entity, while not being aware of the management issues that may lead to financial and/or reputational damage.	<p>Agreement specifying the control, accounting, audit, publication, etc. Related requirements – incl. reporting back</p> <p>Management review of the supervision results.</p> <p>Ex-ante OV and FV, ‘in-depth’ if need be</p> <p>Hierarchical validation of contribution payment and recovery of non-used operating budget subsidy</p> <p><u>If appropriate/needed:</u> suspension or interruption of payments</p>	<p>Coverage: 100% of the contribution payments. Frequency: usually annually but can be more frequent depending on the contractual provisions.</p> <p>The depth depends on the <u>mandate</u> of the (type of) entity, inter alia whether the Commission has full access to the entity’s internal control information.</p>	<p>Efficiency: KPIs on implementation of audit plans, and on ineligible expenditure detected through ex post controls</p> <p>Economy: Estimation of cost of controls related to audits and verifications.</p>
	<p>Annual Control Plans: Verification of expenditure are planned annually for ongoing and closed operations of DG NEAR overall portfolio. The operations to be verified are determined through risk analyses. These controls can take place before or after disbursements recognizing expenditure.</p>	<p>Coverage: > 10% of ongoing or "recently" closed operations</p>	

Stage 4 - Ex-Post controls and Follow-up

Payments for operations in Indirect Management with entrusted entities are included in the population of the RER study undertaken each year for DG NEAR on representative sampling of closed contracts. Findings from the risk based audits and from the RER study are systematically followed up by DG NEAR, which takes necessary actions for the recovery of non-eligible expenditures where appropriate.

A - Reviews, audits, verifications 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 and 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 <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The ex-ante controls (as such) fail to prevent, detect and correct erroneous payments or attempted fraud. The ex-post controls focus on the detection of residual errors.	Through a residual error rate (RER) study a representative sample of closed operations is reviewed in order to determine the effectiveness of ex-ante controls. Findings are validated with fund recipients, used for possible ex-post corrections (i.e. recoveries), taken into consideration for improvements of ex-ante controls, and referred to OLAF where needed.	MUS sample sufficiently representative to draw valid management conclusions.	Effectiveness: Residual error rate below tolerable threshold. Efficiency: time to deliver RER results, on time for the assurance of the AAR Economy: Estimation of cost of RER controls of grant operations

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
	Supervision missions to Delegations by independent staff not involved in the operational and financial circuits	Size and composition of sample are determined in accordance with the cooperation portfolios managed by the visited Delegations.	Effectiveness: number of supervision mission, number of SMART recommendations accepted and described in an action plan Efficiency: Time to prepare supervision missions Economy: Estimated cost of supervision missions

B - Implementing results from ex-post controls

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

Main risks <i>It may happen (again) that...</i>	Mitigating controls	Coverage, frequency and depth of controls	Possible Cost effectiveness indicators (3Es)
The errors, irregularities and cases of fraud detected are not addressed or not addressed timely	Systematic registration of control results to be implemented. Financial operational validation of recovery in accordance with financial circuits. Authorisation by AO.	Coverage: 100% of final audit results with a financial impact. Findings of systemic errors are considered for corrections of other projects by the same organisation, taken into account for future projects	Effectiveness: All RER detected are recorded in the audit module, followed up and closed Efficiency: time to close audit module RER entries, amount recovered and time to implement action plans following supervision missions. Economy: Estimation of cost of follow up of financial recommendations.

ANNEX 7: Specific annexes related to "Financial Management"

7.1 Controls supporting the achievement of the objectives

The controls⁴² put in place by DG NEAR management provide reasonable assurance that the internal control objectives are achieved, the risks related to financial management are adequately managed and the legality and regularity of underlying transactions is ensured. They take into account the multiannual character of the DG programmes as well as the nature of the payments concerned.

DG NEAR's assurance is based on a number of controls, which are implemented either ex ante or ex post.

1 - Financial circuits: as in all DGs, the level of 'ex-ante' controls (before the approval of the AOSD) consists in the tight supervision and checks of all operational and financial aspects of transactions based on the financial circuits of the DG, assisted by very comprehensive and detailed checklists. This is a major source of detection of errors.

2 - Supervision missions: these represent a management tool at the level of Directors. They provide assurance to the AOSD, as well as insight into the Delegations' capacity to manage EU external assistance and to achieve their goals. The supervision missions are carried out in a cooperative and constructive spirit, aimed at enhanced mutual understanding between Headquarters and the Delegation, at the exchange of information as well as at the improvement of the Delegations' management of EU external assistance.

3 - Control plan: in direct management (IPA and ENI) DG NEAR carries out a robust risk assessment at project-level each year, which is the basis of the control plan. The objective is to have an additional layer of controls which the AOSD activates if s/he perceives specific risks. It consists in a list of financial verifications and operational controls.

- The **financial verifications** are

3a contractual verifications launched by the Commission (explicitly required in contractual documents). This concerns mainly the Southern Neighbourhood EUDs (Pegase, programme estimates) and occurs mostly every year.

3b risk based verifications (based on perceived risks that are not already mitigated by a contractual control).

Since March 2018⁴³, financial audits have been replaced by expenditure verifications focusing on legality/regularity of expenditure reported rather than on delivering an 'opinion'. These verifications can be coupled in specific cases with system verifications;

⁴² Where appropriate, these controls also apply to all the contributions of the EU Trust funds.

⁴³ [Ares\(2018\)1155969](#) of 01.03.2018

in indirect management with International Organisations, verifications consist in agreed upon procedures, where controls are strictly determined in agreements such as FAFA and in which auditors issue 'reports on factual findings'.

All Financial verifications are listed in an **Audit Plan** validated by the FAST Committee and are monitored in the Audit Module until all recommendations are followed up.

- The **operational controls** are

3c Results-Oriented Monitoring (ROM), a tool to report on the performance and results of EU funded projects and programmes. It makes reference to four criteria (relevance, efficiency, effectiveness, sustainability). This provides basic information to generate future monitoring/evaluation/verification and management decision at project/programme level,

3d Evaluations, systematic and objective assessments of on-going or completed projects, programmes or policies, their design, implementation and results. Evaluations are usually performed by independent, external experts who scrutinize an intervention against defined criteria such as relevance, efficiency, effectiveness; sustainability, coherence and EU added value (OECD DAC and European Commission Better Regulation evaluation criteria).

3e On the spot checks, such checks complement monitoring in that they ensure that contract / project deliverables are adequately verified on the spot, along with aspects of legality and regularity, to support the operational visa ('certified correct') or to provide supplementary assurance in IMBC that the monitoring and controls of the national authorities / entrusted entities to support their payment visas can be relied upon. On the spot checks can include an operational and a contractual/financial dimension, in which case they involve both operational and contracts and finance staff.

4 - Contractual verifications launched by the beneficiaries: these mandatory expenditure verifications accompanying requests for payment are explicitly required in contractual documents launched by the beneficiary. The terms of reference for such controls are now fully aligned with those of financial verifications launched by the Commission. Auditors are requested to deliver the list of all items checked. This should increase transparency, reliability and allow for re-performance. This is an important mitigating measure in view of the current reservation on grants in direct management.

5 - Pillar assessments of Entrusted Entities: the Commission may entrust budget implementation tasks in indirect management to entrusted entities (IMEE) that demonstrate a level of financial management and protection of the EU's financial interest equivalent to that of the Commission. This ability is verified by carrying out an ex-ante pillar assessment of the entity. These assessments are supervised either by DG NEAR or other Commission services. It is a sine qua non condition to sign agreements with these entities, but is not an ex-ante validation of the legality/regularity of future costs to be submitted to the Commission.

6 - Controls in indirect management with Beneficiary countries IPA: the Commission can entrust budget implementation tasks in indirect management to beneficiary countries (IMBC). Before signing a financing agreement, DG NEAR carries out system verifications in order to assess the effective and efficient functioning of the control system in the beneficiary country in accordance with the requirements set in the FR and the IPA regulation, transposed in a framework agreement signed with each beneficiary country. These verifications constitute the key element giving assurance to the AOSD on the readiness of the IMBC structures. These systems are reassessed on an annual basis. Additional assurance is obtained by ex-ante/ex-post controls⁴⁴ in procurement and grant processes, review of the system/transactional audits of the beneficiary country's audit authority and the clearance of accounts procedure.

7 - IAS and ECA: controls are also performed by the external audit bodies, the Internal Audit Service (IAS) and the European Court of Auditors (ECA), and come in reinforcement of the control system of the DG.

8 - Residual Error Rate: the residual error rate (RER) study enables the effectiveness of the overall control framework to be evaluated, and forms an important part of the information at the Director General's disposal when signing the Declaration of Assurance. Residual errors are those that have evaded all prevention, detection and correction controls in the existing control framework.

The RER indicator is designed to identify residual errors that have not been detected by the internal control system and conclude on its effectiveness. When the RER is below the materiality threshold of 2% set by the ECA, it is a strong signal that the controls put in place at all levels of the DG are effective. Moreover, besides the overall error rate, the RER study reveals the common types of errors and therefore helps to avoid them in the future.

The RER methodology is regularly updated in order to take into account the recommendations of the ECA and the IAS. The methodology takes into account the multiannual nature of DG NEAR's programmes, as the contracts closed during the said period are considered for monetary unit sampling.

⁴⁴ As of 2019 full ex ante controls will be applied on contracting in all IPA IMBC countries

7.2 KPI Analysis DG NEAR

Summary

Results at global level⁴⁵

In 2020, despite the exceptional situation with Covid-19, the global performance of DG NEAR improved and, in some cases, exceeded the results achieved in 2019. A total number of 23 out of 25 KPIs have met the targets corresponding to an overall success rate of 92%. KPI 4 - RAL Absorption Period changed from orange to green in 2020. 64% of the Delegations have met more than 80% of the KPIs, while 91% met at least 60% or more KPIs. Overall, these results indicate continuity in the improvement of DG NEAR performance in financial management and control.

A - Sound financial management and Effective Use of EC Resources:

12 out of 13 KPIs were met for sound financial management. KPI 4, RAL absorption period, met the target with 3.33 years. This is an improvement compared to 2019, when the RAL absorption was 4.32 years. KPI 10, Reduction of Old RAL, is the only KPI which did not meet the target. The reduction achieved was 23.13% and is below the result of 2019 (43.86%) and below the target of at least 35%. Overall, 8 out of 22 Delegations did not meet this target. This is due to the combination of two factors: the massive RAL reduction campaign, which left narrow room for further reduction to reach the target for KPI10, combined with structural features of DG NEAR portfolio, which includes old Budget Support operations and complex projects with long implementation period (such as NIF⁴⁶/NIP⁴⁷-based infrastructure projects with implementation period until 2033). Mitigation measures are taken, such as to limit the projects accounts to the actual needs and to continuously monitor projects accounts balances to avoid negative interest on pre-financings.

B – Effectiveness of internal control systems:

6 out of 7 KPIs were met, demonstrating that an appropriate internal control environment and risk management systems are in place. Only KPI 20, Undue payments prevented by ex-ante controls as a % of the claimed amount, was not met. With 1.09%, this fell below the target of at least 2% and reflects a total amount of undue payments prevented of EUR 43 million. Overall 15 out of 22 Delegations did not meet this target.

Regarding the results achieved for this KPI, it should be noted that a significant part of the DG's payments relates to methods of implementation, such as Indirect Management with Beneficiary Countries and with Entrusted Entities or Budget Support, where ineligible costs are rarely found by ex-ante controls. For example, for Budget Support operations, the

⁴⁵ In comparison with previous years, this KPI Analysis does not only include the results for the management of the EU Budget by DG NEAR including EU Delegations but also, for the first time, integrate the KPI results concerning Trust Funds managed by DG NEAR to the extent that these KPIs were applicable/calculated for the Trust Funds in 2020.

⁴⁶ Neighbourhood Investment Facility.

⁴⁷ Neighbourhood Investment Platform.

payments can be temporarily suspended, until the conditions are met, and no ineligible cost is encoded.

Furthermore, contractors and other partners are regularly and carefully guided in the financial management of contracts and preparation of financial reports and are informed about best control practices. This results in better quality reports and implementation that reduces the potentially ineligible costs to be identified by ex-ante controls.

C – Effectiveness of audit systems:

All five KPIs were met, indicating that the audit systems are working well for DG NEAR. A new KPI has been introduced this year, being KPI 25 - % reduction of expired unclosed audits. DG Near succeeded in meeting the reduction target of at least 30%.

KPI Name ⁴⁸		KPI result 2020	Annual Target/Benchmark	KPI result 2019
A – Sound financial management				
K01	Accuracy of initial annual financial forecast for payments	113.69% ▼	At least 90% ⁴⁹	98.78% ▲
K02	Accuracy of initial annual financial forecast for contracts	120.5% ▼	At least 90% ⁵⁰	101.01% ▲
K03	Accuracy of initial annual financial forecast for decisions	99.74% ▲	From 90% to 110%	97.62% ▲
K04	RAL Absorption Period	3.33 ▲	Less than 4 years	4.32 ▲
K05	Time to Grant	50.77 ▼	No more than 90 days	38.42 ▲
K06	% of Projects with a red traffic light for Implementation Progress	2.74% ▲	Not more than 10%	3.14% ▲
K07	% of Projects with a red traffic light for Achieving Results	2.66% ▲	Not more than 10%	3.45% ▲
K08	Reduction of Old Pre-financing	38.10% ▲	At least 35%	37.98% ▲
K09	Expired Contracts as a % of the contract portfolio	11.80% ▲	No more than 15%	12.09% ▲
K10	Reduction of Old RAL	23.13% ▼	At least 35%	43.86% ▲
K11	% of payments paid within the contractual deadline	92.94% ▲	At least 90%	92.25% ▲
K12	% invoices registered within 7 days of the Commission reception date	93.60% ▲	At least 90%	91.69% ▲

⁴⁸ Explanation of the table: The arrows indicate the trend compared to the results of the previous year in terms of improvement (upwards) or deterioration (downwards).

⁴⁹ The target of KPI2 was changed from between 90% and 110% to at least 90% this year to consider the impact of the COVID-19 crisis. This was agreed by DG DEVCO and DE NEAR.

⁵⁰ The target of KPI3 was changed from between 90% and 110% to at least 90% this year to consider the impact of the COVID-19 crisis. This was agreed by DG DEVCO and DE NEAR.

K13	Use of DEVCO/NEAR staff and respect of the flexibility arrangements	100.00% =	At least 95%	100.00% =
B – Effectiveness of internal control systems				
K14	ICF – Control Environment	94.18% ▲	At least 80%	94.09% ▲
K15	ICF – Risk Assessment	95.00% ▲	At least 80%	93.04% ▲
K16	ICF – Control Activities	94.55% ▲	At least 80%	91.30% ▲
K17	ICF – Information and Communication	96.06% ▲	At least 80%	93.91% ▼
K18	ICF – Monitoring Activities	95.91% ▲	At least 80%	92.61% ▼
K19	% of projects visited by Commission staff and/or the HoD, by project value	85.92% ▼	At least 80%	91.83% ▲
K20	Undue payments prevented by ex-ante controls as a % of the claimed amount	1.09% ▼	At least 2%	3.38% ▼
C – Effectiveness of audit systems				
K21	% contracted of the Annual Audit Plan: Year N	79.93% ▲	At least 70%	72.92% ▲
K22	% implementation of the Annual Audit Plan: Year N-1	65.48% ▼	At least 60%	73.78% ▲
K23	% implementation of the Annual Audit Plan: Year N-2	87.50% ▲	At least 70%	86.35% ▼
K24	Ineligible amounts identified by audits as a % of the audited amount	3.38% ▲	At least 2%	3.30% ▲
K25	% reduction of expired unclosed audits	47.56%	At least 30%	N/A

Results at Delegation level

Despite the impact of the COVID-19 pandemic, Delegations have made enormous effort in 2020. 64% of the Delegations have met more than 80% of the KPIs, while 95% met at least 60% or more KPIs.

% of green KPIs	2018		2019		2020	
	# of EUD	%	# of EUD	%	# of EUD	%
Total Delegations	22		22		22	
80% and more	17	77%▲	19	86%▲	14	64%▼
60% and more	21	95% =	21	95% =	20	91%▼
Less than 60%	1	5% =	1	5% =	2	9%▼

Only two Delegations, Israel and Lebanon, did not achieve the benchmark of more than 60% of green KPIs. For more details, please see section III. Detailed Analysis.

Overall Green KPI Result	2018	2019	2020
Albania	80%	87%	92%
Algeria	72%	73%	78%
Armenia	76%	83%	83%
Azerbaijan	84%	83%	91%
Belarus	80%	83%	61%
Bosnia & Herzegovina	88%	83%	92%
Egypt	84%	87%	78%
Georgia	98%	91%	83%
Israel	84%	78%	57%
Jordan	92%	96%	71%
Kosovo	84%	83%	75%
Lebanon	72%	83%	54%
Moldova	80%	91%	96%
Montenegro	84%	87%	88%
Morocco	84%	91%	96%
North Macedonia	96%	87%	92%
Palestine	88%	96%	83%
Serbia	88%	91%	91%
Syria	56%	50%	78%
Tunisia	96%	87%	96%
Turkey	64%	83%	83%
Ukraine	92%	96%	96%

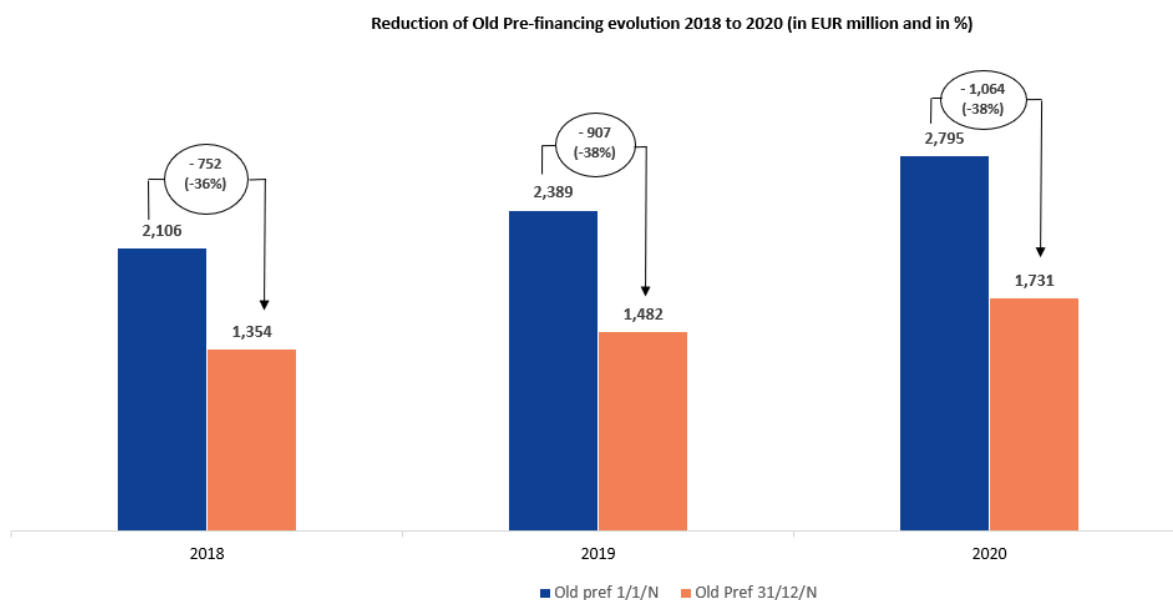
Results at KPI level

The general trend at KPI level is line with the previous year's result.

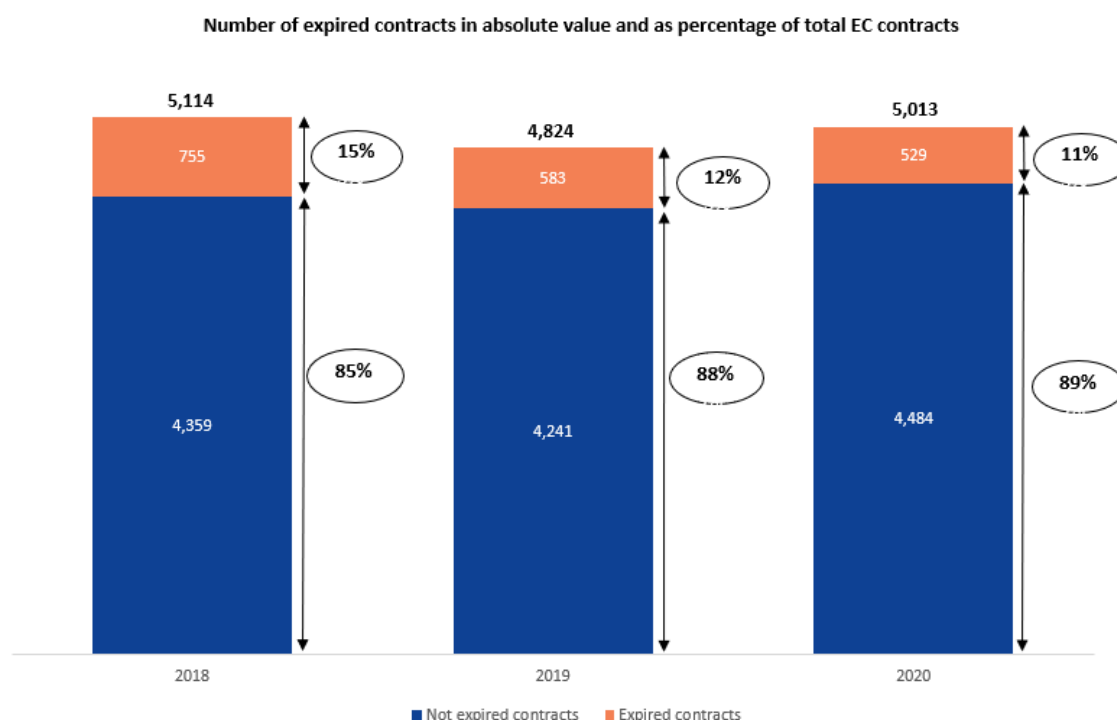
- **KPI 1** - Accuracy of initial annual financial forecast for payments met the target of more than 90%. Payments worth EUR 4,329 million were made in comparison with a total of EUR 3,808 million forecasted, resulting in a performance of 113.69% for 2020. In 2019 the result was 98.78%, while in 2018 only 90.31% of the payments initially forecasted were actually executed.
- **KPI 2** - Accuracy of initial annual financial forecasts for contracts has met the benchmark target in 2020. DG NEAR was able to achieve 120.5% in 2020, compared to 101.01% and 111.13% in the previous two reporting years
- **KPI 3** - Accuracy of initial annual financial forecasts for decisions is continuously precise and within the benchmark over the last 3 years (2020: 99.74%, 2019: 97.62% and 2018: 96.13%).
- **KPI 4** - The KPI on RAL absorption period has met the target benchmark of less than 4 years. This is a huge improvement compared to the previous years, as it is the first year that the RAL absorption period has decreased under the 4 years. (2020: 3.33, 2019: 4.32 and 2018: 4.35).
- **KPI 5** - The average time to grant is 50.77 days at DG NEAR, which is shorter compared to the set benchmark of no more than 90 days. It is higher than the 38.42 days of 2019. The increase in the average time to grant is due to delays following the outbreak of the COVID-19 pandemic.
- **KPI 6 and 7** - are forward looking and risk-based indicators calling for attention on projects performing not as expected. The actual performance on these KPIs is within the target of maximum 10% of projects flagged "red", with respectively 2.74% and 2.66%. This is an improvement comparing to 2019 with performances of 3.14% and 3.45%.

In addition to the usual benchmarks on the projects flagged "red" for KPI 6 and KPI 7, the EAMRs report on moderately problematic projects ("orange" flagging) for which there is some concern that the objectives will not be reached. The results of KPI 6 and KPI 7 are impacted by delays in project implementation caused by the COVID-19 pandemic.

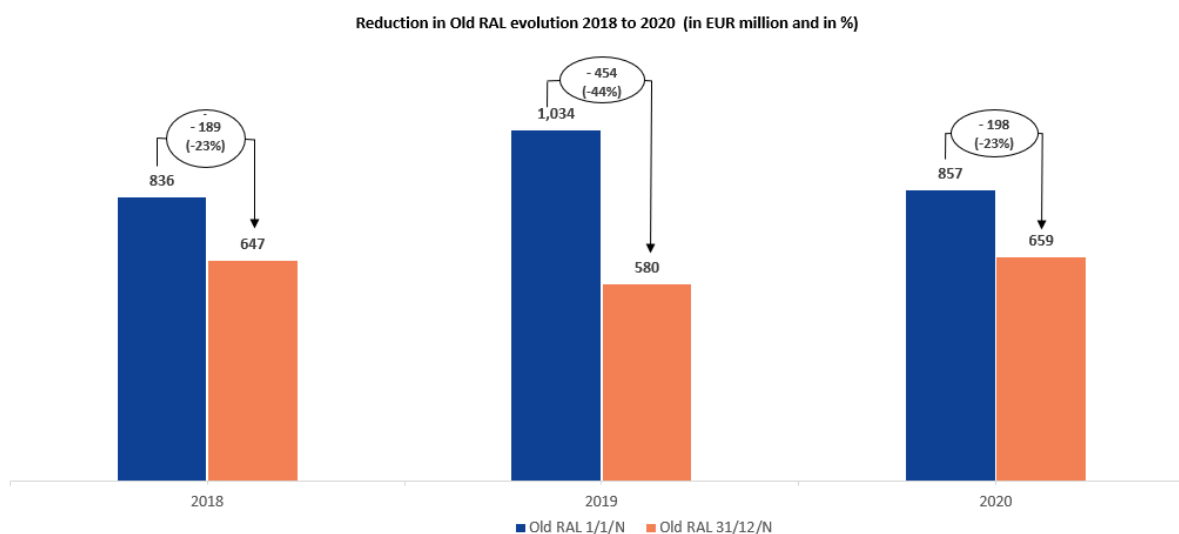
- KPI 8** – Building further on the results of previous years, DG NEAR has managed to decrease old pre-financing by 38.10%, meeting the set benchmark of at least 35%. This is similar to last year where the KPI value was 37.98%. The below graph illustrates the evolution of reduction of old pre-financing in percentage and in absolute amount. It shows that in 2020, DG NEAR has achieved the highest reduction in both absolute value (i.e. EUR 1,064 million) and in percentage.



- KPI 9** – Since 2019 an effort has been made to reduce the backlog of old contracts, which resulted in a positive evolution of KPI 9. In 2020, as in 2019, DG NEAR was able to decrease the number of expired contracts as percentage of the total contract portfolio to 529 contracts, which corresponds to 11% of the total number of DG NEAR contracts. As such the KPI target of less than 15% is met. The evolution in terms of percentage and numbers is illustrated in the graph below.

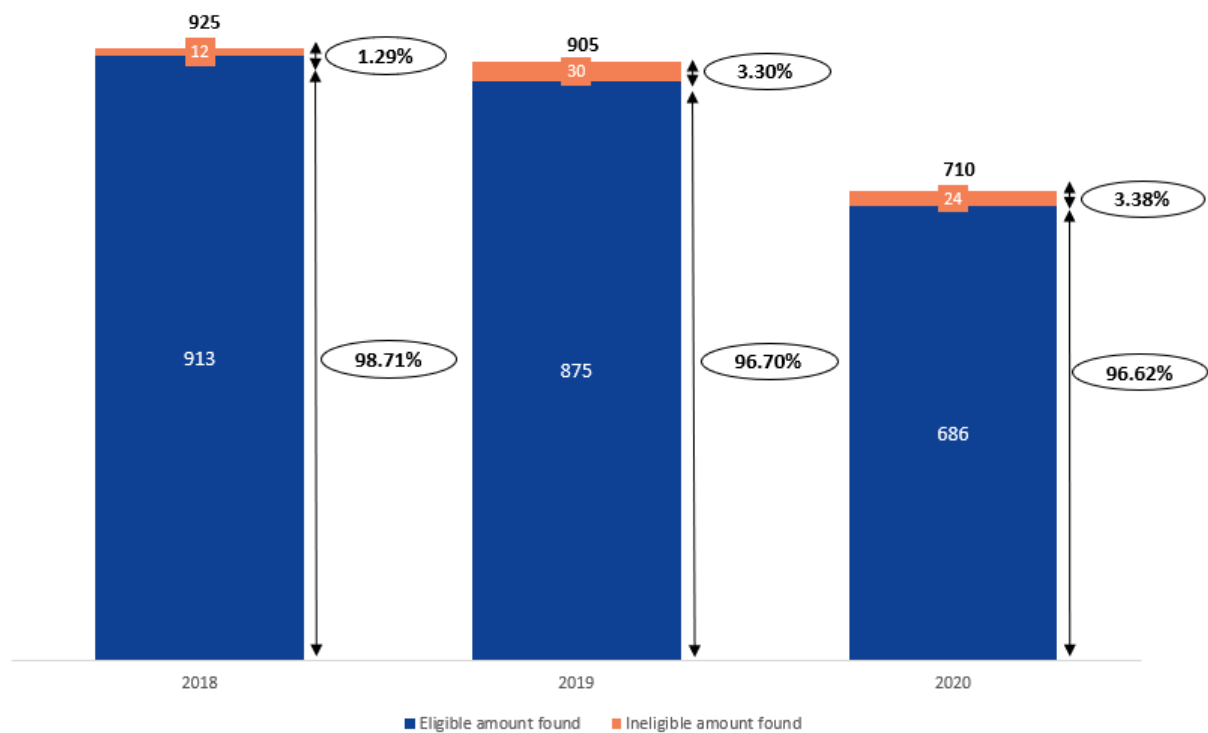


- **KPI 10** – After an enormous improvement between 2018 and 2019, DG NEAR did not achieve the target in 2020 realizing an overall reduction of 23% with regard to the reduction in Old RAL. The below graph shows the evolution of Old RAL in absolute value and in percentage over the last 3 year.



- **KPI 11** – In 2019 DG NEAR was able to reach 92.94% on-time payments, which is slightly higher compared to 2019 (i.e. 92.25%).
- **KPI 12** – With regard to the timely registration of invoices (i.e. within 7 days), DG NEAR maintained the excellent result as in previous years: 2020 - 93.60%, 2019 - 91.69% and 2018 - 90.70%.
- **KPI 13** – In line with the results of 2019, DG NEAR has 100% satisfactory cooperation with EEAS in delegations, based on the respect of the flexibility arrangements regarding the use of DG NEAR staff.
- Except the KPI 20, all KPIs related to Effectiveness of Internal Control Systems (**KPI 14 to 20**) have been met at DG NEAR level in 2020. For the KPI 20 - Undue payments prevented by ex-ante controls as a % of the claimed amount, 68% of the Delegations did not meet the target of at least 2%.
- All KPIs related to effectiveness of audit system (**KPI 21 to 25**) have met their targets at DG NEAR level in 2020. KPI 24 – ineligible amounts identified by audits as % of audited amount, continued to improve compared to the prior years. 3.38% was identified by the auditors, while in 2018 only 1.29% was achieved. The evolution over the past 3 years is illustrated in the table below.

Eligible and ineligible amounts found by auditors (in EUR million and in %)



At Delegations level, KPI 24 remains challenging as 9 out of 22 Delegations have scored below the target.

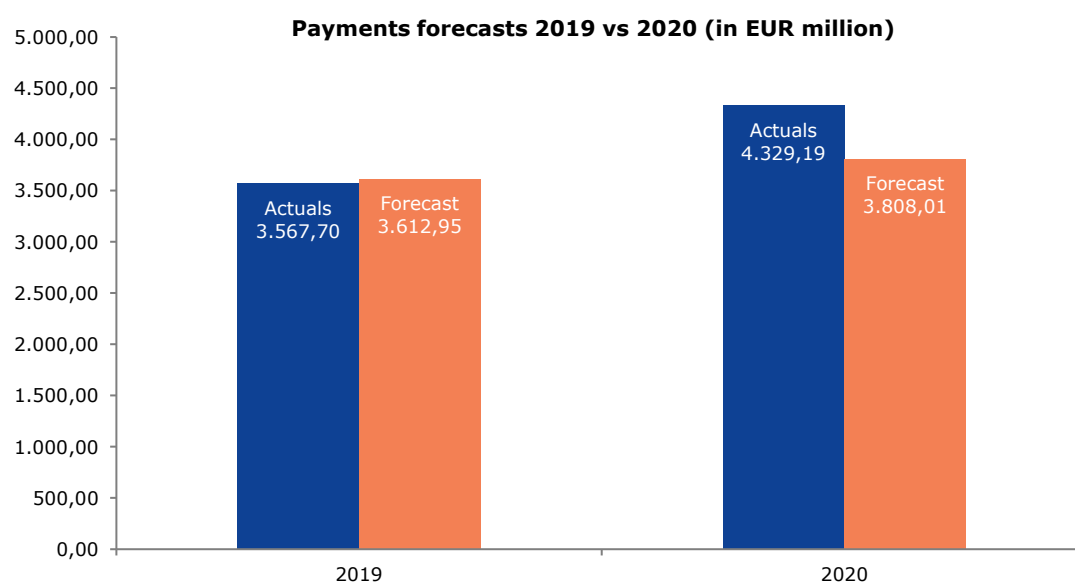
Overall, the Directorate General's results in KPIs proves that sound financial management is in place and internal controls and audit systems functions are effective.

Detailed analysis

KPI 1 – Accuracy of initial annual financial forecast for payments

In 2020, DG NEAR achieved to pay 113.69% of the total value of forecasts made for payments (EUR 4,329 million were paid out of a total of EUR 3,808 million forecasted), meeting the KPI target of above 90%. In 2019, DG NEAR achieved an execution rate of 98.78% (EUR 3,568 million paid out of a total of EUR 3,612 million forecasted).

113.69 % ▼	NEAR A	NEAR B	NEAR C	NEAR D	NEAR R	NEAR SGUA	TF NOA ⁵¹	Total
KPI Value	83.25%	132.95%	160.92%	113.64%	76.35%	97.88 %	92.48%	113.69%
Actuals (in EUR million)	944.72	1,713.97	571.94	749.31	2.38	150.59	196.28	4,329.19
Forecasts (in EUR million)	1,134.82	1,289.18	355.42	659.39	3.12	153.85	212.24	3,808.01
Variance (in EUR million)	-190.10	424.79	216.52	89.92	-0.74	-3.26	-15.96	521.18



- **Target met:** 17 Delegations⁵² 8 HQ Units⁵³ and the Trust Fund North of Africa met the target of above 90%.

⁵¹ North of Africa Window of the Africa Trust Fund

- **Below target:** Remaining 5 Delegations and 6 HQ Units performed below the 90% benchmark with the biggest gaps in actual amounts:

Payments forecast – KPI value below the target of 90%				
Delegation/HQ Unit	KPI	ACTUALS (in EUR million)	INITIAL FORECAST (in EUR million)	VARIANCE (in EUR million)
Turkey	73.11%	617.35	844.37	227.02
NEAR B 01 ⁵⁴	60.94%	74.86	122.83	47.97
NEAR B TF 01 ⁵⁵	76.49%	132.38	173.08	40.7
NEAR D 05	80.39%	152.17	189.29	37.12
Jordan	87.93%	74.72	84.98	10.26
Lebanon	79.67%	32.33	40.57	8.24
Belarus	85.79%	26.23	30.57	4.34
NEAR A 02	52.17%	4.44	8.51	4.07
NEAR C 03	71.72%	8.67	12.01	3.34
Israel	61.53%	3.49	5.68	2.19
NEAR R 03	71.77%	1.87	2.61	0.74

KPI 2 – Accuracy of initial annual financial forecast for contracts

In 2020, DG NEAR achieved 120.5% of its financial forecasts for contracts (EUR 6,398 million against a total of EUR 5,309 million forecasted for contracts) meeting the target of above 90%. In 2019, DG NEAR achieved 101.01% of its financial forecasts for contracts (EUR 4,370 million contracted against a total of EUR 4,327 million forecasted) which was a result within the set target range (between 90% and 110%).

NEAR B has the biggest gap in actual amounts above the forecast (EUR 563 million). 80% of this gap can be explained by NEAR B (contracted amount: EUR 97 million) and NEAR B 01 (contracted amount: EUR 378 million), which were unforeseen, and hence not forecasted, at the beginning of the year.

NEAR SGUA and NEAR R are the only HQ for which actual amounts are slightly below the forecast (EUR -17 million).

⁵² Albania, Algeria, Armenia, Azerbaijan, Bosnia & Herzegovina, Egypt, Georgia, Kosovo, Moldova, Montenegro, Morocco, North Macedonia, Palestine, Serbia, Syria, Tunisia and Ukraine.

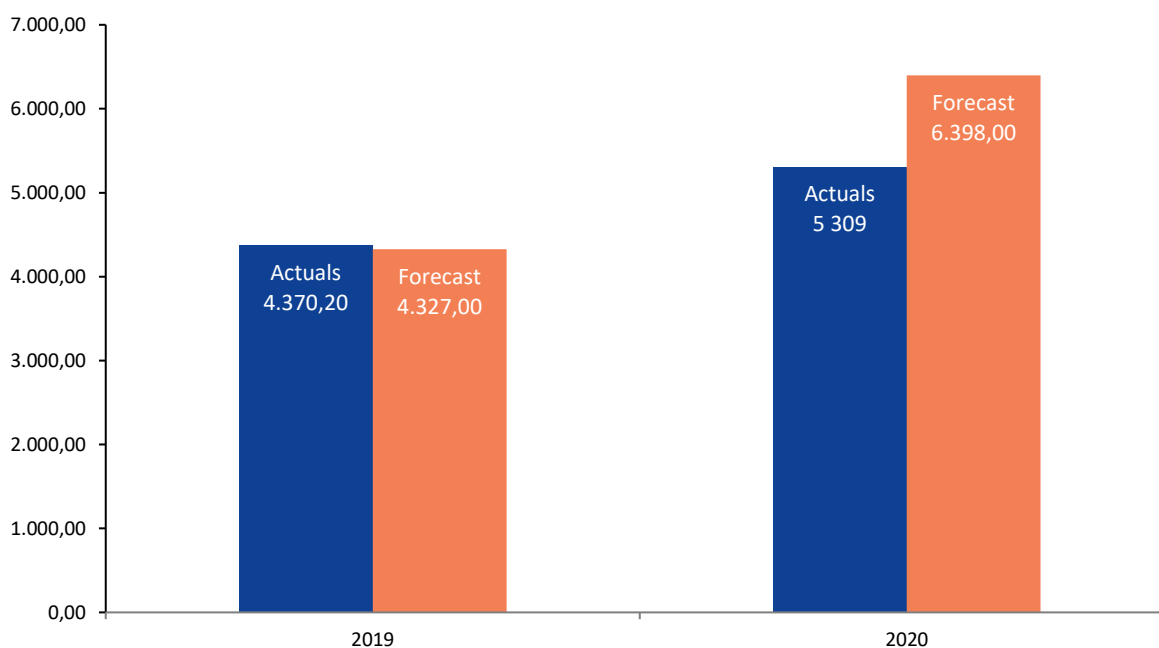
⁵³ NEAR A 03, NEAR A 04, NEAR A 05, NEAR B 02, NEAR B 03, NEAR C 01, NEAR C 02 and NEAR R 05.

⁵⁴ Figures refer to fund source BGUE (EU Budget)

⁵⁵ Figures refer to fund source BGUE (EU Budget)

120.5% ▼	NEAR A	NEAR B	NEAR C	NEAR D	NEAR R	NEAR SGUA	TF Madad	TF NOA	Total
KPI Value	100.11 %	135.61 %	147.85 %	115.85 %	94.74 %	92.41 %	140.22 %	101.50 %	120.5 %
Actuals (in EUR million)	1,421	2,143	672	1,201	3	206	546	205	6,398
Forecast s (in EUR million)	1,420	1,580	454	1,037	3	223	389	202	5,309
Variance (in EUR million)	1	563	218	164	0	-17	157	3	1,084

Contracts forecasts 2019 vs 2020 (in EUR million)



- **Within target:** 20 Delegations⁵⁶, 9 HQ Units⁵⁷ and 2 Trust Funds⁵⁸ met the target of at least 90%.
- **Below target:** Remaining 2 Delegations and 1 HQ Unit performed below the 90%

⁵⁶ Albania, Algeria, Armenia, Azerbaijan, Bosnia & Herzegovina, Egypt, Georgia, Israel, Kosovo, Lebanon, Montenegro, Moldova, North Macedonia, Morocco, Palestine, Serbia, Syria, Tunisia, Turkey and Ukraine

⁵⁷ NEAR A 03, NEAR A 04, NEAR B 02, NEAR B 03, NEAR C 01, NEAR C 02, NEAR C 03, NEAR D 05, NEAR R 03

⁵⁸ North of Africa Window C of the Africa Trust Fund (cross sub-delegated by DG INTPA) and Trust Fund in Response to the Syrian Crisis

Delegations and HQ below the targets				
Delegation/HQ Unit	KPI	INITIAL FORECAST (in EUR million)	ACTUALS (in EUR million)	VARIANCE (in EUR million)
Jordan	68.18%	327.54	223.32	-104.22
Belarus	77.43%	15.57	12.05	-3.51
NEAR A 02	89.24%	16.69	14.89	-1.76

KPI 3 – Accuracy of initial annual financial forecast for decisions

In 2020, DG NEAR realised 99.74% of its financial forecasts for decisions (EUR 3,590 million against a total of EUR 3,599 million). NEAR A, NEAR C and NEAR SGUA did not reach the benchmark of 90-110%.

KPI 3 was calculated in 2020 only on a Directorate level as forecast on Decisions level is done centrally at HQs. Delegations do not do forecasts of future Decisions in any NEAR IT tool.

99.74% ▼	NEAR A	NEAR B	NEAR C	NEAR D	NEAR R	NEAR SGUA	Total
KPI Value	116.54%	93.76%	112.97%	100.31%	100.00%	87.50%	99.74%
Actuals (in EUR million)	175	1,305	642	1,292	2	175	3,590
Forecasts (in EUR million)	150	1,392	568	1,288	2	200	3,599
Variance (in EUR million)	25	-87	74	4	0	-25	-9

Due to the expected special measure taken against the COVID-19 crisis, three Directorates missed slightly the benchmark (i.e. between 90% and 100%).

KPI 4 – RAL Absorption Period

Once a new project is decided, the amount necessary for covering the related expenditure for the entire duration of the project (usually 3 to 6 years) is put aside by the Commission ("commitment"). The "Reste à Liquider" (RAL) is the difference between the total financial number of projects decided and the payments made for those projects.

When dividing the RAL amount at the end of the year by the annual amount of payments made during the year, it should arrive at an implementation period of less than 4 years which is considered normal considering the multi-annularity of EU projects. Please note that KPI 4 related to RAL absorption is not benchmarked at HQs level. The benchmark is only applied at Delegation and DG level. This is explained by the contracts of centrally managed decisions which are usually managed by different entities. The paid amount is attributed to these entities whereas the decided amount that is left to be contracted is attributed to the unit managing the decision. As a result, the KPI calculation for these units is not relevant and the benchmark cannot be applied.

The global result for DG NEAR at 2020-year end stands at 3.33 years which is lower than the ceiling of 4 years. In amounts, this is EUR 4,829 million of payments against EUR 16,080 million of RAL. In 2019, DG Near global result was at 4.32 years which was higher than the ceiling of 4 years. In amount, this was EUR 3,898 million of payments against EUR 16,847 million of RAL.

3.33 years ▲	NEAR A	NEAR B	NEAR C	NEAR D	NEAR R	NEAR SGUA	TF Madad	TF NOA	Total
KPI Value	3.45 years	3.18 years	3.17 years	5.17 years	6.95 years	3.84 years	1.45 years	1.86 years	3.33 years
RAL amount (in EUR million)	3,257	5,451	1,813	3,87	17	579	728	365	16,080
Annual amount of payments (in EUR million)	945	1,714	571	749	2	151	501	196	4,829
Variance (in EUR million)	2,312	3,737	1,242	3,121	15	428	227	169	11,251

At Delegation level, the TOP and BOTTOM Delegations are as follows:

TOP 10 Delegations	KPI result
Palestine	1.09 years
Morocco	1.23 years
Algeria	2.11 years
Georgia	2.26 years
Armenia	2.26 years
Bosnia & Herzegovina	2.35 years
Syria	2.77 years
Montenegro	2.85 years
Azerbaijan	3.36 years
Tunisia	3.51 years

BOTTOM 10 Delegations	KPI result
Egypt	7.89 years
Lebanon	7.87 years
Israel	5.58 years
Jordan	5.53 years
North Macedonia	5.25 years
Albania	5.19 years
Turkey	5.11 years
Moldova	4.79 years
Belarus	4.44 years
Kosovo	4.29 years

RAL absorption is a snapshot of the situation of each Delegation at the end of the year. It can be exceptionally high at one point of time as a result of a combination of high financial amounts committed during the year (as a result of emergency for example) and low level of payment during the reporting year. In these cases, RAL absorption period will quickly improve as the amount of payment will increase month after month.

KPI 5 – Average Time to Grant

In 2020, DG NEAR signed grant agreements or notified grant decisions within 50.77 days which is below the benchmark of no more than 90 days. The table below gives an overview by Directorate on KPI 5 value and the average delay for signing grant agreements or notifying grant decisions.

50.77 days ▲	NEAR A	NEAR B	NEAR C	NEAR D	NEAR SGUA	Total
KPI Value	102.53 days	50.54 days	42.33 days	38.01 days	172 days	50.77 days
Days taken	1,743	1,870	1,778	2,623	516	8,530
Grants	17	37	42	69	3	168

The TOP 10 Delegations in terms of KPI result are presented in the table below:

TOP 10 Delegations	KPI result
Kosovo	1.64 days
Moldova	18.14 days
Armenia	19.33 days
Morocco	19.69 days
Serbia	27.33 days
Bosnia & Herzegovina	28.57 days
Jordan	35.17 days
Tunisia	40.75 days
Lebanon	43.00 days
Montenegro	44.50 days

KPI 6 – % of Projects with a red traffic light for Implementation Progress

KPI 6 is calculated on the basis of the following question for each project: *What is the expected level of scheduled resources the project will be able to use before the end of the project* (< 75% = red; 75% - 90% = orange; > 90% = green).

DG NEAR met the benchmark of “no more than 10 % projects with a red traffic light” with a score of 2.74% in 2020.

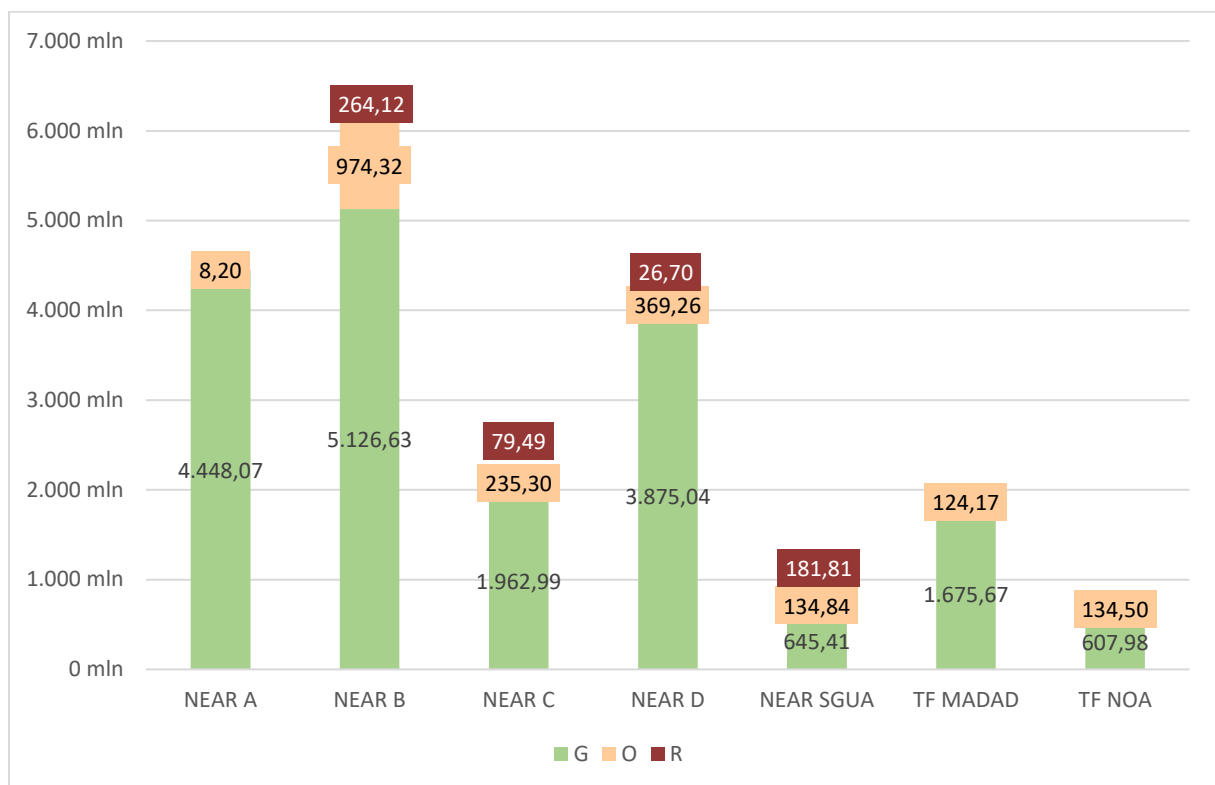
2.74%▲	NEAR A	NEAR B	NEAR C	NEAR D	NEAR SGUA	TF MADAD	TF NOA	Total
KPI result	0.00%	4.32%	3.62%	1.19%	3.50%	0.00%	0.00%	2.74%
Number of projects with red traffic light for implementation progress	0	34	20	9	5	0	0	68
All projects	91	787	552	759	143	87	63	2,482
Project value with red traffic light (in EUR million)	0	264.12	79.49	26.70	181.81	0	0	552.13
Total project value (in EUR million)	4,456	6,365	2,278	4,271	962.06	1,824	742.48	20,899
Contextual indicator (% by value)	0.00%	4.15%	3.49%	0.63%	18.90%	0.00%	0.00%	2.64%

KPI 6 and KPI 7 are forward looking as they assess the probability to fully use the project resources and to reach the expected level of outputs and outcomes at the end of the projects. Orange and red traffic lights call for attention and indicate if corrective actions are envisaged and if risks on implementation and on achieving results remain.

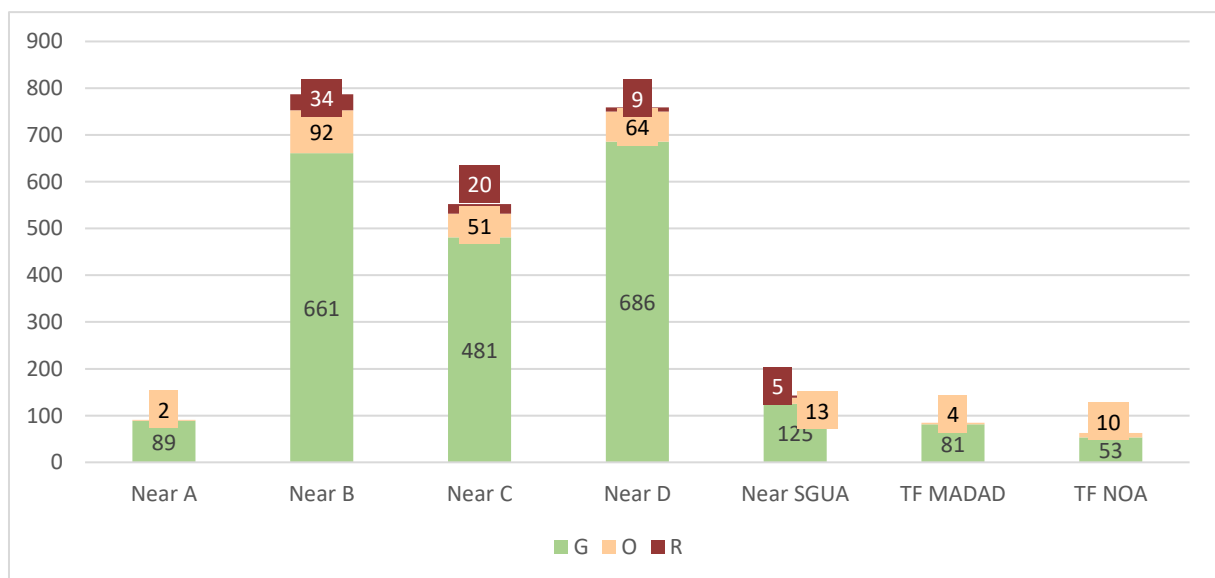
A project can be given an orange traffic light if a risk remains, even if it is on schedule. On the other hand, a project behind schedule may be given a green traffic light if constraints or issues have been solved and the project will now continue at full speed and make up for delays. A project is defined as problematic if one of KPI 6 and/or KPI 7 is orange or red.

The graph below shows the total project value (in EUR million) with green (G), orange (O) and red (R) traffic lights for Implementation Progress per directorate⁵⁹.

⁵⁹ Whereas the management of the Trust Funds is assumed within Directorate B, the KPI results of the Trust Fund are shown separately in the table as they are separate entity from the EU Budget.



The graph below shows the number of projects with green (G), orange (O) and red (R) traffic lights for Implementation Progress per directorate.



Out of the total number of projects (2,482) with total value of EUR 20,899 million, 2,176 (88%) received a green traffic light for a total value of EUR 18,341 million (88%); 236 projects (9%) were flagged orange with a total value of EUR 1,980 million (9%) and 68 projects (2.84%) were flagged red with a total value of EUR 552.13 million (2.89%).

KPI 7 – % of Projects with a red traffic light for Achieving Objectives

KPI 7 is calculated based on the following two questions for each project:

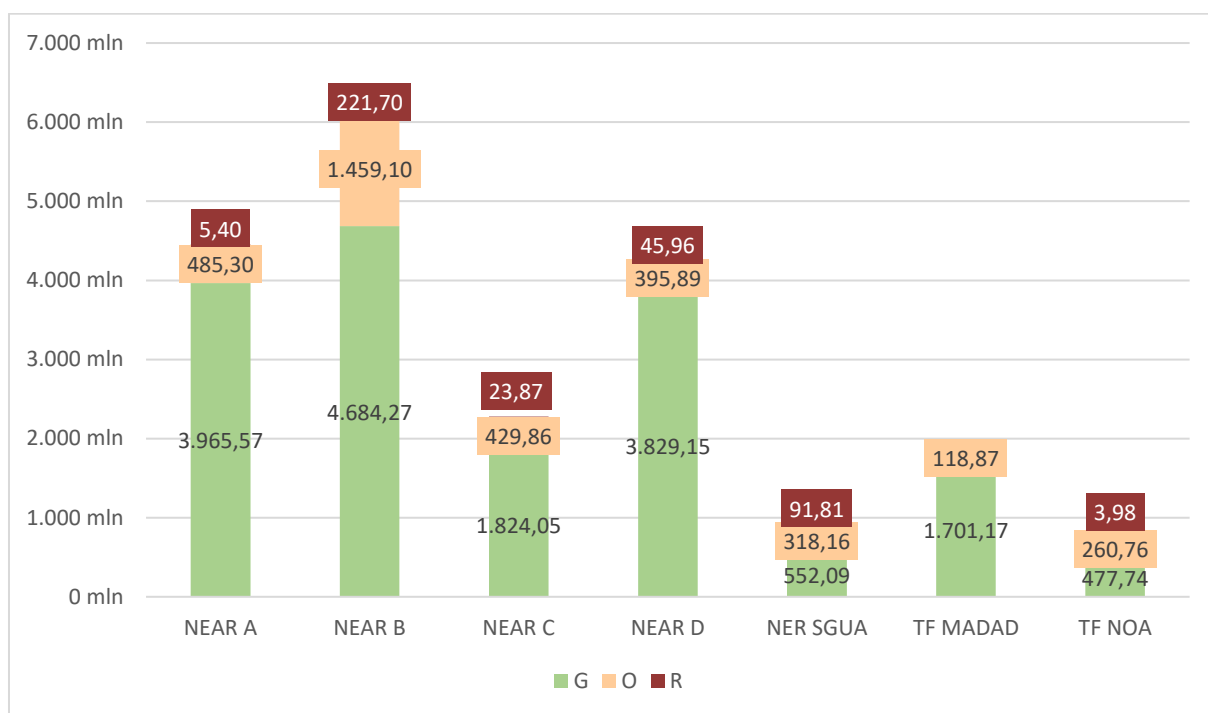
7.1. What is the likely level that the projects will achieve in terms of output targets (< 75% = red; 75% - 90% = orange; > 90% = green)?

7.2. What is the risk that - regardless of any outputs achieved - the intended outcome of the project will not be achieved (high = red; medium = orange; low = green)?

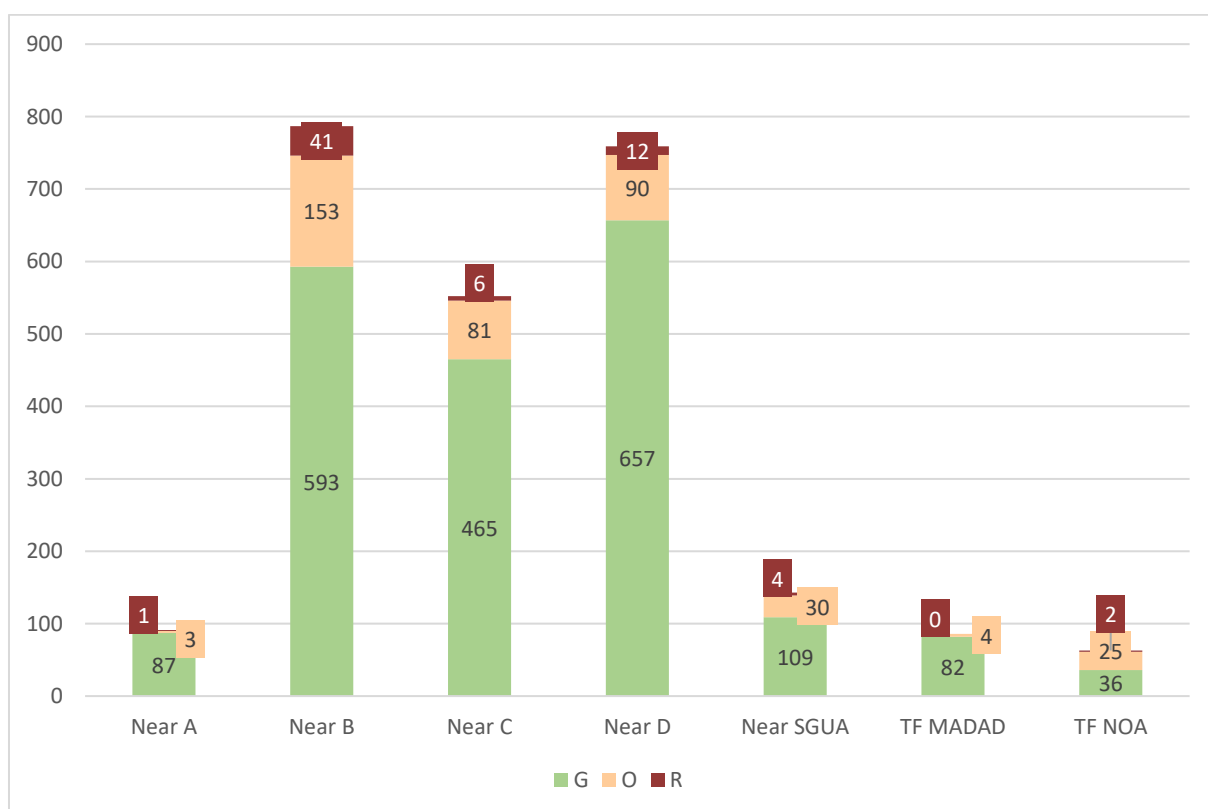
The traffic light corresponds to the least favourable of the answers to these two questions. DG NEAR met the benchmark of “not more than 10% of projects with a red traffic light” with a score of 2.66% in 2020.

2.66% ▼	NEAR A	NEAR B	NEAR C	NEAR D	NEAR SGUA	TF MADAD	TF NOA	Total
KPI result	1.10%	5.21%	1.09%	1.58%	2.80%	0.00%	3.17%	2.66%
Number of projects with red traffic light for achieving objectives	1	41	6	12	4	0	2	66
All projects	91	787	552	759	143	87	63	2,482
Project value with red traffic light (in EUR million)	5.4	221.70	23.87	45.96	91.81	0.0	3.98	392.71
Total project value (in EUR million)	4,456	6,365	2,278	4,271	962.06	1,824	742.48	20,899
Contextual indicator (% by value)	0.12%	3.48%	1.05%	1.08%	9.54%	0.0%	0.54%	1.87%

The graph below shows the total project value (in EUR million) with green (G), orange (O) and red (R) traffic lights for “Achieving Objectives” per directorate.



The graph below shows the number of projects with green (G), orange (O) and red (R) traffic lights for “Achieving Objectives” per directorate⁶⁰.



Out of the total number of projects (2,482) with total value of EUR 20,899 million, 2,029 (82%) received a green traffic light for a total value of EUR 17,034 million (82%);

⁶⁰ Whereas the management of the Trust Funds is assumed within Directorate B, the KPI results of the Trust Fund are shown separately in the table as they are separate entities from the EU Budget.

386 projects (16%) were flagged orange with a total value of EUR 3,467 million (17%) and 66 projects (3%) were flagged red with a total value of EUR 392.71 million (2%).

The table below shows the 10 Delegations having the highest value of orange and red projects (in EUR million):

Delegations	Total value of portfolio (in EUR million)	Green Projects (in EUR million)	Orange Projects (in EUR million)	Red Projects (in EUR million)	Problematic projects (orange or red In EUR million)
Turkey	4,351.99	3,866.59	480.00	5.40	485.40
Ukraine	962.06	552.09	318.16	91.81	409.97
Tunisia	1,248.32	880.92	365.78	1.62	367.40
Jordan	507.87	230.71	217.94	59.22	277.16
Morocco	1,128.29	856.67	238.06	33.56	271.62
Lebanon	310.22	110.38	138.23	61.60	199.83
Egypt	788.44	601.22	186.03	1.18	187.21
Albania	514.45	341.14	172.70	0.61	173.31
Georgia	500.72	328.05	166.43	6.24	172.67
Kosovo	327.24	227.70	74.15	25.39	99.54

The table below shows the 10 Delegations having the highest number of red projects:

Delegations	Total value of the Red Projects (in EUR million)	Number of Red Projects
Lebanon	61.61	15
Kosovo	25.39	6
Jordan	59.22	5
Morocco	33.56	4
North Macedonia	19.04	4
Ukraine	91.81	4
Algeria	37.28	3
Egypt	1.18	3
Syria	15.55	3
Armenia	12.44	2

The table below shows the 10 Delegations having the highest percentage in total value (EUR million) of problematic projects (orange and red projects):

Delegations	Green Projects (in EUR million)	Orange Projects (in EUR million)	Red Projects (in EUR million)	Problematic projects (orange or red In EUR million)	Total value of portfolio (in EUR million)	% of problematic projects (orange or red)
Lebanon	110.38	138.23	61.61	199.83	310.22	64.42%
Jordan	230.71	217.94	59.22	277.16	507.87	54.57%
Ukraine	552.09	318.16	91.81	409.97	962.06	42.61%
Algeria	99.92	20.45	37.28	57.73	157.66	36.62%
Georgia	328.05	166.43	6.24	172.67	500.72	34.48%
Albania	341.14	172.70	0.61	173.31	514.45	33.69%
Syria	132.17	47.20	15.55	62.75	194.92	32.19%
Kosovo	227.70	74.15	25.39	99.54	327.24	30.42%
Tunisia	880.92	365.78	1.62	367.40	1,248.32	29.43%
Israel	16.33	6.33	0.30	6.63	22.96	28.88%

The table below shows the 15 green projects with the largest EU contribution:

Country/Unit	Title of project	EU contribution in EUR million	BS Y/N
Turkey	Multi-annual country Action Programme for Turkey on Transport	346	N
Turkey	Annual Action Programme for Turkey for the Year 2014 - Objective 1	332	N
Turkey	Multi-annual Action Programme for Turkey on Environment and Climate Action	308	N
Turkey	Improving the health status of the Syrian population under temporary protection and related services provided by Turkish authorities	300	N
Turkey	"Multi-annual Action Programme for Turkey on Employment	275	N
Turkey	Education and Social policies"	235	N
North Macedonia	Action Programme for Turkey 2016 - Objective 1	226	N
Turkey	IPA II 2014-2020 Multi-annual Country Action Programme on Environment and Transport, the Republic of North Macedonia	221	N
Turkey	Multiannual Action Programme for Turkey on Competitiveness and Innovation	205	N
Turkey	Education for all in times of crisis II	200	N
Turkey	National Programme for Turkey IPA 2013	187	N
NEAR D 05	Annual Action Programme for Turkey for the Year 2015 - Objective 1	172	N
NEAR D 05	Contribution Arrangement with respect to the European Western Balkans Joint Fund under the Western Balkans Investment Framework	170	Y
NEAR B 01	Contribution Arrangement with respect to the European Western Balkans Joint Fund under the Western Balkans Investment Framework	165	N
Palestine	PEGASE: Direct Financial Support to Recurrent Expenditures of the Palestinian Authority 2020	159	N

The table below lists the top 15 largest red projects value (in EUR million):

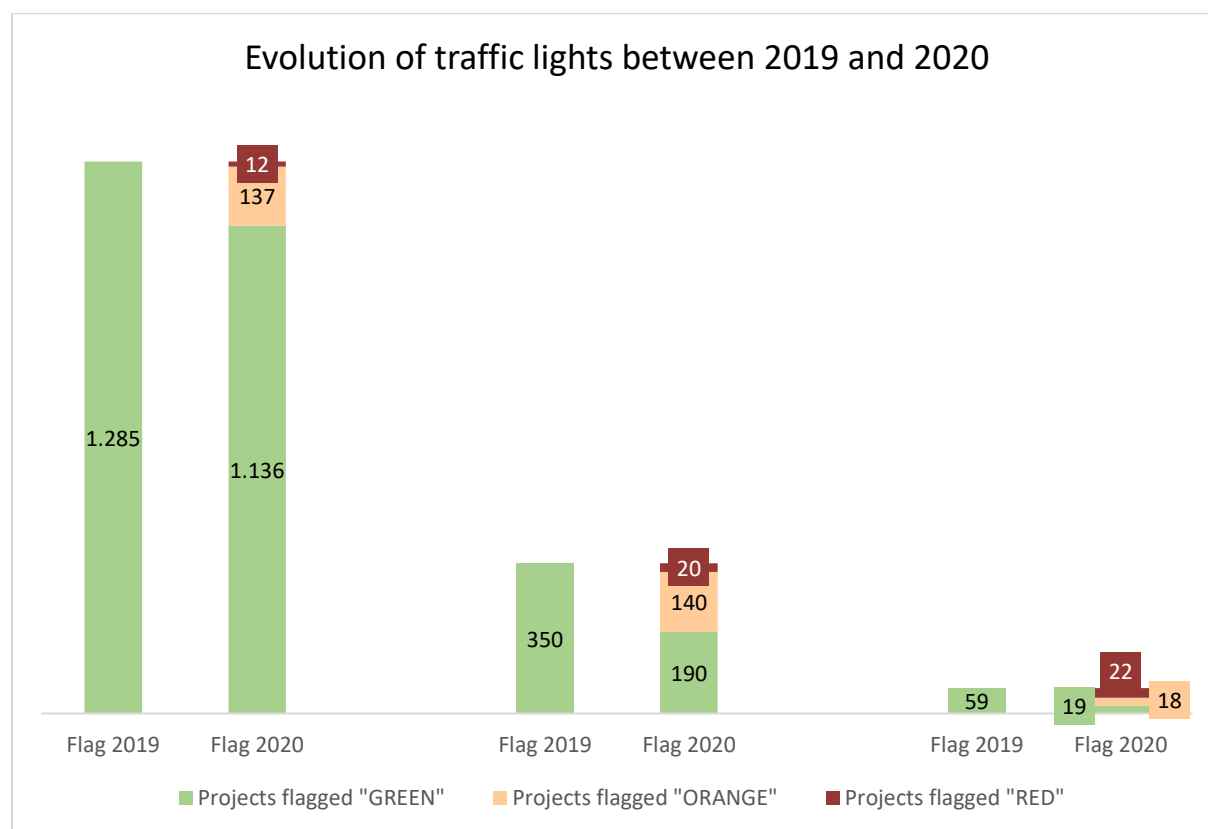
Country/Unit	Title of project	EU contribution in EUR million	BS Y/N
Ukraine	Continued Support to the implementation of Ukraine`s Energy Strategy	45	N
Ukraine	Support to rule of law reforms in Ukraine (PRAVO – Police, Public Prosecution, Good Governance)	36	N
Jordan	As Samra Wastewater Treatment Plant Expansion BOT (build-operate-transfer)	31	N
Morocco	Contrat de versement des tranches d'appui budgétaire aux politiques migratoires	29	N
Kosovo	Sector Reform Contract for Public Administration Reform	22	N
Lebanon	Lebanese Roads Rehabilitation and Safety Project	21	N
Algeria	Programme d'Appui aux Actions Sociales et pour un Développement Local Durable dans le Nord-ouest d'Algérie	20	N
North Macedonia	EU Local and Regional Competitiveness Single Trust Fund	18	N
Jordan	Technical Assistance and Investment Support for the NEPCO Green Corridor Project	18	N
Algeria	Programme d'appui à l'amélioration de la diversification industrielle et du climat des affaires en Algérie (PADICA)	17	N
Armenia	Support to the Armenia North-South Road Corridor Investment Programme, Section Yerevan to Bavra	12	Y
Ukraine	Municipal Infrastructure Investment Programme in Ukraine	11	N
Jordan	Measures Supporting the Implementation of the Partnership Priorities in Jordan	10	N
Syria	Strengthening the adaptive capacities and socio-economic well-being of people, civic actors and communities in Syria – SRC Phase II	8	N
Georgia	Integrated Solid Waste Management in the Southern Caucasus (Georgia, Azerbaijan, Armenia)	6	Y

The table below lists the 15 largest project value with orange or red flags (in EUR million):

Country/Unit	Title of project	EU contribution in EUR million	BS Y/N	Flag (O/R)
Turkey	Promoting Integration of Syrian Kids into the Turkish Education System (PIKTES II)	400	N	O
Ukraine	Administration Agreement between the European Commission and the International Finance Corporation concerning the Energy Efficiency Support Program for Ukraine – EE4U Multi-Donor Trust Funds	95	N	O
Ukraine	Support to Comprehensive Reform of Public Administration in Ukraine (budget support component)	90	N	O
Turkey	Support for Transition to Labor Market Project	80	N	O
TF NOA	T005 - DELEGATION AGREEMENT WITH IOM "PROTECTING VULNERABLE MIGRANTS AND STABILIZING COMMUNITIES IN LIBYA" T05-EUTF-NOA-LY-03-01/T05.141 ADDENDUM NO 1	71	Y	O
Morocco	Contrat pour le versement des différentes tranches de l'appui budgétaire du programme Justice	67	N	O
Jordan	EU Support to the National Solid Waste Management Strategy - Infrastructures and Capacity building component (AFD)	55	N	O
Tunisia	Appui à la Gouvernance Locale Ettamkeen Elmahalli	55	N	O
Moldova	Budget Support to Police Reform in the Republic of Moldova	51	N	O
Tunisia	Contrat de performance de réforme sectorielle - PARJ3	50	N	O
Morocco	Programme d'Appui au Développement Territorial au Maroc (PADT)	50	N	O
Serbia	Country Action Programme Serbia IPA 2017 - Energy	50	N	O
Tunisia	Contrat de performance de réforme sectorielle - Appui budgétaire au Programme d'appui à la compétitivité et aux exportations	47	N	O
Tunisia	Contrat de performance de réforme sectorielle - Objectif transition énergétique.	46	N	O
Ukraine	Continued Support to the implementation of Ukraine's Energy Strategy	45	N	R

Evolution of traffic lights between 2019 and 2020

The table below shows the changes in total numbers of projects per flag between 2019 and 2020 for those projects which were listed in both the 2019 and 2020 EAMRs.



From the 59 projects flagged red in 2019, 37 were upgraded to orange or green and from the 350 orange projects in 2019, 190 were upgraded to green, partly as a result of remedial action taken by project managers in EU Delegations.

On the other hand, 137 projects which were green in 2019 were downgraded to red in 2020 and 12 projects which were green were downgraded to red, partly because of a changing project context (COVID-19).

A total of 22 projects were flagged red in both 2019 and 2020.

The table below shows the types of problems for all projects flagged orange or red on KPI 6 and/or 7. The result of this analysis is shown in the table below:

Problem Typology	Orange		Red		Orange or red	
	Count	%	Count	%	Count	%
Low interest/commitment of stakeholders - insufficient coordination among stakeholder	141	18%	31	16%	172	18%
Other ⁶¹	97	12%	34	18%	131	14%
Substantial flaws in the intervention logic in risk assessment	98	13%	22	11%	120	12%
Political or economic instability or general/sector policy issues	93	12%	12	6%	105	11%
Insufficient co-financing/staff contribution by Government or partner organisation	85	11%	15	8%	100	10%
Natural disaster/hazard	75	10%	15	8%	90	9%
Blocking conditions (e.g. awaiting voting of a law, an administrative reform, a resettlement...)	66	8%	22	11%	88	9%
Insecurity/unrest	43	6%	3	2%	46	5%
Low capacity/performance of impl.partner/T.A./beneficiaries (absorption/procedures)	28	4%	14	7%	42	4%
Procurement issues/delays (calls for tender/proposals/other)	26	3%	12	6%	38	4%
Substantial flaws in the intervention logic in assumptions	12	2%	9	5%	21	2%
Fiduciary risk (corruption, fraud...)	13	2%	4	2%	17	2%
Total number of orange and red projects	777		193		970	

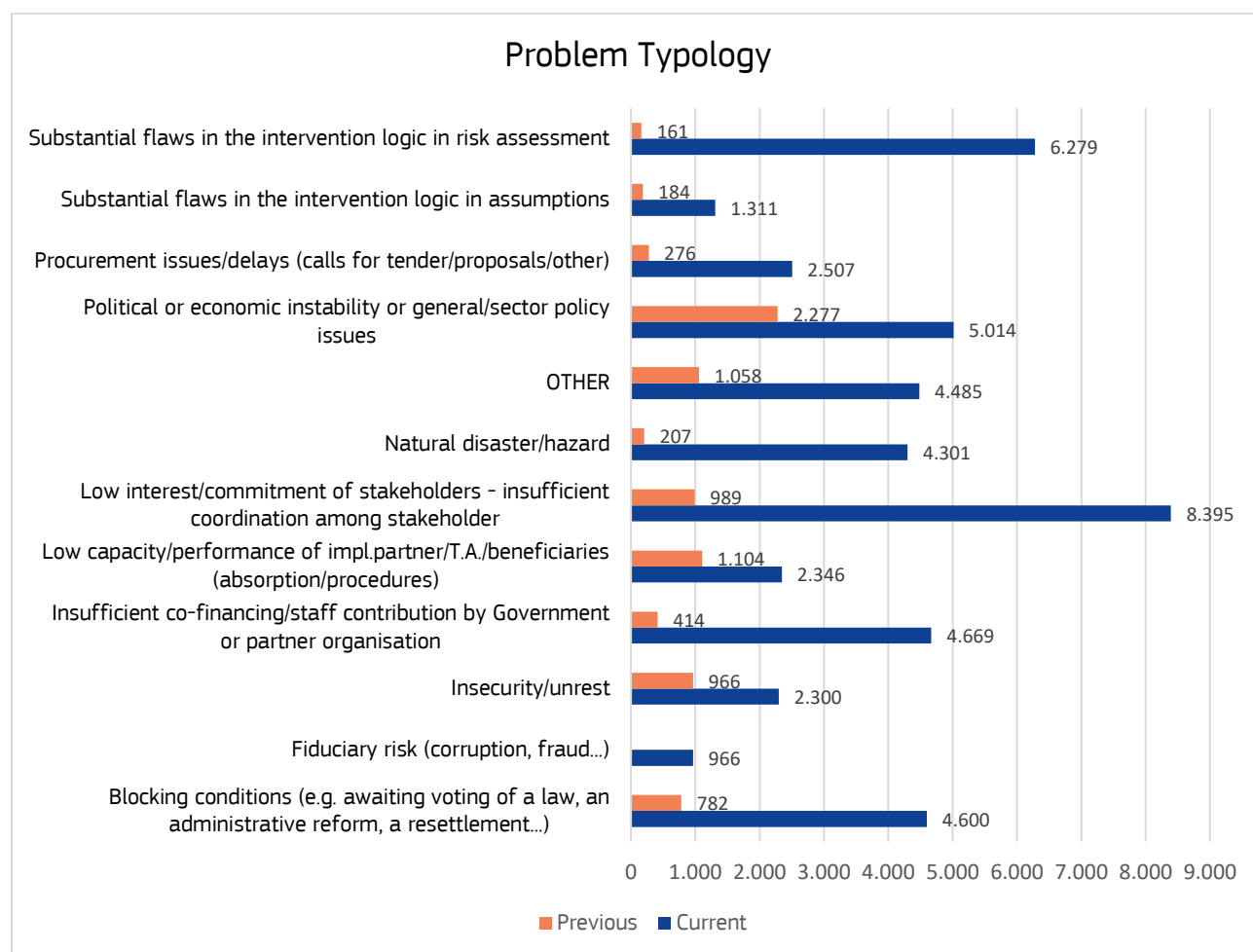
An important proportion of “problematic” projects, 172 of the total number of projects at DG NEAR, is related to “Low interest/commitment of stakeholders - insufficient coordination among stakeholder”.

This can be explained by the complexity of the DG NEAR projects, which require close project management and monitoring. Strong coordination between stakeholders is crucial for project execution, which was negatively impacted by the travel ban due to the COVID-19 pandemic.

In some cases, internal communication issues have a negative impact on the project's ability to achieve its objectives.

⁶¹ „Other” category represents delays & difficulties in the context of the Covid 19 pandemic outbreak.

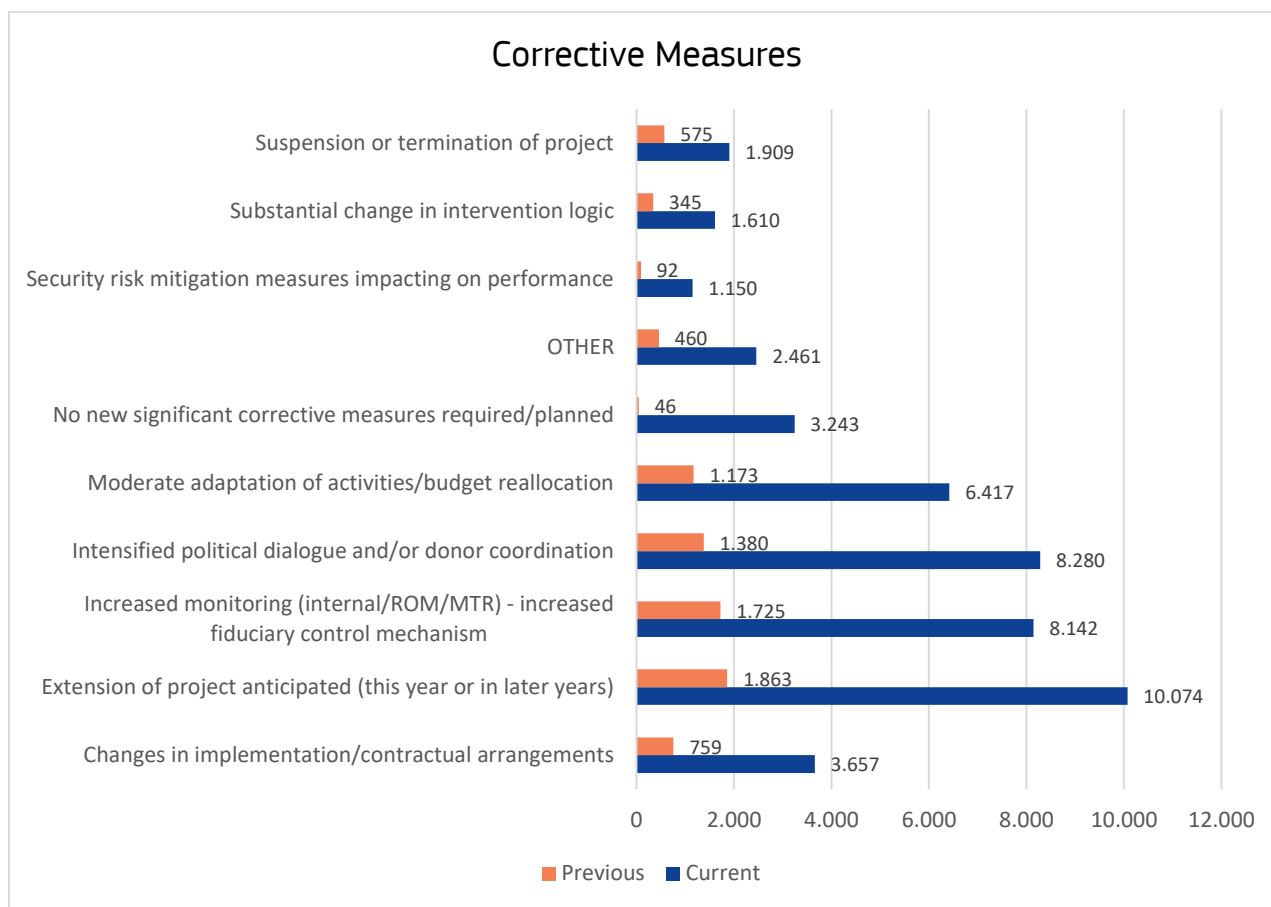
The chart below shows the comparison between 2019 and 2020 by types of problems.



The table below shows the main corrective measures for projects flagged orange or red on KPI 6 and/or 7.

Corrective Measures	Orange		Red		Orange or red	
	Count	%	Count	%	Count	%
Extension of project anticipated (this year or in later years)	187	25%	18	12%	205	22.70%
Intensified political dialogue and/or donor coordination	129	17%	18	12%	147	16.28%
Increased monitoring (internal/ROM/MTR) - increased fiduciary control mechanism	122	16%	18	12%	140	15.50%
Moderate adaptation of activities/budget reallocation	111	15%	11	7%	122	13.51%
Other	48	6%	24	16%	72	7.97%
No new significant corrective measures required/planned	38	5%	28	19%	66	7.31%
Changes in implementation/contractual arrangements	49	7%	13	9%	62	6.87%
Suspension or termination of project	45	6%	6	4%	51	5.65%
Substantial change in intervention logic	9	1%	14	9%	23	2.55%
Security risk mitigation measures impacting on performance	14	2%	1	1%	15	1.66%
Total number of orange and red projects	752		151		903	

The chart below shows the comparison between 2019 and 2020 by corrective measures.



Financial Memoranda

A Financial Memorandum (FM) type of contract consists of local contracts managed by the Beneficiary Countries. Information on those local contracts is not available in CRIS IT system. For the 2020 EAMR exercise a special algorithm was prepared to facilitate the assessment of Financial Memoranda by the IPA Delegations. Each local contract per Financial Memorandum, that was ongoing during the year 2020, was assessed by the Delegation separately using the same rules as for other projects in the project list and then a weighted average was used to assess Financial Memoranda globally.

The below tables show for each IPA Delegation the total value of FMs compared with local contracts still active in 2020. The columns 4-9 show the assessment made in relation to KPI6 and KPI7. The last three columns present the global assessment for each Financial Memorandum.

In 2020, there is no Financial Memorandum in the project selection of the EAMR for Montenegro.

North Macedonia

Financial Memorandum Title	Contracted amount of FM	Total value of ongoing local contracts under FM	KPI 6 assesment for local contracts			KPI 7 assesment for local contracts			Global Assessment		Problematic project in 2019
			Green	Orange	Red	Green	Orange	Red	KPI6	KPI7	
AAP 2014 - Financing Agreement between Republic of North Macedonia and European Commision concerning Annual National Programme for 2014	12,715,899	10,832,079	13	0	0	13	0	0	Green	Green	No
Annual Action Programme for the Republic of Macedonia for the year 2017, IPA/2017/040-202 - Objective 2 "EU SUPPORT FOR EDUCATION, EMPLOYMENT AND SOCIAL POLICY"	5,355,958	5,006,190	2	0	1	2	0	1	Orange	Orange	Yes
N° Multi-Annual Action Programme for Environment and Transport, 2014-2016 - IPA/2014/037702 in the Republic of Macedonia - Financing Agreement between Republic of Macedonia and European Commision concerning Multi-Annual Action Programme for Environment and Transport, 2014-2016	55,702,591	46,225,710	10	0	1	10	0	1	Green	Green	No
Total	73,774,447	62,063,979									

Albania

Financial Memorandum Title	Contracted amount of FM	Total value of ongoing local contracts under FM	KPI 6 assesment for local contracts			KPI 7 assesment for local contracts			Global Assessment		Problematic project in 2019
			Green	Orange	Red	Green	Orange	Red	KPI6	KPI7	
IPA 2013	14,300,000	1,169,350	1	0	0	1	0	0	Green	Green	No
IPA 2014	16,300,000	8,485,550	5	0	0	5	0	0	Green	Green	No
IPA 2015	7,550,000	9,469,544	6	0	0	6	0	0	Green	Green	No
IPA 2017	1,850,000	1,147,029	1	0	0	1	0	0	Green	Green	No
Total	40,000,000	20,271,472									

Turkey

Financial Memorandum Title	Contracted amount of FM	Total value of ongoing local contracts under FM	KPI 6 assesment for local contracts			KPI 7 assesment for local contracts			Global Assessment		Problematic project in 2019
			Green	Orange	Red	Green	Orange	Red	KPI6	KPI7	
AAP 2014-Obj.1	101,963,560	54,584,385	58	11	0	58	11	0	Green	Green	No
AAP 2014-Obj.2	761,250	761,250	1	0	0	1	0	0	Green	Green	No
AAP 2015-Obj.1	131,900,161	69,169,990	20	7	0	14	13	0	Green	Green	No
AAP 2015-Obj.2	52,576,610	25,918,728	17	4	0	16	5	0	Green	Orange	Yes
AAP 2016-Obj.1	70,611,127	17,354,453	16	1	0	15	2	0	Green	Green	No
AAP 2016-Obj.2	3,399,950	1,501,567	1	2	0	1	2	0	Orange	Orange	Yes
MAAP Competitiveness	77,950,057	32,292,659	55	1	0	55	1	0	Green	Green	No
MAAP Employment	164,457,337	51,796,842	15	1	0	16	0	0	Green	Green	No
MAAP Environment	159,130,798	31,273,476	38	2	0	34	6	0	Green	Green	No
MAAP Transport	280,649,750	124,830,515	4	0	0	4	0	0	Green	Green	No
NP 2013	38,402,428	33,035,415	9	1	0	10	0	0	Green	Green	No
Total	1,081,803,029	442,519,279									

Serbia

Financial Memorandum Title	Contracted amount of FM	Total value of ongoing local contracts under FM	KPI 6 assesment for local contracts			KPI 7 assesment for local contracts			Global Assessment		Problematic project in 2019
			Green	Orange	Red	Green	Orange	Red	KPI6	KPI7	
IPA 2013	135,549,108	44,400,156	19	0	0	14	5	0	Green	Green	No
IPA 2014	60,210,941	33,344,712	21	0	1	19	0	2	Green	Green	No
IPA 2015	74,994,400	74,994,400	3	0	0	1	2	0	Green	Green	No
IPA 2016	3,999,320	3,999,320	3	0	0	3	0	0	Green	Green	No
Total	274,753,768	156,738,588									

KPI 8 – Reduction of Old Pre-financing

Between 01/01/2020 and 31/12/2020, the total amount of old pre-financing has decreased from EUR 2,795 million to EUR 1,730 million. Old pre-financing is reduced by 38.10% (EUR 1,065 million).

38.10% ▲	NEAR A	NEAR B	NEAR C	NEAR D	NEAR R	NEAR SGUA	TF MADAD	TF NOA	Total
KPI Value	53.28%	41.24%	30.50%	39.66%	55.80%	35.23%	35.39%	14.38%	38.10%
Old pre-financing 01/01/2020 (in EUR million)	418.45	654.26	814.56	409.07	1.83	119.56	304.84	72.32	2,794.89
Old pre-financing 31/12/2020 (in EUR million)	195.50	384.45	566.14	246.84	0.81	77.45	196.96	61.92	1,730.06
Reduction in amounts (in EUR million)	222.94	269.81	248.42	162.23	1.02	42.12	107.88	10.40	1,064.82

The tables below show the TOP 10 delegations in terms of KPI value, highest cleared amount in EUR million and lowest end-open amount in EUR million:

TOP 10 Delegations	KPI Value	Cleared in EUR million
Azerbaijan	93.65%	6.16
Bosnia & Herzegovina	85.49%	24.46
Syria	66.54%	41.06
Moldova	58.19%	39.30
Israel	55.69%	1.73
Turkey	53.85%	219.69
Algeria	48.23%	11.75
Jordan	45.65%	37.45
Palestine	42.15%	13.89
Morocco	42.04%	23.00

TOP 10 Delegations	Cleared amount in EUR million
Turkey	219.69
Egypt	69.07
Ukraine	42.12
Syria	41.06
Moldova	39.30
Jordan	37.45
Serbia	26.87
Tunisia	25.82
Bosnia & Herzegovina	24.46
Morocco	23.00

TOP 10 Delegations	Open Amount in EUR million
Azerbaijan	0.42
Israel	1.37
Bosnia & Herzegovina	4.15
Montenegro	9.88
Algeria	12.61
Belarus	14.60
Albania	17.14
Kosovo	17.72
Palestine	19.18
Syria	20.65

The tables below show the BOTTOM 10 delegations in terms of KPI value, highest cleared amount in EUR million and lowest end-open amount in EUR million:

BOTTOM 10 Delegations	KPI Value	Cleared in EUR million
Armenia	7.78%	2.32
Montenegro	17.58%	2.11
Kosovo	21.38%	4.82
Egypt	35.10%	69.07
Ukraine	35.23%	42.12
Tunisia	36.11%	25.82
Albania	36.46%	9.83
Lebanon	38.72%	18.98
North Macedonia	39.00%	21.32
Georgia	39.13%	21.25

BOTTOM 10 Delegations	Cleared amount in EUR million
Israel	1.73
Montenegro	2.11
Armenia	2.32
Kosovo	4.82
Azerbaijan	6.16
Belarus	9.67
Albania	9.83
Algeria	11.75
Palestine	13.89
Lebanon	18.98

BOTTOM 10 Delegations	Open Amount in EUR million
Turkey	188.29
Egypt	127.71
Ukraine	77.45
Tunisia	45.71
Jordan	44.58
Morocco	43.07
Serbia	37.15
North Macedonia	33.44
Georgia	33.05
Lebanon	30.03

KPI 9 - Expired contracts as a % of the contract portfolio

Expired contracts are those that are open more than 18 months after the end of operational implementation. At the end of 2020, 529 contracts or 11.80% of the total number of open contracts (4,484) were expired. Two Directorates did not meet the benchmark target of less than 15% of expired contracts for this KPI:

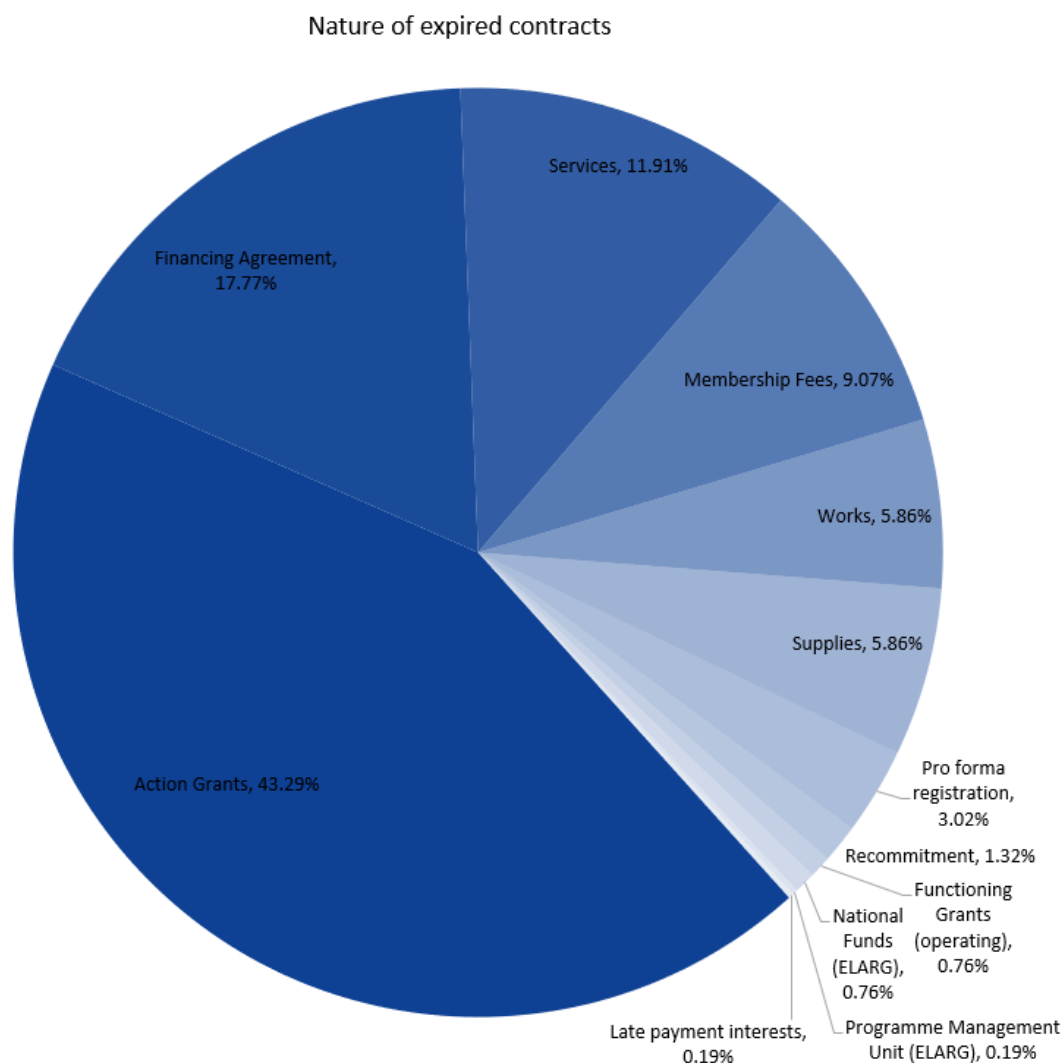
11.80% ▼	NEAR A	NEAR B	NEAR C	NEAR D	NEAR R	NEAR SGUA	Total
KPI value	9.42%	15.45%	8.74%	9.66%	49.09%	5.42%	11.80%
N° of expired contracts	21	244	77	149	27	11	529
All contracts	223	1,579	881	1,543	55	203	4,484

Values of expired contracts per Directorate are presented in the below table:

18.71%	NEAR A	NEAR B	NEAR C	NEAR D	NEAR R	NEAR SGUA	Total
Expired contracts (in million)	2,094	1,385	3,859	467	946	28	8,778
All contracts (in million)	14,676	11,838	8,692	8,946	978	1,782	46,912

NEAR Delegations Top 10 expired contracts	31/12/2020	
Managing Entity	Expired contracts	KPI
Lebanon	51	30,54%
Kosovo	38	11,38%
Algeria	32	25,40%
Serbia	31	10,65%
Morocco	27	14,84%
Palestine	22	10,19%
Bosnia & Herzegovina	21	9,91%
Turkey	19	11,66%
Albania	18	10,23%
Egypt	18	8,22%

Action Grants, Financing Agreements and Services contracts account for 73% of the number of expired contracts:



Audited contracts

A total of out of the 529 expired contracts have an ongoing audit by end 2020. Special efforts have been made to speed up the contradictory phase with the auditee and the recovery of ineligible expenditure or unspent pre-financing.

The table below shows the KPI results by contract type.

Nature	Expired Contracts	Exp. Ctr. with Ongoing Audit	Total ongoing contracts	KPI by Contract Nature
Action Grants	229	1	1909	11.67%
Administrative Arrangements	0	0	7	12.5%
Financing Agreement	94	0	740	14.61%
Functioning Grants (operating)	4	0	32	12.82%
Late payment interests	4	0	12	37.93%
Membership Fees	1	0	3	50%
National Funds (ELARG)	48	9	129	33.33%
Pro forma registration (Program Estimates, Budget Support)	16	0	110	17.95%
Programme Management Unit (ELARG)	1	0	1	100%
Recommitment	7	0	12	31.25%
Services	63	0	1248	6.39%
Specific contract (ex-letter of contract, order form etc)	0	0	14	0.00%
Supplies	31	0	170	15.62%
Works	31	0	96	37.38%
Total	529	10	4484	

KPI 10 – Reduction of Old RAL⁶²

The overall result of 23.13% does not meet the minimum target of 35% with regard to the reduction of Old RAL. Two Directorates have not reached the benchmark of 35% (NEAR B and C)

23,13%▼	NEAR A	NEAR B	NEAR C	NEAR D	NEAR R	NEAR SGUA	Total
KPI 10 old RAL	44.90%	12.17%	21.75%	39.18%	63.13%	94.88%	23.13%
Old RAL on 01/01/2020 (in EUR million)	90.06	468.85	183.04	81.36	10.06	24.00	857.37
Old RAL remaining 31/12/2020 (in EUR million)	49.62	411.80	143.23	49.49	3.71	1.23	659.07
Reduction achieved in amounts (in EUR million)	40.44	57.05	39.81	31.87	6.35	22.77	198.30

At HQ level, below tables present KPI 10 results ranked from highest KPI value to lowest, the TOP 10 HQ units in terms of cleared amount and the TOP 10 HQ units having the highest old RAL to clear on 31/12/2020:

TOP 10 HQ	KPI result	Cleared amount (in EUR million)	TOP 10 HQ	Cleared amount (in EUR million)	TOP HQ	Old RAL 31/12/2020 (in EUR million)
NEAR A 03	100.00%	0.78	NEAR B 03	8.11	NEAR C 01	93.55
NEAR A 05	100.00%	0.16	NEAR C 02	7.75	NEAR B 02	29.89
NEAR D 01	100.00%	0.06	NEAR R 05	5.88	NEAR B 03	15.04
NEAR D 03	100.00%	0.33	NEAR D 04	3.57	NEAR C 02	12.83
NEAR C 03	96.54%	2.14	NEAR C 01	2.95	NEAR D 02	3.13
NEAR D 04	95.22%	3.57	NEAR C 03	2.14	NEAR R 05	2.93
NEAR R 05	66.76%	5.89	NEAR D 05	1.72	NEAR D 05	2.59
NEAR D 05	39.87%	1.72	NEAR A 03	0.78	NEAR B TF01	2.24

⁶² Old RAL is defined as the open amount of level 1 and level 2 commitment positions that are more than 5 years old. The indicator measures the reduction of the open amount at the beginning of the year of these positions with their open amount at the end of the reporting period.

NEAR C 02	37.66%	7.75
NEAR R 03	37.24%	0.46

NEAR D 02	0.61
NEAR R 03	0.46

NEAR R 03	0.78
NEAR B 01	0.62

At Delegation level, below tables present KPI 10 results ranked from highest KPI value to lowest, the TOP 10 delegations in terms of cleared amount and the delegations having the highest old RAL to clear on 31/12/2020:

TOP 10 Delegations	KPI result	Cleared amount (in EUR million)	TOP 10 Delegations	Cleared amount (in EUR million)	TOP 10 Delegations	Old RAL 31/12/2019 (in EUR million)
Bosnia & Herzegovina	100.00 %	0.51	Turkey	39.50	Egypt	293.52
Ukraine	94.88%	22.77	Moldova	27.16	Turkey	49.53
North Macedonia	79.00%	4.73	Ukraine	22.77	Kosovo	24.51
Moldova	69.48%	27.16	Egypt	21.76	Palestine	23.34
Serbia	57.90%	10.70	Tunisia	13.35	Tunisia	22.53
Jordan	56.64%	1.81	Serbia	10.70	Armenia	21.09
Montenegro	55.23%	0.90	Albania	9.96	Morocco	13.48
Albania	51.67%	9.96	Morocco	7.77	Moldova	11.93
Syria	48.00%	0.44	North Macedonia	4.73	Lebanon	9.96
Turkey	44.37%	39.50	Lebanon	3.40	Albania	9.32

KPI 11 – % of payments paid within the contractual deadline

DG NEAR made 92.94% of the payments within the contractual deadline which is above the benchmark of 90%. The table below gives an overview by Directorate on KPI 11 value. The average delay for the registration of invoices at the end of 2020 is 7.6 days. This is the same delay as for 2019. In total, 3741 invoices have been paid in 2020 including 3477 invoices paid within the contractual deadline.

92.94%▲	NEAR A	NEAR B	NEAR C	NEAR D	NEAR R	NEAR SGUA	TF MADAD	TF NOA	Total
KPI 11 payment	93.19 %	91.67 %	92.06 %	93.86 %	97.87 %	97.78 %	88.75 %	92.31 %	92.94 %
Number of payments paid within the contractual deadline	178	991	684	1,283	46	176	71	48	3,477
Total of payments	191	1,081	743	1,367	47	180	80	52	3,741

At Directorates level KPI 11 has met the target., except for the Trust Fund in Response to the Syrian Crisis..

NEAR Delegations represent 80.81% of the volume of payments. 82% of NEAR's Delegations reached the benchmark (18/22). The TOP 10 Delegations in terms of KPI results are presented in the table below.

TOP 10 Delegations	KPI result	TOP 10 Delegations	Highest no. of invoices	KPI result
Moldova	98.99%	Kosovo	325	88.92%
Jordan	98.99%	Serbia	281	91.81%
Azerbaijan	98.70%	Bosnia & Herzegovina	228	98.68%
Bosnia & Herzegovina	98.68%	Ukraine	180	97.78%
Ukraine	97.78%	Palestine	176	89.77%
Georgia	95.98%	Georgia	174	95.98%
North Macedonia	95.81%	North Macedonia	167	95.81%
Syria	95.00%	Egypt	146	86.99%
Montenegro	94.79%	Tunisia	137	94,16%
Tunisia	94.16%	Albania	134	93.28%

KPI 12 – % invoices registered within 7 days of the Commission reception date

DG NEAR registered 93.60% of the invoices within 7 days of the Commission reception date which is above the benchmark of 90%. The table below gives an overview by Directorate on KPI 12 value. The average delay for the registration of invoices at the end of 2019 is 10.31 days. In total, 4,499 invoices have been registered including 4,211 invoices registered within 7 days of the Commission reception date.

93.60% ▲	NEAR A	NEAR B	NEAR C	NEAR D	NEAR R	NEAR SGUA	TF MADAD	TF NOA	Total
KPI value	91.34 %	91.79 %	94.62 %	94.94 %	96.36 %	95.98 %	89.80 %	89.23 %	93.60 %
Total number of invoices registered on time	232	1,241	862	1462	53	215	88	58	4,211
All invoices	254	1,352	911	1540	55	224	98	65	4,499

21 out of 22 NEAR's Delegations reached the benchmark. The Delegation of Israel with KPI's value of 85,71% is below the benchmark at least 90%. The TOP 10 Delegations in terms of KPI result and highest number of payments are presented in the table below.

TOP 10 Delegations	KPI result	TOP 10 Delegations	Highest no. of payments
Jordan	98.39%	Kosovo	354
Syria	98.08%	Serbia	294
North Macedonia	97.11%	Bosnia & Herzegovina	247
Azerbaijan	96.88%	Tunisia	233
Moldova	96.46%	Ukraine	226
Ukraine	95.98%	Palestine	205
Algeria	95.83%	Georgia	200
Albania	95.73%	North Macedonia	175
Belarus	95.70%	Egypt	174
Armenia	95.65%	Turkey	170

KPI 13 – Use of DEVCO/NEAR staff and respect of the flexibility arrangements

Global NEAR result of 100.00% is far above the benchmark of 80%.

100.00%	Directorate	KPI result
	NEAR A	100.00%
	NEAR B	100.00%
	NEAR C	100.00%
	NEAR D	100.00%
	NEAR SGUA	100.00%

KPI 14 – ICF – Control Environment

Global NEAR result of 94.18% is far above the benchmark of 80%.

94.18%	Directorate	KPI result
	NEAR A	100.00%
	NEAR B	92.44%
	NEAR C	95.20%
	NEAR D	94.00%
	NEAR SGUA	100.00%

KPI 15 – ICF – Risk assessment

Global NEAR result of 95.00% is far above the benchmark of 80%.

95.00%	Directorate	KPI result
	NEAR A	100.00%
	NEAR B	91.67%
	NEAR C	97.00%
	NEAR D	96.67%
	NEAR SGUA	100.00%

KPI 16 – ICF – Control activities

Global NEAR result of 94.55% is far above the benchmark of 80%.

94.55%	Directorate	KPI result
	NEAR A	100.00%
	NEAR B	94.07%
	NEAR C	88.00%
	NEAR D	98.89%
	NEAR SGUA	100.00%

KPI 17 – ICF – Information and Communication

Global NEAR result of 96.06% is far above the benchmark of 80%.

96.06%	Directorate	KPI result
	NEAR A	100.00%
	NEAR B	94.07%
	NEAR C	96.00%
	NEAR D	97.78%
	NEAR SGUA	100.00%

KPI 18 – ICF – Monitoring activities

Global NEAR result of 95.91% is far above the benchmark of 80%.

95.91%	Directorate	KPI result
	NEAR A	100.00%
	NEAR B	92.22%
	NEAR C	98.00%
	NEAR D	98.33%
	NEAR SGUA	100.00%

KPI 19 – % of projects visited by Commission staff and/or by the HOD, by project value

Results by Directorate⁶³ in charge are presented in below table.

85.92% ▼	NEAR A	NEAR B	NEAR C	NEAR D	NEAR SGUA	TF MADAD	TF NOA	Total
KPI result	98.33%	82.12%	69.41%	90.81%	81.34%	89.99%	62.83%	85.92%
Project value of visited projects (in EUR million)	4,382	5,226	1,581	3,878	782	1,642	466	17,957
Project value of all projects (in EUR million)	4,456	6,365	2,278	4,271	962	1,824	742	20,899
Number of visited projects	88	611	425	635	75	75	39	1,948
Number of all projects	91	787	552	759	143	87	63	2,482
Contextual indicator	96.70%	77.64%	76.99%	83.66%	52.45%	86.21%	61.90%	78.48%

In 2020, 78.48% of the projects were visited, which represents 85.92% in value of the projects. The benchmark of 80% in value has therefore been reached. However, due to the COVID-19 restrictions, the overall results of 2020 are lower than the previous year when 85.14% of the project with a total value of 91.83% were visited.

⁶³ Whereas the management of the Trust Funds is assumed within Directorate B, the KPI results of the Trust Fund are shown separately in the table due to it being a separate entity from the EU Budget.

The table below shows the BOTTOM 10 Delegations in % of projects visited by value.

Country	Visited	Not visited	Total projects	% visited by number	% visited by value
Egypt	53	59	112	47.32%	54.82%
Lebanon	57	13	70	81.43%	66.56%
Georgia	99	42	141	70.21%	71.93%
Belarus	44	21	65	67.69%	74.35%
Morocco	64	20	84	76.19%	80.16%
Armenia	43	7	50	86.00%	81.05%
Ukraine	75	68	143	52.45%	81.34%
Israel	39	8	47	82.98%	87.30%
Azerbaijan	57	5	62	91.94%	90.32%
Tunisia	109	13	122	89.34%	90.49%

KPI 20 – Undue payments prevented by ex-ante controls as a % of the claimed amount

The undue amount is the sum of ineligible amounts recorded in cost claim invoices (for payment or clearing) and of credit notes encoded on commercial invoices, during the reporting year. The claimed amount is the amount cleared and paid during the reporting year, plus the undue amount.

At NEAR level, the percentage of ineligible amounts identified by ex-ante controls by the end of 2020 is 1.09% which is below the benchmark of 2%. It represents a total amount of EUR 43 million of undue payment prevented. This is lower than in 2019 (3.38% and EUR 111 million). Results by directorate are presented in the table below:

1.09% ▼	NEAR A	NEAR B	NEAR C	NEAR D	NEAR R	NEAR SGUA	TF MADAD	TF NOA	Total
KPI 20 ex-ante ineligible	0.14%	1.32%	1.71%	0.89%	0.27%	2.02%	1.03%	0.41%	1.09%
Invoiced amount (in EUR million)	687.48	1,719.49	531.89	601.91	4.01	125.53	234.75	57.79	3,962.86
Ex-ante ineligible amount (in EUR million)	1.00	22.64	9.07	5.34	0.01	2.54	2.42	0.24	43.26

The majority of ex-ante ineligible amounts are identified by Delegations: EUR 39.34 million or a share of 91.00% of the ineligible amount. The remaining EUR 3.92 million are identified by Headquarter (9.00%).

The TOP 10 Delegations in terms of KPI result, sum of ineligible amounts and sum of invoiced amounts are presented in the table below.

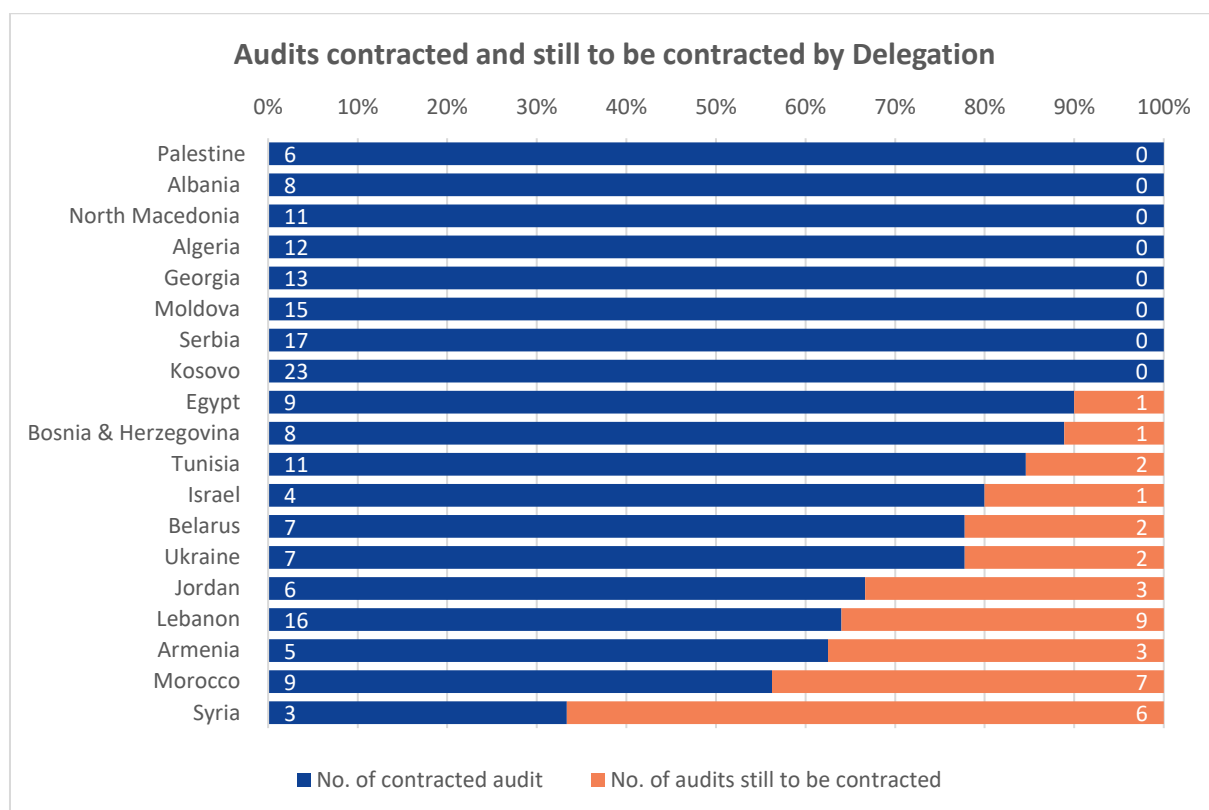
TOP 10 Delegations	KPI result	TOP 10 Delegations	Sum of ineligible amounts (in EUR million)	TOP 10 Delegations	Sum of invoiced amounts (in EUR million)
Moldova	7.93%	Morocco	14.44	Morocco	460.76
Algeria	7.21%	Moldova	5.24	Turkey	353.72
Albania	5.56%	Georgia	2.85	Palestine	307.64
Lebanon	3.49%	Albania	2.57	Tunisia	290.17
Morocco	3.13%	Ukraine	2.54	Georgia	163.86
Jordan	2.56%	Algeria	2.31	Serbia	137.72
Ukraine	2.02%	Jordan	2.30	Ukraine	125.53
Georgia	1.74%	Lebanon	1.4	Egypt	101.49
Kosovo	0.83%	Tunisia	1.19	Jordan	89.80
North Macedonia	0.72%	Turkey	0.76	Armenia	89.08

KPI 21 – % contracted of the Annual Audit Plan year N

At NEAR level, 79.93% of the audits foreseen in the Annual Audit Plan year N have been contracted and the value is well above the benchmark of 70%. The KPI value has slightly improved compared to 2019 (72.92%). All Directorates have met the target. Results at Directorate level are presented in the table below:

79.93%▲	NEAR A	NEAR B	NEAR C	NEAR D	NEAR SGUA	TF NOA	Total
KPI 21 audit plan N	100.00%	71.31%	79.69%	91.67%	77.78%	100.00%	79.93%
Number of audits in audit plan N	4	122	64	84	9	1	284
Number of audits contracted	4	87	51	77	7	1	227
Number of audits still to be contracted	0	35	13	7	2	0	78

In terms of Delegations, 19 Delegations have a green KPI, while 5 Delegations being Jordan, Lebanon, Armenia, Morocco and Syria, are below the benchmark value of 70%.



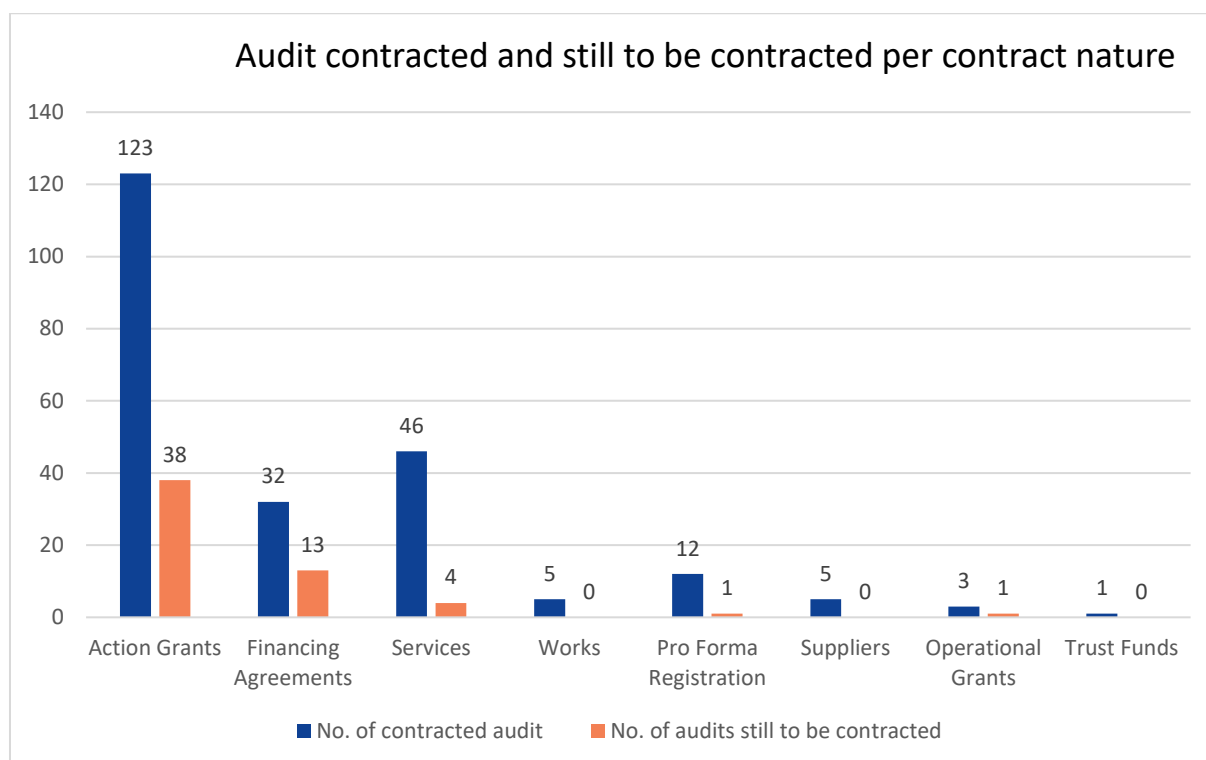
In the tables below, the TOP 10 Delegations are sorted by the highest number of audits in the audit plan.

The BOTTOM 10 Delegations are sorted by the highest number of audits still to be contracted.

TOP 10 Delegations	Total no. of audits	KPI result
Lebanon	25	64.00%
Kosovo	23	100.00%
Serbia	17	100.00%
Morocco	16	56.25%
Moldova	15	100.00%
Tunisia	13	84.62%
Georgia	13	100.00%
Algeria	12	100.00%
North Macedonia	11	100.00%
Egypt	10	90.00%

BOTTOM 10 Delegations	No. of audits still to be contracted	KPI result
Lebanon	9	64.00%
Morocco	7	56.25%
Syria	6	33.33%
Jordan	3	66.67%
Armenia	3	62.50%
Tunisia	2	84.62%
Ukraine	2	77.78%
Belarus	2	77.78%
Egypt	1	90.00%
Bosnia & Herzegovina	1	88.89%

In terms of nature of contracts, action grants represent the highest number of audits planned and contracted.



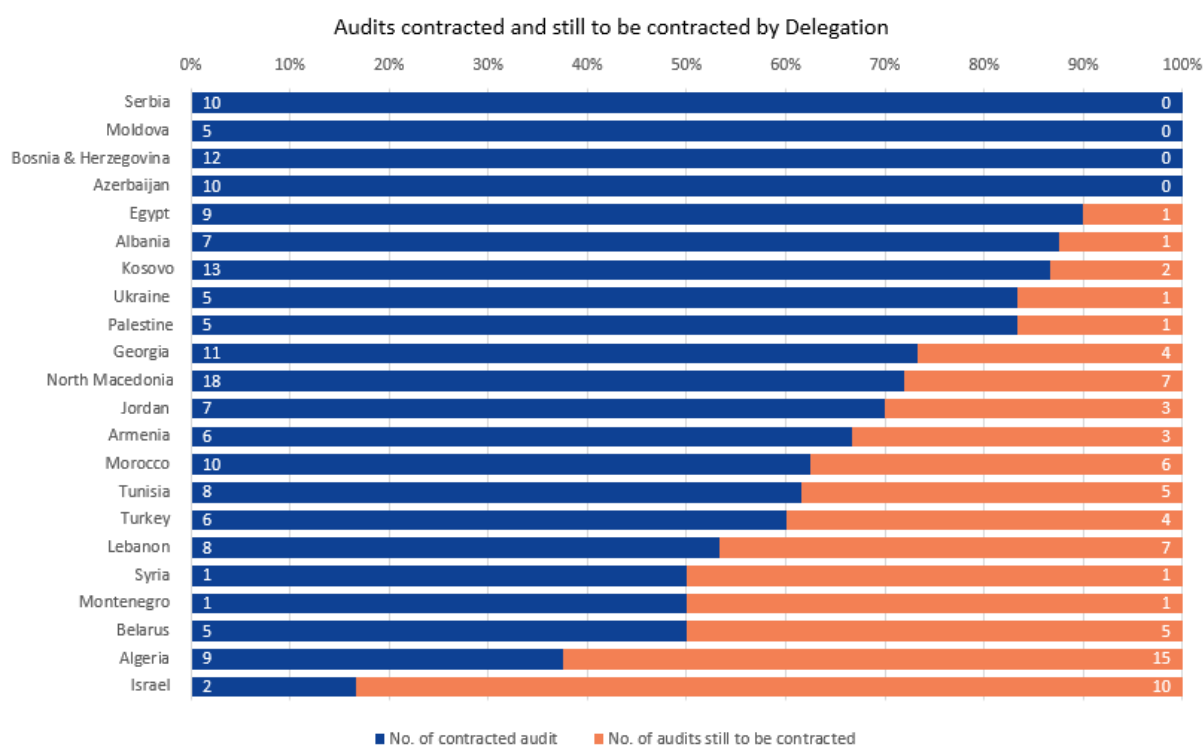
KPI 22 – % implementation of the Annual Audit Plan year N-1

At NEAR level 65.48% of the audits foreseen in the Annual Audit Plan N-1 have been contracted. This result is well above the benchmark of 60%. Three Directorates reached the target. The main reason for not meeting the target is due to the restrictions from the COVID-19 pandemic.

NEAR B has the biggest gap with 51 audits still to be contracted.

65.48% ▼	NEAR A	NEAR B	NEAR C	NEAR D	NEAR SGUA	TF MADAD	TF NOA	Total
KPI 22 audit plan N-1	53,85%	56,03%	69,64%	81,93%	83,33%	0,00%	0,00%	65.48%
Number of audits in audit plan N-1	13	116	56	83	6	4	3	281
Number of audits contracted	7	65	39	68	5	0	0	184
Number of audits still to be contracted	6	51	17	15	1	4	3	97

In terms of Delegations, 16 Delegations have a green KPI, out of which 4 have achieved a 100% implementation rate. Israel, Algeria, Belarus, Montenegro and Syria have not met the set benchmark of 60%.

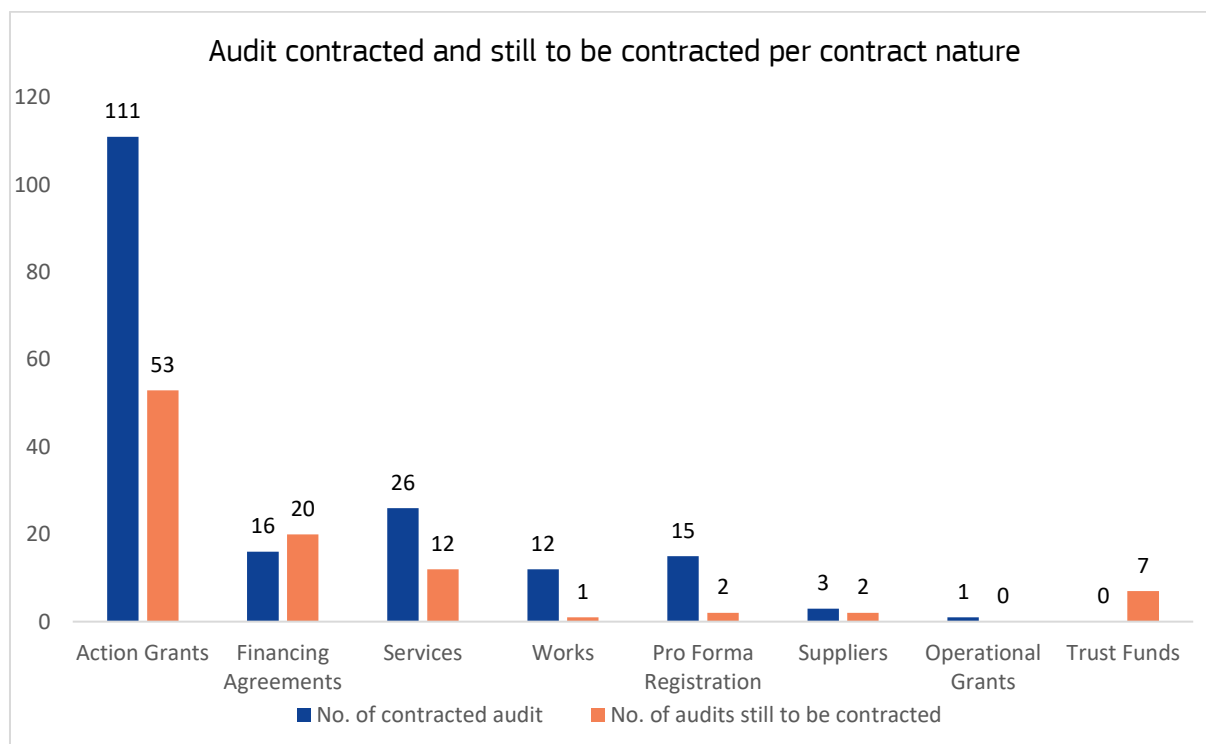


The TOP 10 Delegations are sorted by the highest number of audits in the audit plan. The BOTTOM 10 Delegations are sorted by the highest number of audits still to be contracted.

TOP 10 Delegations	Total no. of audits	KPI result
North Macedonia	25	72.00%
Algeria	24	37.50%
Morocco	16	62.50%
Lebanon	15	53.33%
Georgia	15	73.33%
Kosovo	15	86.67%
Tunisia	13	61.54%
Bosnia & Herzegovina	12	100.00%
Israel	12	16.67%
Azerbaijan	10	100.00%

BOTTOM 10 Delegations	No. of audits still to be contracted	KPI result
Algeria	15	37.50%
Israel	10	16.67%
North Macedonia	7	72.00%
Lebanon	7	53.33%
Morocco	6	62.50%
Tunisia	5	61.54%
Belarus	5	50.00%
Georgia	4	73.33%
Turkey	4	60.00%
Jordan	3	70.00%

Action grants represent the highest number of audits planned and contracted.



KPI 23 – % implementation of the Annual Audit Plan year N-2

At NEAR level, 87.50% of the audits foreseen in the Annual Audit Plan year N-2 have been contracted. This is significantly above the target of 70% and in line with prior year. All Directorates have reached the target.

87.50% ▲	NEAR A	NEAR B	NEAR C	NEAR D	NEAR SGUA	Total
KPI 23 audit plan N-2	100.00%	80.00%	89.36%	94.25%	90.00%	87.50%
Number of audits in audit plan N-2	10	110	47	87	10	264
Number of audits contracted	10	88	42	82	9	231
Number of audits still to be contracted	0	22	5	5	1	33

At Delegation level, 20 out of 22 Delegations were on target, with 10 Delegations achieving 100% implementation rate.



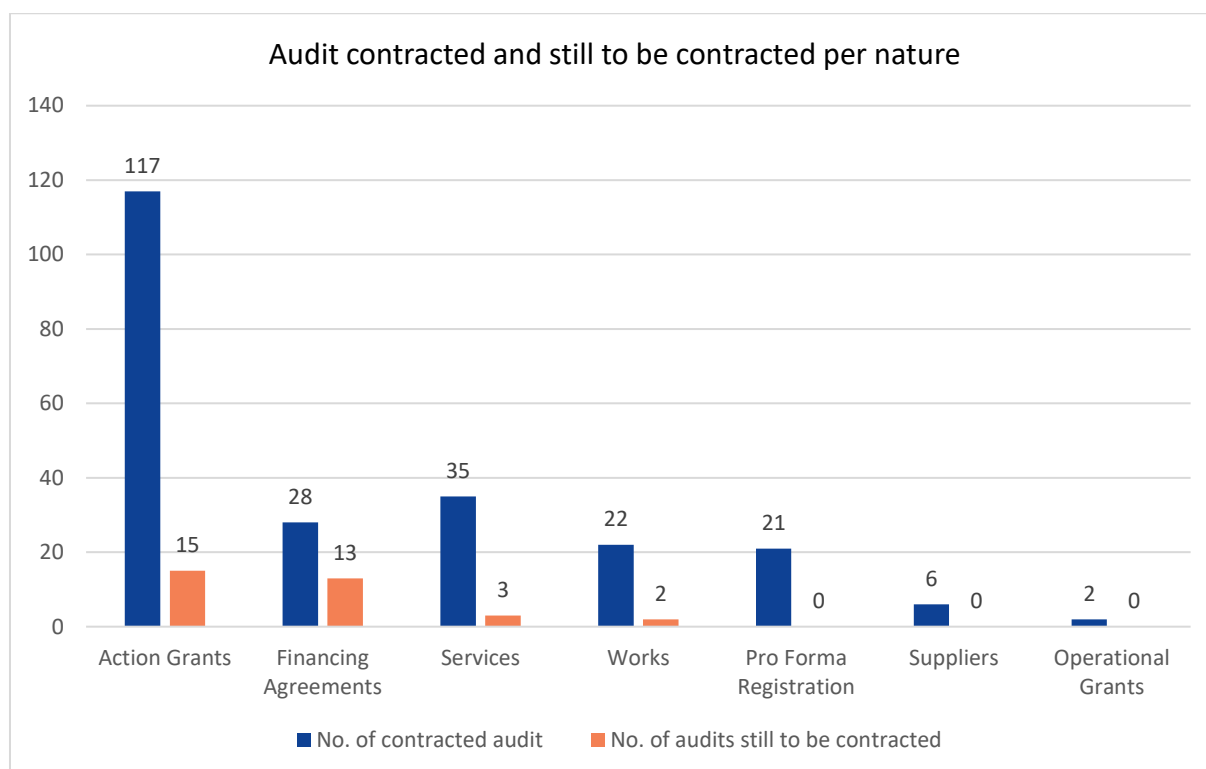
The TOP 10 Delegations are sorted by the highest number of audits in the audit plan.

The BOTTOM 10 Delegations are sorted by the highest number of audits still to be contracted.

TOP 10 Delegations	Total no. of audits	KPI result
Lebanon	21	61.90%
Albania	17	94.12%
Georgia	15	100.00%
Bosnia & Herzegovina	14	78.57%
North Macedonia	14	100.00%
Serbia	14	100.00%
Tunisia	13	92.31%
Kosovo	13	100.00%
Jordan	12	100.00%
Morocco	11	72.73%

BOTTOM 10 Delegations	No. of audits still to be contracted	KPI result
Lebanon	8	61.90%
Syria	5	50.00%
Bosnia & Herzegovina	3	78.57%
Morocco	3	72.73%
Egypt	2	77.78%
Moldova	2	75.00%
Albania	1	94.12%
Tunisia	1	92.31%
Algeria	1	90.00%
Ukraine	1	90.00%

Like KPI 21 and KPI 22, the majority of audits in audit plan N-2 relates to action grants. The still to be contracted audits are mainly concerning action grants and financing agreements.

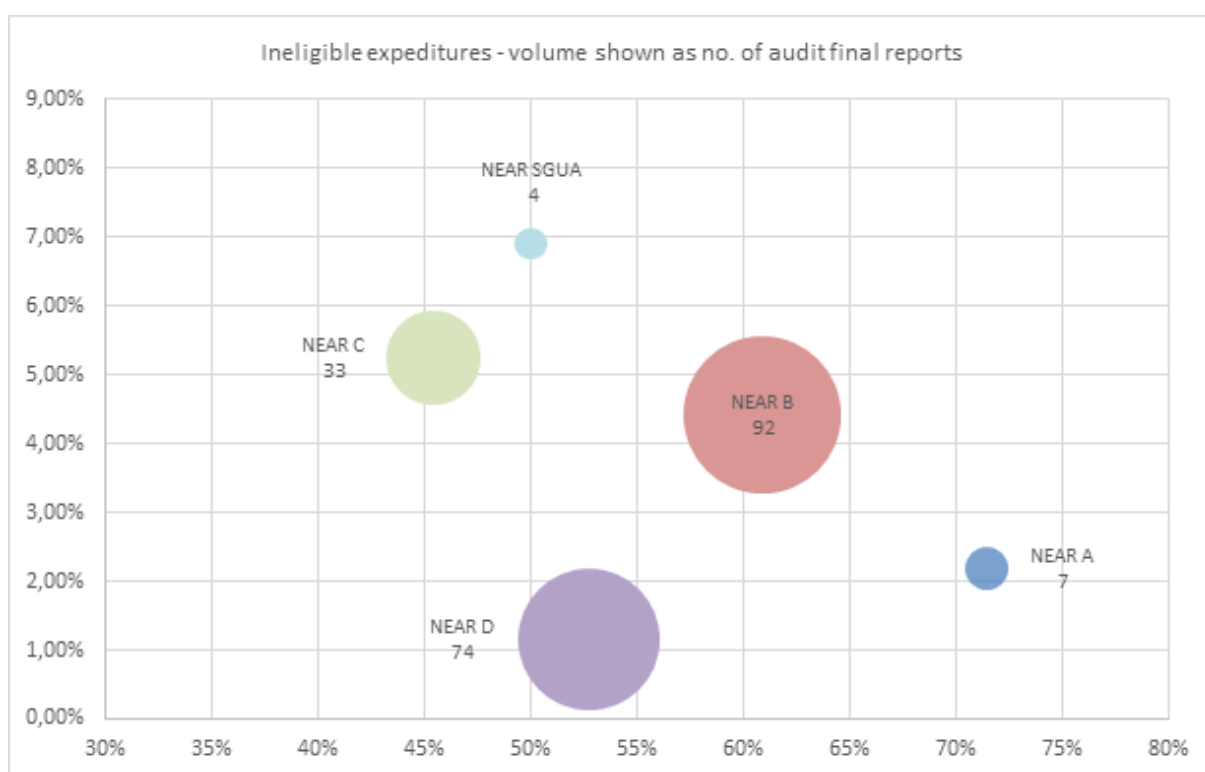
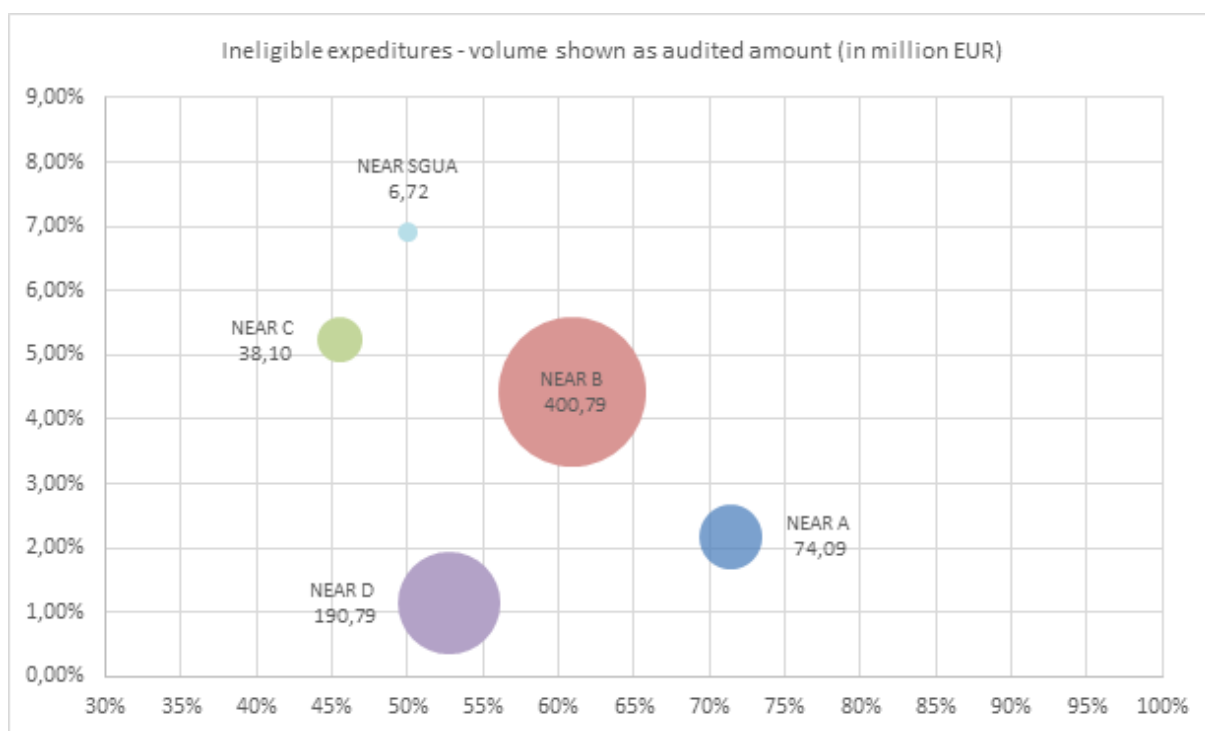


KPI 24 – Ineligible amounts identified by audits as a % of the audited amount

At NEAR level, 3.38% or EUR 24.01 million of audited expenditure was found to be ineligible, which is similar compared to the 3.30% or EUR 29.85 million of 2019. As shown in the table below, NEAR B has the largest audited amount and the largest ineligible expenditure found. Near D is the only entity which has scored below the set benchmark of 2%.

3.38%▲	NEAR A	NEAR B	NEAR C	NEAR D	NEAR SGUA	Total
KPI 24 audit ineligible	2.18%	4.43%	5.24%	1.15%	6.91%	3.38%
Ineligible expenditure (in M€)	1.61	17.75	2.00	2.19	0.47	24.01
Audited expenditure (in M€)	74.09	400.79	38.10	190.79	6.72	710.49

The graphs below show the performance of the Directorates with the y-as as the results of KPI 24 (i.e. ineligible amount as percentage of the audited amount) and the x-as the percentage of final audit reports with ineligible expenses. The sizes of the bubbles in the top graph represent the volume of the audited amounts in million EUR, while in the bottom graph the sizes are given by the number of final audit reports.



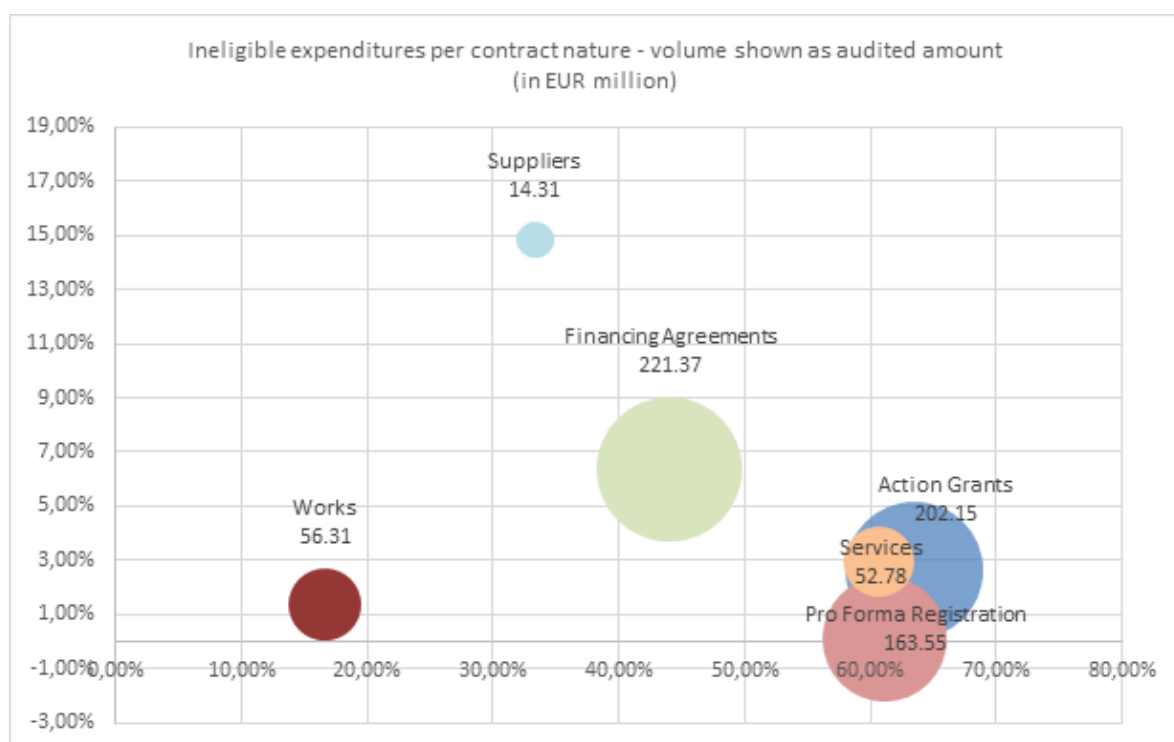
In 2020, Near SGUA has received four final audits on a total amount of EUR 6.72 million audited, identifying the highest percentage of ineligible amounts (6.91%).

Near B has received the largest number of final audit reports (i.e. 92), corresponding to more than EUR 400 million audited.

Even though Near D has lower than 2% ineligible amounts found, the Directorate has received 74 audit reports. Thus, this might imply that Near D has shown efforts in identifying ineligible amounts.

The graph below shows the results of KPI 24 per contract nature. Suppliers contracts have the highest percentage in terms of ineligible amount found compared to audited amount (i.e. 15%), while Pro Forma Registration contracts (0.1%) and Works contracts (1.36%) have the lowest percentage of ineligible amount found.

With regard to the number of audit reports, 63% of Action Grants audits have reported ineligible amounts, these followed by Pro Forma Registration contracts (61%) and Services contracts (61%); while Suppliers (33%) and Works (17%) contracts have the lowest rates.



The tables below show the TOP 10 Delegations based on the KPI result, amount of ineligible expenditures found and amount of audited expenditure. Overall, 13 out of the 22 Delegations have reached the benchmark value of at least 2%.

Palestine stands out in terms of volume of audited expenditure, amounting to EUR 162.49 million.

TOP 10 Delegations	KPI result	TOP 10 Delegations	Sum of ineligible amounts (in EUR million)	TOP 10 Delegations	Sum of audited expenditure (in EUR million)
North Macedonia	19.75%	Morocco	7.49	Palestine	162.49
Lebanon	18.05%	Egypt	3.85	Egypt	103.05
Morocco	15.75%	Algeria	2.21	Albania	79.41
Algeria	11.64%	Lebanon	1.94	Turkey	74.09
Syria	11.58%	Moldova	1.73	Morocco	47.52
Moldova	8.03%	Turkey	1.61	Bosnia & Herzegovina	46.21
Montenegro	8.02%	North Macedonia	0.85	Serbia	32.13
Ukraine	6.91%	Syria	0.77	Moldova	21.54
Tunisia	4.45%	Tunisia	0.74	Algeria	19.00
Egypt	3.74%	Ukraine	0.46	Tunisia	16.71

KPI 25 – % reduction of expired unclosed audits

All Directorates met the minimum target of 30% reduction.

47.56%	NEAR A	NEAR B	NEAR C	NEAR D	NEAR SGUA	Total
% reduction of expired unclosed audits	80.00%	35.16%	52.94%	63.16%	33.33%	47.56%
Expired audits closed in 2020	12	32	9	24	1	78
Expired audits on 1/1/2020	15	91	17	38	3	164

17 of the 19 Delegations (Azerbaijan, Belarus and Serbia do not have data for this KPI) reached the benchmark. The TOP 10 Delegations and the BOTTOM 10 Delegations in terms of KPI result and highest number of payments are presented in the table below.

TOP 10 Delegations	KPI result
Bosnia & Herzegovina	100.00%
Georgia	100.00%
Jordan	100.00%
Moldova	100.00%
North Macedonia	100.00%
Turkey	84.62%
Syria	75.00%
Morocco	54.55%
Albania	50.00%
Kosovo	50.00%

BOTTOM 10 Delegations	KPI result
Israel	0.00%
Lebanon	0.00%
Ukraine	33.33%
Palestine	33.33%
Egypt	33.33%
Armenia	33.33%
Algeria	46.67%
Tunisia	50.00%
Montenegro	50.00%
Kosovo	50.00%

7.3 Cost of controls

Breakdown of cost of controls ex ante/ex post

Title of the Relevant Control System (RCS)		Ex ante controls*			Ex post controls*			Total	
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		EC total costs	Total payments	Ratio (%) (a)/(b)	EC total costs	Total value verified and/or audited**	Ratio (%) (d)/(e)	EC total estimated cost of controls (a)+(d)	Ratio (%) (g)/(b)
RCS 1	Grants in Direct Management	16 185 599 €	749 276 950 €	2.2%	1 693 190 €	373 520 202 €	0.5%	17 878 790 €	2.4%
RCS 2	Procurement in Direct Management	12 001 527 €	308 444 364 €	3.9%	1 255 491 €	546 476 111 €	0.2%	13 257 018 €	4.3%
RCS 3	Budget Support	16 147 757 €	1 025 573 544 €	1.6%	1 689 232 €	380 713 710 €	0.4%	17 836 989 €	1.7%
RCS 4	Indirect Management with Beneficiary Countries	5 019 161 €	290 936 607 €	1.7%	525 059 €	277 831 318 €	0.2%	5 544 221 €	1.9%
RCS 5	Indirect Management with Entrusted Entities	26 656 337 €	1 542 835 465 €	1.7%	2 788 544 €	393 918 863 €	0.7%	29 444 881 €	1.9%
	Other: DG-horizontal control tasks not attributable to a single	5 034 426 €	221 689 020 €	2.3%	534 261 €	67 912 622 €	0.8%	5 568 687 €	2.5%
	OVERALL total estimated cost of control at EC level	81 044 808 €	4 138 755 950 €	2.0%	8 485 777 €	2 040 372 827 €	0.4%	89 530 585 €	2.2%

In line with previous years, DG NEAR assumes that ex ante control represents 90 % of total control and ex post 10 % in case it is not possible to attribute the costs to the phases. In particular, in DG NEAR the verification of expenditure is considered to be ex ante control, while only the RER study is considered ex-post. Cost of controls are attributed to each RCS using a weighting key - 80 (total payments)/ 20 (number of contracts) – in case a direct attribution cannot be performed. Tasks and costs not attributable to any RCS, such as overheads HR costs, have been attributed to Other.

7.4 European Court of Auditors

DAS 2019

*2019 Annual Report on Compliance – **Actions to address recommendation 8.3 “Strengthen DG NEAR’s, DG DEVCO’s, DG ECHO’s, DG CLIMA’s and FPI’s checks by identifying and preventing recurrent errors (e.g. lack of time-recording systems and charging ineligible VAT to EU-funded projects)”***

- DG NEAR has taken a number of measures, as part of the ongoing effort to reinforce checks and take action to prevent recurrent errors. These include: A new transaction sampling methodology pilot for IPA, starting on 01/09/2020. For HQ managed transactions, this provides clear guidance and a systematic approach to the selection of payments which will be subjected to further review. A risk-based approach is applied, with more error-prone transactions analysed in greater depth (e.g. procurement procedures, FSTP, exchange rate rules etc.). In cases where errors are detected, additional measures are put in place, such as extended sampling or a full audit. A standard template for the presentation of a detailed breakdown of expenditure was designed and communicated to grant beneficiaries, facilitating early detection of the most frequent errors types. These measures have been limited, during an initial pilot phase, to IPA transactions. Wider DG rollout is foreseen, pending an internal assessment of the pilot.
- Enhanced engagement with beneficiaries, by holding information sessions with potential beneficiaries of calls for proposals, as well as subsequent kick-off meetings with those selected. These have a preventive focus, outlining the conditions of a grant contract and sharing best practices among participants. These meetings were attended by a high number of participants.
- Enhanced early scrutiny of the financial capacity of grant beneficiaries at the *Call for Proposals* stage and, for direct grant awards, during the *Quality Review Stage*, prior to Financing Decisions. Where weaknesses are identified, mitigation measures are applied, including, inter-alia, reduced reporting periods, conditional pre-financing, extension of liability from coordinator to all co-applicants, guarantees, etc.
- Actions to enhance training/outreach/awareness of staff in HQ and EU Delegations, in the form of seminars, online sessions, and the circulation of notes aiming to reduce errors and boost detection capabilities. This includes:
 - A dedicated session with IPA Heads of FCA Section, including a presentation of the RER findings and the most frequent error types.
 - Training for operational units, on grant contract preparation and management and on PAGODA and Contribution Agreements, aiming to enhance their understanding of contractual requirements and better equip them for discussions with grant beneficiaries
 - Notes and other communications drawing attention to the principles and methodology regarding suspension of invoices, the requirements for obtaining supporting documents, on a sample basis, at least once during the lifetime of all grant contracts, as well as on encoding of information in ABAC in indirect management with partner countries under partial delegation.

- Specific actions targeting audit task managers (ATMs), including a workshop covering assurance, risk assessment and control planning. In addition, newly updated guidelines for ATMs have been issued, which will allow for the standardisation and streamlining of verification management across the DG.

Performance audits

During 2020, four performance audits involving DG NEAR were launched and/or were in progress. DG NEAR was in the lead for 'EU support to fight grand corruption in Ukraine' and 'Rule of law in the Western Balkans'. DG NEAR was associated service for 'EU Migrant return policy – cooperation with third countries on readmission' and 'The Commission's management of services provided by external consultants'. The European Court of Auditors did not publish any special reports in 2020 where DG NEAR was an auditee.

EU support to fight grand corruption in Ukraine

As one of the largest countries bordering the EU and one of the main beneficiaries of the EU neighbourhood policy, the European Court of Auditors decided to launch a performance audit on Ukraine. The task seeks to analyse the relevance and assess the effectiveness of EU actions to tackle the root causes of corruption in Ukraine, with a particular focus on grand corruption. The ECA's work involves a review of the conditions of the Association Agreement between the EU and Ukraine, the visa liberalisation, the macro-financial assistance, the political and policy dialogue and a selection of relevant projects from the major instruments to address corruption. The audit covers the implementation period 2016-2019. During 2020, the Commission has been facilitating the ECA's work at the preliminary, planning, and fieldwork stages of their audit. The publication of the ECA's Special Report is foreseen for Q3 2021.

Rule of law in the Western Balkans

Building on the region's candidate and potential candidate status, the ECA is undertaking a performance audit, which will examine whether the EU support to the Western Balkans has effectively contributed to the improvement of the Rule of Law, a key conditions for EU accession. The ECA's work will examine various aspects, including the appropriateness of the support's design, its use and the sustainability and results achieved, covering all partners in the region (Albania, North Macedonia, Montenegro, Serbia, Bosnia and Herzegovina and Kosovo). During 2020, the Commission has been facilitating the ECA's work at the preliminary, planning, and fieldwork stages of their audit. The publication of the ECA's Special Report is foreseen for Q3 2021.

'EU Migrant return policy – cooperation with third countries on readmission'

In 2020, the European Court of Auditors launched a performance audit on EU Migrant return policy, building on its previous work in the field of migration. This audit aims to assess the progress made by the EU, since 2015, in developing the framework for readmission of irregular migrants to third countries, its effective implementation and whether the EU has succeeded in enhancing cooperation. The ECA's work will examine the processes of identifying and negotiating with priority countries, the tools, incentives and

support provided and subsequent monitoring. During 2020, the Commission has been facilitating the ECA's work at the preliminary, planning, and fieldwork stages of their audit. The publication of the ECA's Special Report is foreseen for Q3 2021.

'The Commission's management of services provided by external consultants'

The ECA launched a new performance audit in the final quarter of 2020, with a focus on the Commission's use of external consultants. As part of this, the ECA plan to review the internal regulatory framework governing consultancy services, as well as how the Commission uses the outputs of these services. During 2020, the Commission has been facilitating the ECA's work at the preliminary stage of their audit. Further work will continue on this audit throughout 2021.

7.5 IAS audits – overview of the open very important recommendations

I. Audit on Neighbourhood Investment Facility & Western Balkans Investment Facility in DG NEAR

The final report was issued in December 2018 and included eight recommendations, out of which two were rated as very important. Following review by the IAS of the implemented action plan, the IAS assessed two very important recommendations as not fully addressed by DG NEAR. The remaining actions to address them are expected to be completed by July 2021.

In particular, some actions leading to the revision of the WBIF architecture and relating rules of procedure were on hold until adoption of the next Multi-annual financial framework, adopted in December 2020.

Recommendation n. 7:

- a) Propose a revision of the WBIF Rules of Procedure to ensure that the authority and responsibility of all the actors involved in the WBIF reporting process are clearly defined.*
- b) Within the framework of the upcoming revision of the WBIF architecture, reassess the scope of the monitoring responsibilities of the WBIF Secretariat regarding the actions under the WBIF umbrella such as WB-EDIF and REEP and revise the WBIF Rules of procedure, if necessary.*
- e) Clarify within the AAR the scope of the management declaration and ensure that the declarations provided by the partner IFIs are in compliance with the contractual arrangement i.e. adequately cover the WBIF contributions to the EWBJF and all ongoing individual EWBJF grants.*

DG NEAR justification for the delay in the implementation of actions

7a) and 7b): the legal framework can only be updated after adoption of the IPA III regulation. Therefore, the new WBIF legal framework is expected to be approved by a WBIF Strategic Board towards the end of 2021.

7e): the new management declarations and updated side letters provide information on the list of actions, minimum financial information or copies of the annual implementation reports. These declaration are submitted annually, according to the agreement reached by the Commission with each IFI at the corporate level.

Recommendation n. 8:

- a) Revise the guidelines on the preparation of the grant application form (GAF) to clarify when the payment schedules for the grants to be funded by the EWBJF should be prepared and ensure that this information is included in the approved GAFs available in MIS.*
- b) Ensure that in the future the payments under WB-EDIF (Enterprise Development and Innovation Facility) equity funds are based on adequate disbursement forecasts to avoid excessive amounts of unused funds.*
- c) Propose to the WBIF Steering Committee a revision of the General Conditions of the EWBJF (European Western Balkans Joint Fund) to clearly define the rules for the calculation of the fees due in the case of cancelled or partially implemented grants.*
- d) Request the EBRD to provide regular financial information (annual financial summary) that allows adequate monitoring of the commitments and disbursements at project level, as well as of the fees due and paid.*
- e) Analyse the open pre-financing and perform the clearing as appropriate.*

Action taken by DG NEAR:

8a): action implemented in January 2021, with the update of the Guidelines for filling the applications and publication online <http://www.wbif.eu>

8b): the recommendation is taken into account in the programming of their phase II that will be launched in the second half of 2021. The disbursement forecast for successor equity funds ENIF II and ENEF II was discussed with EIF and EBRD based on the recommendation. As a result, the EU contribution will only be paid in instalments, to respond to the adequate needs of the fund and respective calls for funds. There will not be 100% pre-financing of the EU investment.

8c): the revision of the General Conditions of the European Western Balkans Joint Fund will be done at the end of 2021, in conjunction with the updating of the WBIF legal framework.

8d): EBRD provides information in line with the WBIF General Conditions. In addition, from 2020 onwards, the IFI's annual reporting on the project level include financial summaries to allow for adequate monitoring of commitments and disbursements at project level.

8e): the action has been implemented. All open pre-financing that can be reasonably recognised as cost was analysed and accepted.

II. Audit on Annual Audit Plans in DG NEAR

The final report of this IAS audit was issued in December 2019. It included three recommendations, of which two very important. DG NEAR has implemented almost all the actions to address these recommendations, and only two actions remain outstanding. They are expected to be fully implemented by May 2021.

Recommendation n. 2:

Issue guidance to staff on other possible follow-up actions based on the type and the seriousness of the findings (e.g. meetings with the beneficiary to discuss the findings, increasing the probability of the 'legality and regularity' risk factor in the risk assessment of other contracts with the same beneficiary/contractor, including more audits on the same beneficiary in the annual audit plan, alerting other EU Delegations/Headquarters, verifying

and taking into account the information available in the Audit module on past audits during the establishment of annual audit plans).

This action will be fully implemented by including in the relevant section of the Manual of Procedures (MAP) information on follow-up on non-financial findings. The target date for completion is mid-April 2021.

Recommendation n. 3:

Revise/complement the current key performance indicators/targets in cooperation with the DG INTPA to ensure that they are relevant. This should be achieved by:

- focussing on the number of approved final reports rather than on intermediate outputs (audits contracted, draft reports received);*
- establishing more ambitious targets to ensure full completion of the annual audit plan within the three-year implementation timeframe;*
- expanding monitoring until the full completion of the annual audit plan in case it is not achieved within the three years;*
- considering dropping the target for key performance indicator 25 as it out of control of the Commission staff and prone to misinterpretation;*
- correctly report on the achievement of key performance indicators in its annual activity report.*

The evidence of the implementation of these actions are included in this AAR 2020 (more specifically, analysis of KPI-related indicators). As agreed with the IAS, to focus on the number of approved final reports, two indicators without targets (not KPIs) for the measurement of receipt of final audit reports for years N and N-1 will be introduced and applied as of 2021. These indicators address the concern of the IAS that the implementation of the full audit cycle should be covered. Both indicators are functional.

III. Audit on pillar assessment in the external action family

The final report of this IAS audit was issued in January 2021. It includes one critical and three very important recommendations to DG NEAR. The action plan to address these recommendations has been adopted by DG NEAR in February 2021, its implementation should be completed by March 2022, but the actions to address the critical recommendation should already be completed by June 2021.

Recommendation n.4:

- remove from the Manual of Procedures incorrect/outdated information as well as align the terminology with that used in the Financial Regulation and the terms of reference for pillar assessment so that it may be relied on until comprehensive corporate guidance is available;*
- update the assignments of responsibilities for all pillar assessment related tasks.*

Recommendation n.14:

- set out the responsibilities for the monitoring of the communication of the substantive changes by the entities, the analysis of these changes and the identification of additional measures, when relevant. Once the system/procedures are introduced by*

Directorate-General for Budget, the Directorate-General for Neighbourhood and Enlargement Negotiations should implement them effectively.

Recommendation n.24:

- *better substantiate the decision to contract directly a pillar assessment instead of relying on the entity contracting it, when applicable;*
- *effectively use the possibilities at its disposal (e.g. participation in meetings, review of draft reports (their compliance with terms of reference, completeness, quality) to ensure that pillar assessments are of a good quality and may be relied on for taking an informed decision on entrusting budget implementation tasks under indirect management;*
- *adequately document the pillar assessment review process;*
- *communicate correctly and timely the outcome of the pillar assessment, including the supervisory measures when applicable, to the pillar-assessed entity and to other Commission Services;*
- *monitor the implementation of the roadmap to pillar compliance and systematically review the relevance and sufficiency of the established supervisory measures.*

7.6 Reports on Financial Management and Internal Control

The main reports produced are the following:

- Monthly financial reports;
- The Management Plan 2020 of the Directorate General;
- The Management Plan 2020 of the Delegations;
- Reports by the Authorising Officers by Sub-Delegation (AOSD) made at year end (by Directors to the Director General), detailing the results of Key Performance Indicators (KPIs) in HQ as well as a summary of KPIs in the Delegations under the responsibility of the AOSDs. This report also includes the statement of assurance signed by each Director, in addition to information about significant control weaknesses or other key issues;
- The External Assistance Management Reports (EAMRs) produced by the delegations, with the statement of assurance signed by each Head of Delegation. As per Financial Regulation, this statement includes information on the efficiency and effectiveness of the internal control systems put in place in the Delegations, as well as information on the management of the operations sub delegated to them, thus providing their assurance to the relevant Director in accordance with the sub delegation received;
- The AOSD report of the EU Trust Fund in response to the Syrian Crisis and North of Africa window of the EU Emergency Trust Fund for Africa;
- The reports from authorising officers in other DGs managing budget appropriations via cross sub delegations;
- Ad hoc reports from the Management Information System (MIS) (on risk assessment, financial forecasts);
- The ICS inventory of findings and recommendations for Indirect Management with Beneficiary Countries (IMBC) in support of the decision of entrustment;

- The management declarations, reports, and control results from management/audit authorities under IMBC;
- The reports on control results from management authorities for Cross Border Cooperation (CBC) programmes implemented under shared management;
- Pillar assessment reports: International Organisations and National Agencies need to pass pillar assessments, pursuant to the Financial Regulation to be able to sign delegation agreements under indirect management. These assessments to check whether the European Commission can entrust budget implementation tasks to entities that demonstrate a level of financial management and protection of the EU's financial interest equivalent to that of the Commission;
- Management declarations from International Organisations and Member States agencies; annual reports and progress reports for financial instruments;
- Supervision mission reports on Delegations visited during the year;
- Follow-up of supervision mission performed in the year(s) before;
- The observations and recommendations reported by the ECA and the IAS;
- The 2020 RER study;
- The contribution by the Director in charge of Risk Management and Internal Control (RMIC), including the results of internal control monitoring at the DG level;
- The reports on recorded exceptions, non-compliance events and any cases of 'confirmation of instructions' (Art 92.3 Financial Regulation);
- The report on OLAF cases and on the implementation of the DG Anti-Fraud Strategy to the Commissioner, to the DG and to senior management;
- The report on the implementation of OLAF financial recommendations to OLAF and DG BUDG;
- Periodic reporting on the implementation of the action plans for AAR reservations, from the DG Risk Register and in relation to previous internal control deficiencies;
- Accounting Officer's reports on the validation of local financial management systems;
- The limited conclusion of the Internal Auditor on the state of internal control and the observations and recommendations reported by the Internal Audit Service (IAS);
- The mid-year internal control assessment issued by the Director RMIC.

7.7. Results of the control and risk analysis for the relevant control systems (RCSs)

The section below provides further details about the results in terms of control and risk analysis for the relevant control systems (RCS).

A. Direct Management

Under Direct Management, funds are channelled to the final recipients through contracts signed directly by the Commission as the contracting authority. Under Direct Management, the control environments are Grants in Direct Management (RCS 1); Procurement in Direct Management (RCS 2); Budget Support (RCS 3). In addition, the Pegase mechanism to channel Direct Financial Support to the Palestinian institutions includes a specific set of **controls, which has been reviewed in recent years by ECA.**

RCS 1: Grants in Direct Management

The control results and risk analysis are described in section 2.1 of the AAR.

RCS 2: Procurement in Direct Management

Control results and risk analysis:

- Contractual procedures are transparent, well established, and main contractors are very familiar with them.
- Review of the results of ECA reports of recent years shows that procurement operations have a rather low risk.
- This is confirmed by the result of the 2020 RER study, which identified very few errors in procurement contracts.
- The 2020 RER calculated for this RCS is 0.26%.

Based on the above elements, DG NEAR assessed the level of **risk associated with procurement contracts in Direct Management** as **LOW**.

RCS 3: Budget Support in Direct Management

Control results and risk analysis:

- Review of the results of recent ECA reports shows that budget support operations have a very low risk. This is confirmed by the result of the 2020 RER study: the 2020 RER calculated for this RCS is 0 %.
- The system of ex ante controls, including the high-level steering mechanism put in place by DG NEAR for Budget Support operations, which prevents any disbursement from being made unless all required pre-conditions and targets have been met by the Beneficiary Countries, significantly reduces the risk associated with these transactions.

Based on the above elements, DG NEAR assessed the level of **risk associated with Budget Support operations** as **LOW**. This is consistent with previous ECA reports stating that the nature of the instrument and of the payment conditions limit the extent to which Budget Support transactions are prone to errors.

B. Indirect Management

Under indirect management, the final recipient receives EU funds through a contract signed with an intermediary to whom the Commission has entrusted the tasks of selecting the final recipients and managing the resulting contracts (so-called budget-implementation tasks). The recipient is either an Indirect Management Entrusted Entity (IMEE), such as an International Organisation or Member State Agency; or an Indirect Management Beneficiary Country (IMBC). It is important to mention that under the ENI instrument, the entrustment to a beneficiary is only partial, as contracts are endorsed and payments are still made directly by the Commission - while for IPA the entrustment is full, including payments. The significant control environments identified and described below are those of IMBC in the IPA zone (RCS 4) and IMEE (RCS 5).

RCS 4: Indirect management with IPA beneficiary countries

Control results and risk analysis:

- The 2020 RER study includes a representative sample of IPA transactions under IMBC. The result of the study shows a total RER of 1.50%.
- DG NEAR receives annual management declarations, annual audit activity reports and annual audit opinions from all IPA beneficiary countries⁶⁴.
- In order to safeguard the financial interest of the Commission, the internal control systems of all IPA beneficiary countries are assessed annually by DG NEAR to support the entrustment decisions.
- In 2020 there were full ex ante controls by the EU Delegations over procurement and grant procedures managed under IMBC.
- In 2020, all IMBC verification missions were conducted through desk reviews and videoconferences.

Based on the above elements, the level of **risk associated with operations in Indirect Management with IPA Beneficiary Countries** is assessed by DG NEAR as **LOW**.

RCS 5: Indirect management with entrusted entities

Control results and risk analysis:

- The RER study includes a representative sample of IMEE transactions.
- DG NEAR received annual management declarations at project level⁶⁵ from the entities it works with under indirect management, unless the latter have agreed with the Commission to send an Annual Management Declaration covering all contracts implemented in the previous year. The 2020 RER calculated for this RCS is 1.73%.

A key factor when assessing DG NEAR's relationship with International Organisations are certain peculiarities in the field of financial and operational reporting. Reports submitted by some IOs do not necessarily allow for an in-depth assessment of the reported expenditure, due to differences (identified and acknowledged through the positive assessment of the relevant pillars) between the accounting systems and costs structure of these organisations and those of the Commission.

In 2020, DG NEAR launched the assessment of the implementation of the remedial actions put in place by NATO to address the shortcomings identified by the auditors who carried out the pillar assessment in 2018. The final report is expected by mid-2021. The additional supervisory measures by DG NEAR, as defined at the signature of the delegation agreement, are in place and will continue to apply until the auditors confirm full

⁶⁴ All the documents received cover the year 2020.

⁶⁵ Delegation Agreements contain the obligation to provide a Management Declaration following the template annexed to the contract with every report. However, it is possible to agree with the Commission to send annually the Management Declaration covering all the agreements signed with the Commission. In this case, the organisation sends within the year n (this could be either the calendar year or the financial year of the organisation) the Annual Management Declaration for year n-1 covering all contracts implemented in that year. This Management Declaration is valid until the end of year n+1, i.e. it serves as the Management Declaration for payment requests/reports submitted until this point in time.

implementation of the remedial actions. No further payments will be made before that date.

Based on the above elements, DG NEAR assessed the level of **risk associated to operations in Indirect Management with International Organisations and Member States' Agencies** as **MODERATE**. To reduce this risk, DG NEAR puts in place the following measures:

- Continue clarifying and simplifying rules, procedures, agreement templates, and framework agreements that apply to its relations with IOs. As of April 2020, the ToR for verifications of IOs were streamlined and unified with those for expenditure verification of grants and service contracts.
- Remain involved in a global assessment of terms of reference and verification missions with all UN Agencies and other External Actions DGs to implement the verification clause as set in the new FAFA⁶⁶. A Common Understanding on the use of verification ToRs, clarifying the sampling procedures and supporting documents, also entered into force as of April.
- Undertake regular in-house analysis of non-financial findings stemming from verification missions to international organisations.

C. Expenditure not covered by a specific RCS

Pegase

The protracted crisis situation linked to the stagnation of the Middle East Peace Process continues to require specific temporary support measures to contribute to maintaining the viability of the two-state solution. One measure is the PEGASE Direct Financial Support (DFS) programme, designed to support the building of a Palestinian state in a highly secured and controlled way. The programme helps the Palestinian Authority (PA) in the delivery of essential public services to the Palestinian population.

Through PEGASE, the EU has contributed substantially to the recurrent expenditure of the PA national budget, with systematic, predictable and unconditional contributions.

PEGASE is mainly active in three areas, namely:

- Contribution to the payment of salaries and pensions to the PA civil servants in Palestine (West Bank and Gaza Strip) - (PEGASE "Civil Servants and Pensioners" (CSP) window). A part of this amount will only be disbursed if the PA meets agreed benchmarks for reforms.
- Contribution to the provision of social allowances to poor and vulnerable families in the West Bank and the Gaza Strip (PEGASE Cash Transfer Programme (CTP) window).
- Contribution to the payment of invoices of six East Jerusalem hospitals to which the Ministry of Health refers medical cases for the provision of specialised health care services (PEGASE "East Jerusalem hospitals" (EJH) window).

⁶⁶ Financial and Administrative Framework Agreement.

The European Commission also uses PEGASE to support the resilience of the Palestinian agricultural and industrial sectors, in both the West Bank and Gaza.

Rigorous safeguard systems are in place to ensure the efficient, effective and predictable support to Palestinians, while protecting the interests of donors participating in PEGASE by ensuring that funds are disbursed with full transparency and accountability. Payments to final beneficiaries (i.e. civil servants, pensioners, poor families, hospitals) are made by the PA after the prior authorisation of the Commission. To this end, robust ex ante verifications are carried out including in-depth screenings to identify eligible beneficiaries and/or invoices based on prior agreed eligibility criteria. Ex post control activities confirm that funds have been duly disbursed to the eligible beneficiaries.

Every payment made by the European Commission, e.g. to support the payment of salaries or of pensions, of the social allowances or of the referrals' bills for the East Jerusalem Hospital, is accompanied by a financial contribution of the Palestinian Authority.

Following a recommendation issued by the European Court of Auditors, in 2018 the EU started applying a system of incentives to PEGASE CSP, specifically by linking part of the disbursements to real progress by the PA on public finance management reform, or other key policy areas jointly agreed by the PA and the EU.

Shared Management

Shared management applies to the Neighbourhood cross-border cooperation (CBC) programmes. In January 2020, the ongoing programmes under ENI were transferred to DG Regional and Urban Policy, The previous programmes under ENPI are being closed, hence only clearings were carried out in 2020 (not payments).

The assurance over the legality and regularity of operations that are conducted by Member States designated authorities, in accordance with their own rules, is built on work carried out at two levels:

- At Joint Managing Authority level, the daily control framework includes ex ante financial verifications before declaring expenditure eligible and follow up of audits by external auditors. The annual report is audited by the national audit authority of the host country.
- At Commission level, the analysis is based on National Authority system audit reports; Audit Authority opinion on the annual accounts; relevant information from ECA and OLAF, any other information, formal or informal, acquired by the Commission in the context of day-to-day management of the programmes.

Based on the above elements, DG NEAR assessed the level of **risk associated to CBC operations** as **LOW**.

DG NEAR contribution to the EU Trust Fund - Syria

The Director General of DG NEAR is Delegated Authorising Officer for the EU Regional Trust Fund in Response to the Syrian Crisis. Related activities and expenditure are therefore reported in the Annual Activity Report of DG NEAR and covered by the Declaration

of Assurance signed by the Director-General. He also receives a cross sub-delegation from DG DEVCO for the North of Africa window of the EU Emergency Trust Fund for Africa.

The Commission retains full responsibility for the establishment and the management of EU Trust Funds (TF) for external actions; it sets up the TF and chairs its board (composed of representatives of the Commission and of the donors).

The TFs are managed in full compliance with the applicable provisions of the Financial Regulation, and in particular the principles of sound financial management, transparency, proportionality, non-discrimination and equal treatment.

The EU TFs operate in the general system of internal control defined by the Commission. The rules and procedures developed by DG NEAR for the management and implementation of its operations are equally applicable to the EUTF⁶⁷.

Once approved by the Operational Board, actions are implemented in accordance with the implementing procedures provided for in the applicable Commission rules and regulations. The TFs' accounts are subject to an annual external audit.

The TF Managers take into account reports and recommendations of the different control bodies, notably the IAS and ECA, to provide an assessment of the effectiveness of risk management, control and governance processes, in addition to the results of the audits carried out at the level of contractors/beneficiaries.

⁶⁷ As detailed in the breakdown of payments made by DG NEAR in 2020, a large proportion of the EU TF Madad is implemented through Indirect Management with Entrusted Entities (75%) and Direct Management - grants (19%).

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

This Annex provides more details on AAR Section 2.1.3.

The DG has assessed the effectiveness of the internal control system following the methodology established in the "Implementation Guide of the Internal Control Framework of the Commission" to ascertain whether the internal control systems and their components are present and functioning. The purpose of this assessment is to provide reasonable assurance that the internal control principles (ICP) adopted by the Commission are implemented and functioning in the DG, that the assessment's findings are evaluated and that any deficiencies are communicated and corrected in a timely manner, with serious matters reported as appropriate.

In particular, the assessment of effectiveness of the internal control systems has been carried out based on several sources (self-assessment, analysis of exceptions and non-compliance events, risk assessment, relevant audit results, any AAR reservations and any overdue/open very important/critical IAS recommendations, etc.), as detailed in section B, while the conclusions of the assessment are reported in section A below, in line with section 2.1.3 of the AAR body.

A. Conclusions of the assessment of the internal control systems

DG NEAR has assessed its internal control system during the reporting year and has concluded that it is partially effective, as internal control principles 10 and 12 need major improvements, which could have a significant impact on the assurance.

In particular, a combination of **major** and **minor** deficiencies affected the following principles:

ICP 10 The Commission selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels

RER Grants: The results of the 2020 RER study show that, while the overall rate for the DG and for four relevant control systems remains low, the RER for grants in direct management is above 2%. A corresponding significant risk in terms of legality and regularity has also been included in the DG risk register. **The level of the error rate for grants in direct management leads to a reservation in this AAR.** More details are provided in section 2.1.1 of the AAR body.

Critical risks linked to COVID-19: Two critical risks linked to COVID-19 with a potential impact on performance have been identified in the DG risk assessment exercise. In addition, a significant risk in terms of legality and regularity was also identified. These risks are closely monitored and mitigating actions are in place. No significant issues have materialised during 2020.

Opsys: There have been difficulties with the implementation of Opsys, as this new tool was at times unstable, not meeting user expectations and requiring frequent interventions from INTPA and DIGIT support teams. A related significant risk has been identified in the DG risk assessment exercise.

Sensitive functions: The overall approach to sensitive functions in DG NEAR was reviewed following new guidance at Commission level. DG NEAR conducted an overall risk assessment, leading to a streamlined consistent identification of sensitive functions in the DG, covering HQ and Delegations. In 2020, the mandatory mobility required for sensitive functions has not been ensured in 10 cases, for which derogations have been granted because of the delayed DG reorganisation.

ICP 12 The Commission deploys control activities through corporate policies that establish what is expected and in procedures that put policies into action

Syria and Libya: In the DG risk register, there is a (critical) risk of lack of legality/regularity of expenditure linked to projects in these two countries. DG NEAR is not in a position to perform all the checks needed due to the enduring instability/volatility in the countries and the lack of access to documents, which prevents proper monitoring/evaluation. In case major deficiencies are discovered, this might also create a reputational risk. **The constraints on adequately monitoring projects in these two countries lead to a reservation in this AAR.**

IAS critical or very important recommendations: The critical (one) and very important (seven) open IAS recommendations concern:

- Pillar Assessment (report issued at the beginning of 2021) and the system put in place by the Commission to manage this process (legal basis, coordination among services and actual implementation by individual services). Four – one critical and three very important – recommendations have been addressed to DG NEAR.
- the Annual Audit Plans (final report issued in December 2019). Two very important IAS recommendations are still open, actions are in progress to ensure their closure within the updated deadlines.
- the Neighbourhood Investment Facility and Western Balkans Investment Facility (final report issued in December 2018). Two very important IAS recommendations, which NEAR considered closed, have been reopened by the IAS in 2020, with new deadlines and further actions in progress.

More details are provided in section 2.1.2 of the AAR body .

Supervision missions: The COVID-19 related travel restrictions and country specific situations (Belarus and Lebanon) limited the internal control possibilities through supervision missions (only 2 out of 6 could be implemented) and some Neighbourhood (ENI) Delegations will not be visited according to the frequency defined by the NEAR Supervision Mission Manual (which was adopted in 2019) . However, other measures are in place to supervise and monitor the activities performed in the Delegations so there is no major impact in terms of assurance. These measures will be continued and reinforced in 2021, such as the following on:

- programming: quality review of programming, policy dialogue and adaptation of the programmes to the countries' circumstances;
- performance monitoring: regular follow-up of the KPI dashboard, systematic monitoring of the implementation of assistance programmes, enhanced monitoring on large commitments, regular portfolio reviews, follow-up of the implementation of Delegations action plans;
- providing support: specific instructions or notes to the Delegations, support through helpdesk,
- general supervision of activities: regular videoconferences (VTCs) with EUDs.

In addition, for some Delegations the risks are low, since they manage a limited portfolio or have been subject to visits from the EEAS or from other control authorities (e.g. ECA); therefore, the frequency has also been adapted in order to avoid an excessive control burden. Finally, no major issues have been flagged by the Geographical Directorates or Delegations in the implementation of the action plans established for the missions completed in previous years.

In addition, some minor improvements are also needed to internal control principles 5, 8 and 15, where **minor deficiencies** were identified.

ICP 5 The Commission holds individuals accountable for their internal control responsibilities in the pursuit of objectives

The minor deficiency stems from the lack of specialised expertise in the new financial instruments/ guarantees/ loans.

ICP 8 The Commission considers the potential for fraud in assessing risks to the achievement of objectives

The minor deficiency stems from some delays in the assessment of OLAF reports.

ICP 15 The Commission communicates with external parties about matters affecting the functioning of internal control

The minor deficiency is linked to a critical risk identified in the DG risk register in relation to misinformation and hostile communication on EU policies, objectives and actions.

For all other aspects, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated; and necessary improvements are being implemented.

The improvements and/or measures to remediate the major deficiencies are described in section 2.1.3 of the AAR body. Other minor deficiencies will be addressed through specific actions.

B. 2020 assessment of the internal control systems

The annual assessment of effectiveness of the internal control systems has been carried out based on the following sources.

1. Self-assessment by the DG

✓ Review of the selected internal control monitoring criteria (ICMC)

The selection of ICMC was revised during 2020 and 45 criteria were identified for monitoring the effectiveness of the internal control system of the DG. The criteria are consistent with the indicators in terms of sound financial management and fraud risk management in the Annual Management Plan (AMP) and have been peer reviewed by central services. The 2020 review of the selected ICMC led to the identification of some of the deficiencies highlighted above.

✓ Overall results achieved in terms of KPIs

Some Key Performance Indicators (10) are included as Internal Control Monitoring Criteria. The results achieved by the other 15 Key Performance Indicators adopted by DG NEAR did not result in the identification of any control deficiency.

✓ EAMR/ AOSD Reports of EU Delegations and HQ Directorates

All the annual reports issued by Authorising Officers by sub-delegation in the EU Delegations and in HQ Directorates have been analysed. With the exception of the deficiency linked to the monitoring of projects in Syria and Libya, no other significant control weaknesses were reported..

✓ Survey on Internal Control for Delegations

The results of the survey on Internal Control addressed to the Delegations by the European External Action Service have also been analysed. No significant control deficiency has been identified.

✓ Risk assessment

In 2020, DG NEAR updated its risk register, based also on a specific risk assessment exercise focused on the COVID-19 related risks. A general risk assessment was conducted at the end of 2020 and no new critical risks were identified. In total, 15 risks were identified:

- five critical;
- ten significant.

All risks are closely monitored and mitigating actions are included in the related action plans.

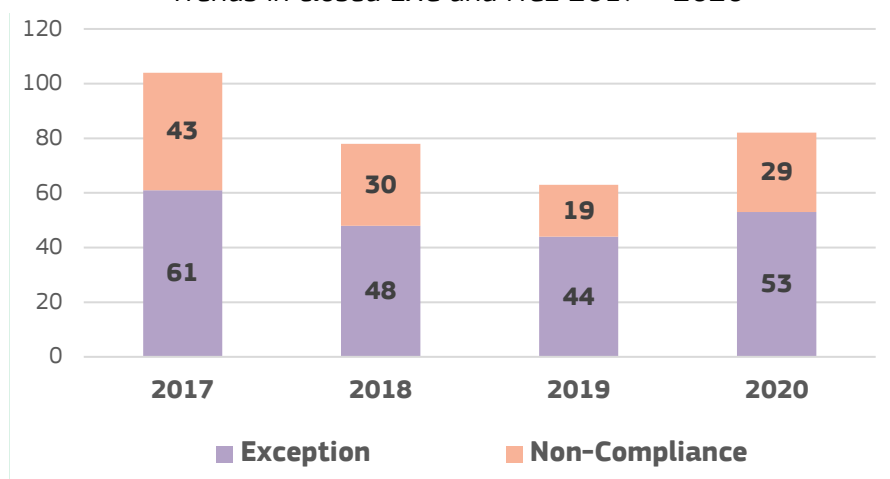
2. Exceptions, non-compliance events and confirmations of instruction

In 2020, overall 82 non-compliance events (NCE) and exceptions (EXC) were approved in DG NEAR. Details are included in the tables below.

EXC and NCE 2020 – Distribution by domain

Domain	EXC	NCE	TOT
ENI	26	9	35
ENPI	1	3	4
EUTF MADAD	2	8	10
IPA	22	9	31
NEAR-CS⁶⁸ or TS⁶⁹	2		2
Total	53	29	82

Trends in closed EXC and NCE 2017 – 2020



Despite the impact of COVID-19, the numbers of EXC and NCE increased only slightly in 2020 compared to 2019 and are in line with the previous years. In general, these trends might not only reflect the actual occurrence of EXC and NCE but also potential changes in the approach toward their recording (e.g. change of rules, evolution of the internal control culture, etc.). Therefore, an increasing trend is not necessarily negative.

Further analysis showed that nine events (2 NCE and 7 EXC), mostly related to IPA (6), are directly related to the COVID-19 crisis or measures (e.g. for urgent delivery of medical equipment). Close monitoring of the COVID-19 impact will continue. In addition, other events were due to the adaptation of the Contribution Agreement template to specific situations (e.g. Financial Instruments). The remaining events are isolated errors and do not point to any pattern or to any particular internal control weaknesses that would require dedicated corrective actions.

⁶⁸ NEAR Common Strategy.

⁶⁹ NEAR Thematic Strategy.

3. Ongoing monitoring of the implementation of control and anti-fraud strategies

✓ RER (Residual Error Rate) Study

The 2020 RER study has been completed as planned, through desk reviews and remote meetings, but also through fieldwork, depending on the local measures in place.

The study concluded that the DG NEAR global residual error rate is below 2%. While the overall rate for the DG and for four relevant control systems remain low, the RER for grants in direct management is above 2%. This major control deficiency has an impact on ICP 10 for direct management grants, leading to a reservation and requiring the implementation of additional mitigating measures in the course of 2021 (as envisaged in the action plan for the reservation).

✓ Supervision missions

Due to the COVID-19 related travel restrictions, a temporary methodology was set out in May 2020 allowing to complete supervision missions through online/ remote desk-reviews in order to provide sufficient assurance to the Directors and the DG as a whole.

Two supervision missions took place (one field mission and one remote) and their reports confirmed a satisfactory level of regularity checks and compliance with financial regulations and internal rules and procedures. No significant control deficiency has been detected.

Four other missions (two for Enlargement and two for Neighbourhood Delegations) were postponed to 2021. The overall reshuffling was absorbed in the multi-annual perspective for the Enlargement (IPA) Delegations, which will be visited every two or three years as recommended by the NEAR Supervision Mission Manual. However, the average number of years between visits for the Neighbourhood (ENI) Delegations will be around 5 years (the recommended frequency established in 2019 is every three-four years). Mitigating measures are in place to contain impact to the DG assurance.

✓ Anti-fraud strategy

DG NEAR has developed and implemented its own **anti-fraud strategy**, following the methodological support provided by OLAF. The new DG NEAR Anti-Fraud Strategy (AFS) 2020-2024 has been prepared in 2020 and was peer-reviewed by OLAF, DG BUDG and other RELEX services. It has been adopted at the end of March 2021. The Strategy will be reviewed in 2022 and in the course of its implementation as necessary. Actions have continued in 2020 in line with the previous strategy and with the Commission AFS.

The objectives of the previous AFS and its action plan have been largely achieved. Lessons learned provided elements for actions during 2020 and for the new strategy. DG NEAR also contributed to the Commission AFS to action 33 under its lead; the action concerned the implementation of anti-fraud measures for budget support. The DG also provided the necessary support for actions 35 and 57 under the lead respectively of DG BUDG and of OLAF/ Legal Service.

✓ Sensitive Functions

Following the adoption of the new Commission's Guidance on Sensitive Functions, DG NEAR has performed a complete review of its approach and practices. A risk assessment has been performed in relation to the risks that staff holding functions with a considerable amount of autonomy or executive power, may misuse such power for personal gain (financial or otherwise). After taking into account any possible compensating measure, only the **genuinely** sensitive functions have been identified, with a consistent approach across the DG, covering Headquarters and EU Delegations. The DG NEAR subdelegation policy was updated. A register of sensitive posts has been put in place, in line with Commission guidance, and a regular process to review and confirm DG NEAR's sensitive functions has been defined. In this respect, 10 cases of derogations to the planned mandatory mobility of five years have been identified, linked to the delayed reorganisation of the DG.

✓ Implementation of the remedial actions for previously identified internal control deficiencies

Two major deficiencies were identified in the context of the 2020 annual assessment.

- major deficiency affecting ICP 10 in the area of direct management grants (RER above 2%); this deficiency is linked to a 2020 AAR reservation;
 - An action plan has been prepared and actions have been implemented under the following three main categories:
 1. Better analyses and increased awareness of the types of errors
 2. Promotion of a preventive approach in the control plans
 3. Further trainings on grant management
 - Despite the efforts, the RER in direct management grants remained above 2% again in 2020, leading to a reservation. A new action plan has been drafted.
- major deficiency affecting ICP 12 because of:
 - Instability in Syria and Libya, affecting the monitoring and evaluation of the projects in these countries (this is linked to a 2020 AAR reservation);

An action plan has been prepared and actions have been implemented, such as third party monitoring (TPM) or ROM (Results Oriented Monitoring) on projects. Overall, the measures taken have led to an increased understanding of local dynamics and a quicker and better reaction to address a very unstable and erratic environment. These measures have allowed to mitigate the risks related to the lack of presence on the ground.

However, the countries remain two active conflict zones. Therefore, the main elements justifying the deficiency and the AAR reservation are still valid. The DG will continue to ensure sound implementation to the fullest extent possible, taking into account operational and access constraints. In-country verifications and other controls on the EU-funded programmes (by Commission staff or by external experts) will fully resume, as soon as the situation in the countries allows for this.
 - Issues in the annual audit plans (follow-up of audit results, KPIs and reporting), in the Neighbourhood Investment Facility (monitoring and reporting at facility level) and in the Western Balkans Investment Framework (financial management and

reporting) as identified in the framework of IAS audits, which led to five very important recommendations. One recommendation for annual audit plans was closed while the others are currently being implemented; see the related section.

In addition, a minor deficiency affected ICP 15 because of misinformation and hostile communication on EU policies, objectives and actions. The related critical risk has been updated considering the impact of COVID-19 and actions have been implemented as planned in order to adequately contain this risk.

4. Audit conclusions, findings and recommendations

✓ ECA

No performance audits with DG NEAR as an auditee have been finalised in this period. The ECA has completed their audit work on DAS 2019, with an overall favourable outcome for DG NEAR. The ECA addressed three recommendations to DG NEAR: one has been rejected on the grounds of controls cost efficiency, while two have been accepted (one implemented in the 2020 AAR). The ECA audit on the reliability of accounts for the financial year 2019 concluded with minor findings, which did not affect the overall Commission accounts published in 2020. The audit on the accounting systems, which takes place every four years, had no findings.

The implementation of action plans is in progress, no action is overdue and in 2020 DG NEAR closed a total of 27 recommendations for which it was in the lead and 24 for which it was associated.

✓ IAS

In 2020, IAS issued two reports:

- on the ex-ante control on interim and final payments under ENI and ENPI;
- on indirect management with entrusted entities;

In both cases, no critical or very important issues were addressed to DG NEAR. The action plans were approved by the IAS and are in progress.

At the beginning of 2021, IAS issued a report:

- on pillar assessments, covering the system put in place by the Commission to manage this process (legal basis, coordination among services and actual implementation by individual services)

Four recommendations – one critical and three very important – have been addressed to DG NEAR (out of 23 recommendations in the report).

Excluding the last report finalised in 2021, there were 4 very important open IAS recommendations at the end of 2020.

✓ OLAF

Cooperation with OLAF was maintained throughout 2020 in line with the administrative agreement. In addition, the database and the monitoring tables were regularly updated and continued daily support and advice was provided to staff on OLAF and anti-fraud

issues.

As part of the monitoring of OLAF files, regular reminders are sent to the competent AOSDs concerning the initial assessment of the OLAF report and the implementation of outstanding OLAF recommendations. On the outstanding OLAF recommendations, the complexity of cases and legal considerations may delay their implementation. Monitoring and awareness raising actions will be further reinforced in the framework of the new AFS.

Overall during 2020:

- 57 new cases were opened by OLAF (there were 32 in 2019), a third of these cases have already been dismissed by OLAF, while the rest are under selection or investigation (only one case has been closed with recommendations to DG NEAR);
- 38 cases were closed after dismissal/ closure without recommendation by OLAF (33, there were 60 in 2019) or because DG NEAR completed the follow-up of the recommendations (5, there were 9 in 2019).

✓ Accounting Officer's reports on the validation of local financial management systems

DG NEAR ensured the follow up on the open systems validation report findings related to 11 recommendations. At the end of 2020, **no recommendation is overdue**. In particular:

- 5 recommendations were closed in 2020 as they were considered implemented (3 fully and 2 partially);
- 3 recommendations have been completed and can be closed in the next assessment by DG BUDG;
- the follow up of the remaining 3 recommendations is ongoing on schedule.

The systems audit carried out by the ECA at the beginning of the year in relation to the accounts and the accounting control environment did not lead to any recommendations. DG NEAR scored "1 - satisfactory" in all areas covered.

DG BUDG analysed the accounting data quality review programme, the results of the ECA's reliability of accounts and systems audit and the follow-up of the open recommendations stemming from several system validation reports. Based on this analysis, the accounting risk for DG NEAR was assessed as low.

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

Objective: DG NEAR 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 (1 December 2019)	Target (2022) ⁷⁰	Latest known results (2020)
Female representation in management on 1 December 2019: 39%, 9 out of 23	2	1 first female appointment to middle management took place already in 2020. And therefore DG NEAR already met the target for the period in 2020 1 (41%)

Indicator 2: DG NEAR staff engagement index

Source of Data: Commission staff survey

Baseline (Staff survey 2018)	Target (2024)	Latest known results (2020-2021 Pulse Survey 13+14)
65% (69% for staff in HQ and 59% for staff in EU Delegations), Commission average 69%	>=70%	67% ⁷¹ (net increase by 2%), Commission average 68.7%

Main outputs in 2020:

Description	Indicator	Target	Latest known results
Maintain or increase staff	Implement the development Plan	In order to show how the	A majority of actions have been

⁷⁰ The target will be revised and extended for the period 2023-2024 by January 2023.

⁷¹ No new survey was launched in 2020

satisfaction		development plan was implemented, an integrated communication of the actions taken is prepared and disseminated via the intranet and senior management	implemented or are under implementation. A new survey is expected in 2021.
Increase number of women appointed to first time middle management functions	Number of first time appointments	Appoint 1 woman to first time management position by end 2020	One female manager was appointed in 2020.
Promote awareness of fit@ home campaign including mental and physical health & wellbeing activities	Staff attend and participate in activities which increase staff understanding of the importance of mental and physical health to their overall well being	At least 3 fit@home workshops organised for DG NEAR on: Ergonomics Mental health Digital overload	Workshops were organised in June and July 2020 by the HRBC team and OurNEAR.

Digital Transformation and Information Management

Objective: DG NEAR 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 most important IT solutions⁷²

Source of data: DG NEAR

Baseline (2020)	Target (2024)	Latest known results (2020)
1.1	1.5	1.1 ⁷³

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

Source of Data: : [DG NEAR – key data asset inventory (in units C3, R1 and R5)]

⁷² The European Commission Digital Strategy (C(2018)7118) calls on Commission services to digitally transform their business processes by developing new innovative digital solutions or make evolve the existing ones in line with the principles of the strategy. At the beginning of the year N+1, the Solution Owner and IT Investments Team will assess the progress made on the basis of the proposed modernisation plan. For each of the 3 solutions, a table will reflect – per principle – the progress achieved during the last year.

⁷³ There were incremental improvements (for instance: in security), without influencing the overall score.

Baseline (2020)	Target (2024)	Latest known results (2020)	
25%	80%	25% ⁷⁴	
Indicator 3: Percentage of staff attending awareness raising activities on data protection compliance Source of Data: HR AMC and DPC			
Baseline (2019)	Target (2024)	Latest known results (2020)	
12.5%	100%	17,29% ⁷⁵	
Main outputs in 2020:			
Description	Indicator	Target	Latest known results
Improve implementation of digital solutions modernisation plan (DSMP)	DG NEAR DSMP available	December 2020	NEAR DSMP drafted in 2020. Two initiatives included in corporate DSMP
Support development of OPSYS	MIS functionalities successfully included in OPSYS	September 2020	MIS functionalities included in OPSYS in June 2020
Improved IT security of local NEAR applications	Positive DIGIT Vulnerability Assessment Report for TMSWeb applications	December 2020	Positive assessment received in Dec 2020
Improve digital way of working	% of intramuros timesheets signed electronically	100% (from May 2020 onwards)	100% of timesheets signed electronically
Improve digital way of working	number of contracts signed electronically (outside OPSYS)	15	216* times use of EU-SIGN
Improve digital way of working	% of documents now received, registered and kept in in electronic format via OPSYS in HQ (previously in paper format).	3%	No data available
Increase information sharing	% of NEAR files available in reading to	1% (baseline 2020: 0%)	0 %

⁷⁴ The planned incorporation of NEAR data in the corporate data catalogue could not be done, as the data catalogue was not yet available.

⁷⁵ Representing participation in trainings (EU Learn – 14 staff) and awareness raising activities (data protection quiz – 101 staff)

	all Commission		
Stimulate use of collaborative tools	Increase in active (on-premise) SharePoint-sites in DG NEAR	+10% (baseline: 44, 20/05/2020)	42**
Stimulate use of collaborative tools	Level of use of Teams within DG NEAR HQ	80% (Dec 2020)	Data not available
Improve implementation of corporate data governance policy	Sharing of meta data of key data assets in COM data catalogue	Dec 2020	Not achieved, because of delays in the COM data catalogue.
Improve digital skills	% colleagues in HQ having followed introductory course on use of Teams	50% (Dec 2020)	TBC
Support improving IT harmonisation between COM and EEAS	Participation in IT-specific fora of EUDEL	Dec 2020	NEAR participated in one EUDEL where this issue was addressed.

Sound Environmental Management

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

Main outputs in 2020:

Description	Indicator	Target	Latest known results
Reduced waste production	Waste production per person	0.18 ton/person	0.19 ton/person (2019)
Reduced CO2 emission	CO2 emission per person for missions by air	2,064 tones/person	2,139 tones/person(2019) ⁷⁶
Raised environmental awareness of staff	Number of thematic local action plans developed	5	0

⁷⁶ Ares(2020)3863637

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

Contract Number	Contract Title	Programmes concerned (Instruments)	Benefiting zone	Legal Commitment Type description	Complete Name of Legal Entity	Contract Start date	Contract End date	Contract Accepted Amount (EUR)	Justification of the recourse to indirect centralised management	Justification of the selection of the bodies	Summary description of the implementing tasks entrusted to these bodies
332182	Support to Development of Cultural Tourism	ENPI	Palestine (occupied territory)	Delegation agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01-01-2014	31-12-2020	100.000,00	Continuation of an existing programme.	Continuation of an existing programme: UNDP used the additional amounts to complement the original objectives of the contribution agreement through implementing additional activities in media, community awareness and outreach activities.	The overall objective of the project "Support to Development of Cultural Tourism" is to contribute to national economic growth through developing the Palestinian tourism sector by revitalized cultural infrastructure and increased engagement of Public-Private Partnerships (PPPs).

Contract Number	Contract Title	Programmes concerned (Instrument)	Benefiting zone	Legal Commitment Type description	Complete Name of Legal Entity	Contract Start date	Contract End date	Contract Accepted Amount (EUR)	Justification of the recourse to indirect centralised management	Justification of the selection of the bodies	Summary description of the implementing tasks entrusted to these bodies
347020	Support to rights-based migration management and asylum system in Libya (component 1)	ENPI	Libya	Delegation agreement	THE INTERNATIONAL CENTRE FOR MIGRATION POLICY DEVELOPMENT	10-06-2016	28-02-2021	400.000,00	8 months cost extension of an existing project	ICMPD is an international organisation active in more than 90 countries worldwide. It takes a regional approach in its work to create efficient cooperation and partnerships along migration topics. ICMPD has been confirmed as Implementing partner for this 8 months extension on the basis of its extensive experience in migration governance in general and particularly in Libya. ICMPD has a profound knowledge on the legislative framework on migration in Libya and on engaging with the Libyan authorities. During the first phase of EU-funded project "Strategic and Institutional Management of Migration in Libya", ICMPD contributed to building a comprehensive overview of Libyan capacities, mandates and needs, with a specific focus on understanding and assessing the Libyan institutional and legislative framework overall related to migration.	Implementation of contribution agreement

Contract Number	Contract Title	Programmes concerned (Instrument)	Benefiting zone	Legal Commitment Type description	Complete Name of Legal Entity	Contract Start date	Contract End date	Contract Accepted Amount (EUR)	Justification of the recourse to indirect centralised management	Justification of the selection of the bodies	Summary description of the implementing tasks entrusted to these bodies
376046	Projet de réhabilitation des centres de commandements et de soutien opérationnels et de fourniture d'équipements pour la réforme du secteur de la sécurité	ENI	Tunisia	Delegation agreement	UNITED NATIONS OFFICE FOR PROJECT SERVICES	12-07-2016	11-07-2021	1.590.000,00	Direct management by beneficiary not an option. This project is a combination of construction and equipment purchases and splitting it up in a works and supplies contract did not operational logic (and would have added unnecessarily to the workload of the Delegation)	Identified as implementing partner in Financing Agreement 038-406. Expertise in carrying-out infra builds and equipment support.	Provide Infrastructure (reconstruction and new) for Tunisian Internal Security Forces. Launch equipment tenders (specifications provided by beneficiary) - equipment always includes a training component.
382572	Interpol South	ENI	Region Neighbourhood	Delegation agreement	INTERNATIONAL CRIMINAL POLICE ORGANIZATION	13-05-2017	12-11-2021	1.500.000,00	Interpol is pillar assessed and is best placed to implement the project.	The project promotes a better use of Interpol databases. Only Interpol can implement this.	Budget-implementation tasks necessary to achieve the results
385202	Cooperation on cybercrime in the Southern Neighbourhood Region - Cybercrime@South	ENI	Region Neighbourhood	Delegation agreement	CONSEIL DE L' EUROPE	01-07-2017	31-12-2021	1.500.000,00	Council of Europe is pillar assessed and is best placed to implement the project.	The project promotes the Budapest Convention. Council of Europe is the repository of this Convention and only they can implement the project.	Budget-implementation tasks necessary to achieve the results
398912	EU Contribution to the UNRWA 2020 Programme Budget	ENI	Palestine (occupied territory)	Contribution Agreement	UNITED NATIONS RELIEF AND WORKS AGENCY FOR PALESTINE REFUGEES IN THE NEAR EAST	01-01-2020	31-12-2020	86.599.741,00	International mandate	International mandate: The EU and its MS have repeatedly reaffirmed UNRWA's crucial role in support to the two-state solution. The EU and its MS re-affirmed their political support to UNRWA at the UN General Assembly of December 2019, voting unanimously in favour of the renewal of the agency's mandate for three years.	The contract seeks to support the needs of Palestinian refugees

Contract Number	Contract Title	Programmes concerned (Instrument)	Benefiting zone	Legal Commitment Type description	Complete Name of Legal Entity	Contract Start date	Contract End date	Contract Accepted Amount (EUR)	Justification of the recourse to indirect centralised management	Justification of the selection of the bodies	Summary description of the implementing tasks entrusted to these bodies
402618	SwitchMed II	ENI	Mediterranean Region	Delegation agreement	UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION	20-12-2018	19-12-2023	2.500.000,00	It was important to have institutions with an institutional and legal mandate to implement circular economy in the framework of the Barcelona convention. Furthermore, the chosen institution should have an historical working relationship with the Ministries of Industry in the Mediterranean area	UNIDO has a historical working relationship with the Ministries of Industry in the Mediterranean area as well with the Cleaner Production and Technology Centres. They will work in partnership with the Sustainable Consumption and Production Regional activity centre linked to the Barcelona convention. Furthermore, UNIDO implemented with success the SwitchMed1 programme.	The addition of 2,5M€ to UNIDO to implement Switchmed II (Add2 of the contract) will be used to add a component on Blue economy to the project.
407024	Part II Europe 2020 Programmatic Single-Donor Trust Fund - Joint Syria Damage Assessment	ENI_CBC	Syria	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	18-12-2020	17-12-2021	500.000,00	Indirect management with the World Bank, in accordance with Article 58(1)(c) of the Regulation (EU, Euratom) No 966/2012.	This implementation is justified because of the specific expertise of the World Bank in this area of work and in order to strengthen the partnership with the UN and the EU on the analytical aspects of post-agreement planning work.	The World Bank Group will be responsible for (i) providing access to remote data and social media analytics as needed, conducting social media analysis, and providing technical support on individual sectors, (ii) the triangulation and corroboration of data, (iii) the respective sectoral analysis, and (iv) the finalization of the damage assessment report.
411568	Enhancement of Entrepreneurship Capacities for Sustainable Socio-Economic Integration (ENHANCER)	IPA2	Turkey	Contribution Agreement	THE INTERNATIONAL CENTRE FOR MIGRATION POLICY DEVELOPMENT	01-01-2020	31-12-2023	6.120.836,28	Use of indirect management with pillar-assessed entities as defined in the commission decision 5454 of 18/07/2019, due to nature and size of actions financed under the Facility for Refugees in Turkey, as well as technical expertise of the institutions in this priority area.	The organisation was selected following a call for expression of interest launched in December 2018 and open to pillar-assessed entities only to carry out projects in the priority area of socio-economic support for refugees and host communities in Turkey. Selection in line with Commission decision 5454 of 18/07/2019.	The organisation will carry out a project in the priority area of socio-economic support financed under the Facility for Refugees in Turkey. This is specifically an addendum to an existing contract, signed in 2019, to increase the scope and targets of the intervention

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412662	EU REPARIS for SMEs	IPA2	Region IPA instrument	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	22-12-2020	30-06-2025	5.000.000,00	The action is implemented in indirect management with the EBRD in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - continuation of an existing programme	The entity has been selected using the following criteria: The EBRD has designed and implemented the Advice for Small Businesses (ASB) programme already under IPA I and implements with the EU support it in the Western Balkans, on bilateral basis and complemented with a regional programme under WB EDIF. The ongoing regional ASB programme is successfully running since 2015 with the aim to support the regional cooperation and integration and will end in December 2019. The current proposal is for phase II of the ongoing regional EBRD programme. In an effort to streamline and draw on established mechanisms, the programme will be again integrated under EDIF and the EBRD is the best placed to pursue with the related entrusted tasks.	This implementation entails drawing on the know-how of a network of international advisers and local consultants to help transform businesses, looking at their strategy, marketing, operations, quality management, energy efficiency, financial management and beyond. The EBRD is responsible for the procurement of consultancy services to SMEs. EBRD will use their procedures for both, the selection of beneficiary SMEs and business consultants.

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412722	FINANCE AND TECHNOLOGY TRANSFER CENTRE FOR CLIMATE CHANGE (FINTECC) - EU4CLIMATE window	ENI	Eastern Europe Region	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	17-06-2020	16-06-2026	15.400.000,00	The action is implemented in indirect management with the EBRD in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - technical expertise/optimisation of donor coordination	The envisaged entities have been selected using the following criteria: demonstrated experience in implementing infrastructure projects and length of cooperation under the WBIF. The EIB and the EBRD (together with EIB) has undertaken the role of the EWBJF management, while together with the other IFIs, they have been also participating in the operational and decision-making structure of the WBIF and the implementation of technical assistance aimed at the preparation of investment projects	This implementation entails that the entrusted entities shall be responsible in particular for the contracting, implementation, information and visibility, monitoring and reporting of IPA II activities, and the evaluation thereof whenever relevant, in accordance with the principle of sound financial management, and for ensuring the legality and regularity of the expenditure incurred in the implementation of the programme.
413399	Support to Electoral Reform and Democratic Participation in Lebanon	ENI	Lebanon	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01-01-2020	31-12-2023	3.000.000,00	The action is implemented in indirect management with the EBRD in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - technical expertise/optimisation of donor coordination	The envisaged entities have been selected using the following criteria: demonstrated experience in implementing infrastructure projects and length of cooperation under the WBIF.	This implementation entails that the entrusted entities shall be responsible in particular for the contracting, implementation, information and visibility, monitoring and reporting of IPA II activities, and the evaluation thereof whenever relevant, in accordance with the principle of sound financial management, and for ensuring the legality and regularity of the expenditure incurred in the implementation of the programme.

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413786	EU-EBRD support to the State Commission for the Protection of Economic Competition of Armenia	ENI	Armenia	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	10-06-2020	09-12-2022	500.000,00	The recourse to indirect management is justified by the fact that the entrusted entity has an outstanding expertise in structural reforms in Armenia and the Eastern Neighbourhood, in particular in the field of competition policy.	This implementation through EBRD is justified because the action has specific characteristics requiring a specific type of beneficiary for its technical competence and specialisation. The EBRD is a leading international organisation in Armenia with a broad experience and trustable mandate, in particular on support to structural reforms, such as in the field of competition policy. The EBRD's Country Strategy for Armenia commits to helping reforms in key areas needed for the country to regain competitiveness, support private sector development and sustain growth. The EBRD's Country Strategy for Armenia commits to helping reforms in key areas needed for the country to regain competitiveness, support private sector development and sustain growth.	The entrusted entity carries out the following budget-implementation tasks: technical assistance services, recruiting international experts to support the implementation of the tasks and organising different workshops and trainings.

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414002	EU-Community Stabilisation Programme Phase IV (EU-CSP IV)	IPA2	Kosovo (under UNSCR 1244/99)	Contribution Agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	01-01-2020	31-08-2023	2.460.000,00	This is continuation of an existing programme signed in 2019. We also confirm that the below reasons are applicable in this case. 1. Presence in the country/region 2. Experience in the country/region 6. Logistical and management capacities 7. Optimisation of donor coordination	Presence and experience in Kosovo with minority communities. The International Organisation for Migration is currently implementing both the EU and Ministry of Communities and Return programmes in the sector (Return and Reintegration of displaced minority communities under IPA 2010, IPA 2012 and IPA 2016; (ii) Community Stabilisation Programme (CSP) under IPA 2009, IPA 2011, IPA 2014 and IPA 2018. The activities implemented by IOM will extend the scope and duration of the Community Stabilisation Programme IV ongoing project. This will ensure the most efficient use of resources since the organisation has institutional memory, a well-established partnership with all relevant stakeholders, technical capacity and has already deployed qualified staff and necessary equipment.	Support to minority communities and women entrepreneurs in order to establish/maintain production and enhanced social integration between communities amidst the COVID-19 pandemic and its aftermath.
414164	Morocco Green Economy Financing Facility ("GEFF Morocco")	ENI	Mediterranean Region	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	19-06-2020	18-06-2028	21.116.000,00	Discussed and approved by NIP Board	Discussed and approved by NIP Board	Based on defined criteria, the EBRD will provide credit line facility to participating financing institutions in Morocco to on-lend to businesses and Energy Service Companies investing in energy efficiency and renewable energy projects, using a combination of EBRD and Global Climate Fund financing where applicable.

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414822	Egypt Green Economy Financing Facility II ("Egypt GEFF II")	ENI	Egypt	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	19-06-2020	18-06-2027	24.860.000,00	The funds are provided in the context of the NIP. The EU approves NIP grants for investment co-financing, risk capital operations and technical assistance packages. The objective is to associate EU grants with resources from consortia of European Financial Institutions (EFIs) and/or private financiers in order to support large investment projects in the ENI region. MSMEs are an important sector of the economy across Egypt but access to finance is a constraint to their potential green growth. Green technology investments may have a higher up-front cost as compared to standard technology and this is a barrier to many MSMEs that only see the extra costs of going beyond short-term business-as-usual, and not the future long-term benefits. Incorporation of the EU funded grant element in the Facility will provide some compensation for incremental up-front costs for higher performing technologies and solutions, encouraging early implementers to make these investments and demonstrate their feasibility in the market.	The EBRD has extensive experience in the sector through the ongoing successful implementation of the EU supported Egypt GEFF I. By partnering with the EBRD on this action, the EU contribution of EUR 24,860,000 leverage overage EUR 165 million in EBRD loans for investments in the sector.	Further scale up green economy investment and demonstrate to the wider market that green investment can be profitable. Build the capacity of local financial institutions and businesses for a self-sustaining market for green technologies. Enhance the legal and institutional framework for Energy and Resource Efficiency Investments.

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414872	Jerusalem Innovation Park	ENI	Palestine (occupied territory)	Contribution Agreement	UNITED NATIONS OFFICE FOR PROJECT SERVICES	01-07-2020	30-09-2023	4.000.000,00	International mandate and technical specificity	Specific expertise: The selection of UNOPS was based on the assumption that UNOPS would be able to implement the project in a timely manner as they might have more flexibility of implementation from the Israeli occupying authorities.	Upon completion of the construction by UNOPS, and its operationalization by Al Nayzak, the Jerusalem Innovation Park will be an educational and entertainment complex specialized in science, technology, engineering and mathematics. It will offer educational services and programmes through a specialized school for students as well as scientific and technological exhibitions and interactive displays that can be enjoyed by hundreds of school students from Jerusalem. The Jerusalem Innovation Park is a collaborative project between UNOPS and Al Nayzak. UNOPS is responsible for the infrastructure development and Al Nayzak for the future development of the educational system, its educational objectives and the operation of the facility beyond construction.
414942	Strengthening Freedom of Expression and Quality Journalism in the Digital Environment in Serbia	IPA2	Region IPA instrument	Contribution Agreement	ORGANIZATION FOR SECURITY AND COOPERATION IN EUROPE	18-09-2020	17-03-2023	321.000,00	The OSCE has the necessary in-house operational and financial expertise to implement complex projects. With its extensive experience in supporting legislative reform processes and capacity building in Serbia, the OSCE, in a unique manner, combines the capacity to provide political advice and to effectively implement technical support projects	OSCE has extensive working relations with the envisaged beneficiaries in government, media and civil society. The OSCE Mission has been implementing a number of projects in the media sector and has been a partner of the EU Delegation in Serbia in drafting Media Strategy and relevant media legislation.	To stimulate the enabling environment for freedom of expression and increase safety standards and capacities of journalists, professional associations and media.

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415127	EU for Integrity - The OECD Anti-Corruption Network (ACN) Action for the Eastern Partnership	ENI	Eastern Europe Region	Contribution Agreement	ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT	05-11-2020	04-11-2023	4.500.000,00	The selection of the OECD as implementing partner defines the contractual implementation modality	The OECD-ACN has a unique expertise and vast experience in the region in the field of anticorruption policies and monitoring of reforms implementation. Furthermore, they have developed a new methodology based on performance indicators.	The overall objective of the 'EU for Integrity Action for the Eastern Partnership' Programme is to provide assistance to the EaP countries to prevent and combat threats to the rule of law, and to support justice and public administration reform. This Action focuses on the 'supply and demand-side' of the necessary reforms, to foster evidence-based anti-corruption policy implementation through regional analysis and experience-sharing, to support stepping-up the enforcement of legislation.
415186	Financer l'Egalité : renforcement de la BSG au Maroc	ENI	Morocco	Contribution Agreement	UNITED NATIONS ENTITY FOR GENDER EQUALITY AND THE EMPOWERMENT OF WOMEN	14-05-2020	13-02-2024	1.200.000,00	UN Women, the EU and the AFD have a joint gender programme in the country, thus the mutualisation of capacities and efforts, supported by the national authorities.	UN Women has supported the creation of the Gender Responsive Planning and Budgeting Center of Excellence (GRB-CE) since 2013.	The project aims to support capacity building of the GRB-CE

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415367	Contribution Arrangement with respect to the European Western Balkans Joint Fund under the Western Balkans Investment Framework	IPA2	Region IPA instrument	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	16-06-2020	26-11-2028	170.315.708,00	The action is implemented in indirect management with the EBRD in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - technical expertise/optimisation of donor coordination	The envisaged entities have been selected using the following criteria: demonstrated experience in implementing infrastructure projects and length of cooperation under the WBIF. The EIB and the EBRD (together with EIB) has undertaken the role of the EWBJF management, while together with the other IFIs, they have been also participating in the operational and decision-making structure of the WBIF and the implementation of technical assistance aimed at the preparation of investment projects	This implementation entails that the entrusted entities shall be responsible in particular for the contracting, implementation, information and visibility, monitoring and reporting of IPA II activities, and the evaluation thereof whenever relevant, in accordance with the principle of sound financial management, and for ensuring the legality and regularity of the expenditure incurred in the implementation of the programme.
415385	Contribution Arrangement with respect to the European Western Balkans Joint Fund under the Western Balkans Investment Framework	IPA2	Region IPA instrument	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	08-12-2020	26-11-2028	804.892,00	The action is implemented in indirect management with the EBRD in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - technical expertise/optimisation of donor coordination	The envisaged entities have been selected using the following criteria: demonstrated experience in implementing infrastructure projects and length of cooperation under the WBIF.	This implementation entails that the entrusted entities shall be responsible in particular for the contracting, implementation, information and visibility, monitoring and reporting of IPA II activities, and the evaluation thereof whenever relevant, in accordance with the principle of sound financial management, and for ensuring the legality and regularity of the expenditure incurred in the implementation of the programme.

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415448	Support to EU Eastern Partnership Countries to Enhance Asset Recovery	ENI	Eastern Europe Region	Contribution Agreement	UNITED NATIONS INTERREGIONAL CRIMEAND JUSTICE RESEARCH INSTITUTE	01-04-2020	31-03-2023	1.500.000,00	UNICRI's expertise is needed due to the special nature of the tasks foreseen in the action.	UNICRI assists governments and the international community in tackling the threats that crime poses to peace, security and sustainability by fostering just and efficient criminal justice systems, the formulation and implementation of improved policies and the promotion of national self reliance through the development of institutional capacity. The tasks foreseen under the programme fall under UNICRI's mandate.	This action addresses the moral imperative to strengthen measures in EaP countries to trace, freeze, seize, confiscate and recover assets linked to organised crime. It will be achieved through the following principal outputs: (1) improved inter-institutional coordination with multiple stakeholders within national legal systems, specifically in financial crime investigations; and (2) improved and sustainable capacity in the tracing, freezing, seizing, confiscation, recovery and management of assets.
415529	EU for Serbia: Support to civil protection and disaster resilience strengthening in the Republic of Serbia	IPA2	Serbia	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	20-03-2020	19-03-2024	14.099.996,00	UNDP has a worldwide recognised experience and efficiency in disaster risk reduction. UNDP Office in Serbia works on DRR since 2010. UNDP has to be able to rapidly mobilise efficient procurement and project management procedures as Serbia has limited expertise or specialised resources available in the field and needs support to raise its capacities. Finally, the UNDP aims to ensure synergy with the activities within their Climate Change Portfolio.	UNDP has been selected using the following criteria: proven experience, reputation and high project management standards in performing tasks related to strengthen risk governance capacities and build resilience in the Republic of Serbia; experience and efficiency that is worldwide recognised in DRR, and is of key importance for the success of the Action.	To rehabilitate the central building for the Sector for Emergency Management and improve the fire protection and rescue units and emergency situation-related national health care system.

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415628	EU COVID-2019 Solidarity Programme for the Eastern Partnership - Health	ENI	Eastern Europe Region	Contribution Agreement	WORLD HEALTH ORGANIZATION	27-03-2020	26-03-2022	34.720.000,00	The COVID-19 response had to be rapid and well-focused. The partnership with the World Health Organization ensured the availability of both technical expertise and capacity for logistical management. Moreover, this ensured economies of scale and access to supplies in a globally stranded market. Quality control of supplies, especially the personal protective equipment, was another element that spoke in favour of working with WHO.	Health security is a key element of WHO responsibility on a global level, in particular as concerns the management of the global regime for controlling the international spread of communicable diseases. WHO has been selected by the Commission's services based on the fact that the entity has strong expertise and knowledge of the health sector in the EaP countries.	The overall objective is to mitigate the impact of COVID-19 in the Eastern Partner countries, thus contributing to their longer-term social and economic resilience. Specifically, the programme will help the partner countries to (1) provide an effective, rapid, and coordinated response to COVID-19, and (2) strengthen the national capacity to effectively prevent, prepare for, detect and respond to public health emergencies. This includes procurement and supply of goods and advisory services.

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415721	COVID-19 Emergency Response in Montenegro	IPA2	Montenegro	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	30-03-2020	29-01-2021	2.999.690,00	UNDP has a world recognised experience and efficiency in UNDP Office in global project management. UNDP is able rapidly to mobilise efficient procurement and project management procedures while Montenegro has limited capacities. Reason - Logistical and management capacities.	UNDP has been selected using the following criteria: extensive experience in this particular area of support and is uniquely placed to ensure fast, effective and efficient support. It has established the necessary relationships with all relevant stakeholders at national, regional and local level in order to ensure implementation of the project. UNDP has presence on the ground and has privileged relationship with the authorities. Thousands of items on medical equipment had to be purchased and delivered in a short time due to COVID crisis, which required a partner with strong procurement capacity. In dialogue with the local UN community it was agreed that in the case of Montenegro UNDP with its logistical expertise and capacity was best positioned to ensure rapid and effective implementation.	Procurement and delivery of personal protection equipment in the context of the COVID-19 crisis.

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415790	"Regional Support to Reinforce Human Rights, Rule of Law and Democracy in the Southern Mediterranean". (South Programme IV)	ENI	Mediterranean Region	Contribution Agreement	CONSEIL DE L' EUROPE	01-03-2020	28-02-2022	3.000.000,00	UNICEF has a globally recognised expertise, know-how and reputation on the subject of young people and education.	UNICEF has been selected using the following criteria: extensive experience in this particular area of support (young people) and is uniquely placed to ensure effective and efficient support. It has established the necessary relationships with all relevant stakeholders at national, regional and local level in order to ensure implementation of the project.	Development and initial roll out of a bespoke early childhood strategy in Montenegro working with the Ministry of Education.
415808	Saïss & Garet Water Conservation project	ENI	Mediterranean Region	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	25-06-2020	24-06-2027	29.130.000,00	UNDP has a world recognised experience and efficiency in UNDP Office in global project management. UNDP has additionally a uniquely broad and all-encompassing range of expertise and know how in certain sub sectors including those on working with people with disabilities.	UNDP has been selected using the following criteria: extensive experience in this particular area of support and is uniquely placed to ensure fast, effective and efficient support. It has established the necessary relationships with all relevant stakeholders at national, regional and local level in order to ensure implementation of the project. UNDP has presence on the ground and has privileged relationship with the authorities.	Development and initial roll out of a tailor made Disability Determination System in Montenegro.

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415910	EU4Schools	IPA2	Albania	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01-04-2020	30-09-2021	15.000.000,00	UNDP has a world recognised experience and efficiency in UNDP Office in global project management. UNDP has additionally a uniquely broad and all-encompassing range of expertise and know how in certain sub sectors including those focused on gender.	UNDP has been selected using the following criteria: extensive experience in this particular area of support and is uniquely placed to ensure fast, effective and efficient support. It has established the necessary relationships with all relevant stakeholders at national, regional and local level in order to ensure implementation of the project. UNDP has presence on the ground and has privileged relationship with the authorities.	Development and implementation of a number of focused activities in gender within the national administration in Montenegro.
416037	Promoting Public - Private Dialogue in Libya	ENI	Libya	Contribution Agreement	ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT	01-03-2020	28-02-2023	2.500.000,00	UNDP has a world recognised experience and efficiency in UNDP Office in global project management. UNDP is able to rapidly mobilise efficient procurement and project management procedures while Montenegro has limited capacities.	UNDP has been selected using the following criteria: extensive experience in this particular area of support and is uniquely placed to ensure fast, effective and efficient support. It has established the necessary relationships with all relevant stakeholders at national, regional and local level in order to ensure implementation of the project. UNDP has presence on the ground and has privileged relationship with the authorities.	Development and initial roll out of special IT focused tools linked to the COVID-19 recovery within the Montenegrin national administration.

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416142	Human Development Assessment Structural Reform Facility	ENI	Eastern Europe Region	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	15-12-2020	14-12-2023	3.000.000,00	UNICEF has a globally recognised expertise, know-how and reputation on the subject of young people and education. It is also skilled in building and running campaigns.	UNICEF has been selected using the following criteria: extensive experience in this particular area of support (young people) and is uniquely placed to ensure effective and efficient support. It has established the necessary relationships with all relevant stakeholders at national, regional and local level in order to ensure implementation of the project.	Implementation of a risk communication campaign throughout the country including in schools, places of works and in wider society.
416147	Mayors for Economic Growth Facility	ENI	Eastern Europe Region	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01-01-2021	31-12-2024	10.000.000,00	The specific nature of the action requires a particular type of implementing partner on account of its technical competence and its high degree of specialisation	UNDP has demonstrated proven knowledge and expertise in the areas of intervention, as well as a track record to support Local Authorities and pilot innovative approaches.	The main objectives of the action is to support economic development in local authorities through technical assistance and re granting schemes.
416172	Economic Governance and Fiscal Accountability Project	ENI	Georgia	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	01-02-2021	31-01-2024	2.200.000,00	This implementation is justified because the entrusted entity has the required capacities and expertise to implement part of the action. The World Bank is a reliable partner with a long standing experience in Georgia and the Eastern Partnership region.	The World Bank has demonstrated proven knowledge and expertise in the areas of medium term budgeting, public investment management, revenue management, fiscal risks, etc.	(a) Strengthened Fiscal Governance Framework that has the following components: (i) medium-term budgeting; (ii) fiscal risk reporting; (iii) performance information; (iv) revenue administration; (v) public investment management; and (vi) public internal financial control. (b) Strengthened Independence and Capacity of External Audit that has the following components: (i) accountability of public expenditure at national level; (ii) auditing tax revenue; and (iii) accountability of public expenditure at subnational level.

Contract Number	Contract Title	Programmes concerned (Investment)	Benefiting zone	Legal Commitment Type description	Complete Name of Legal Entity	Contract Start date	Contract End date	Contract Accepted Amount (EUR)	Justification of the recourse to indirect centralised management	Justification of the selection of the bodies	Summary description of the implementing tasks entrusted to these bodies
416189	EU and UNICEF for Early Childhood Development in Montenegro	IPA2	Montenegro	Contribution Agreement	UNITED NATIONS CHILDREN'S FUND	01-08-2020	31-07-2023	1.000.000,00	UNICEF has a globally recognised expertise, know-how and reputation on the subject of young people and education. Reason - Absence of alternatives.	UNICEF has been selected using the following criteria: extensive experience in this particular area of support (young people) and is uniquely placed to ensure effective and efficient support. It has established the necessary relationships with all relevant stakeholders at national, regional and local level in order to ensure implementation of the project. There was also a question of the absence of alternatives.	Development and initial roll out of a bespoke early childhood strategy in Montenegro working with the Ministry of Education.
416288	Sisian-Kajaran Road Project (North-South Corridor)	ENI	Eastern Europe Region	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	24-07-2020	23-07-2022	1.819.000,00	EBRD proposal was selected by the NIP board in line with its RoP. The EU NIP support is crucial to the assessment and viability of the Investment Project, notably the reconstruction and modernisation of the North-South Road Corridor. The EU NIP is the only facility that is able to mobilise the scale of funding needed for the Action and for proper assessment and preparation of such a major infrastructure project.	EBRD, EIB (subject to due diligence) and EU involvement can provide additional political comfort. The EBRD is a leading international organisation in Armenia with a broad experience and trustable mandate, in particular, EBRD is also working on Armenia Meghri Border Crossing Point, which is a priority project of the Indicative Trans-European Transport Network (TEN-T) Investment Action Plan and is a key component of Armenia's regional and international connectivity.	The main objectives of the Project Preparation TA component of the Action are: (i) assess the feasibility of the proposed Investment Project based on the Stage Construction approach; (ii) prepare relevant due diligence materials; (iii) set grounds for successful implementation of the Investment Project. The Action is an integral part of the ongoing development of the North South Road Corridor ("NSRC").

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416539	Building institutional capacity in the Western Balkans to deal with challenges related to reintegration, resocialisation and rehabilitation of returning foreign terrorist fighters (RFTF) and their families from conflict zones	IPA2	Region IPA instrument	Contribution Agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	07-08-2020	06-08-2023	1.500.000,00	The action is implemented in indirect management with the IOM in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - mandate/technical expertise	The envisaged entity has been selected using the following criteria: core mandate, operational and financial capacity, and experience and presence in the region.	This implementation entails undertaking all necessary actions, including through direct implementation of activities and conducting budget implementation tasks (procurement and grants award procedures as relevant), to contribute to achieve the expected result: "Western Balkans authorities, front line workers and civil society are better equipped and supported to implement P/CVE and broader counter-terrorism strategies, including through cooperation with the EU Radicalisation Awareness Network (RAN) and the European Strategic Communications Network (ESCN).
416639	Building Libya's National Capacity to Prevent and Combat Corruption and Money Laundering	ENI	Libya	Contribution Agreement	UNITED NATIONS OFFICE ON DRUGS AND CRIME	30-07-2020	29-07-2023	2.500.000,00	Specific expertise	UNODC has the international mandate to address corruption; both UNODC and UNICRI have prior experience on working on anti-corruption and asset recovery respectively in Libya	Implementation of contribution agreement (incl. procurement)
416778	Support the Palestinian Authority to enhance Governance and the Rule of Law	ENI	Palestine (occupied territory)	Delegation agreement	ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT	01-10-2020	30-09-2024	2.500.000,00	As OECD was proposed and approved as implementing partner on the basis of its thematic and local expertise and had passed a pillar assessment, it was entrusted with indirect management	Specific expertise: The Organisation for Economic Development and Cooperation (OECD) has proven thematic expertise and long experience in supporting the development of regulatory reforms in the Middle East and North Africa.	The project aims to support the Palestinian Authority address the challenges it faces in the development of effective policies and legislation that benefit from citizens' engagement and are designed and implemented in a transparent fashion. More specifically, the project will focus on strengthening policy development and law making functions with clear roles, responsibilities, and approaches in order to develop, deliver, and review policies and legislation

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416795	Appui à l'Intégration du genre dans la production et l'analyse des statistiques sensibles au genre	ENI	Morocco	Contribution Agreement	UNITED NATIONS ENTITY FOR GENDER EQUALITY AND THE EMPOWERMENT OF WOMEN	01-08-2020	30-04-2024	700.000,00	A past contract service (in direct management) to support the national statistics authority (HCP) was deemed unsatisfactory in terms of expertise and the HCP cannot benefit from grants due to its status.	UN Women has a solid track-record in the country and with the beneficiary, notably in supporting the production and analysis of gender-responsive statistics, particularly in the field of violence against women and girls and women's economic empowerment	The project aims to update the survey on violence against women and to support the production and analysis of quantitative and qualitative data disaggregated by sex in order, inter alia, to enhance the quality of monitoring and implementation of the national Gender Government Plan.
416840	ESP Expansion to other Eastern Partnership countries: Azerbaijan	ENI	Eastern Europe Region	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	28-07-2020	31-12-2029	5.100.000,00	This is EU contribution to the ESP multi-donor fund that enables the launch of the AZ window, following contributions from AZ (USD 2 million) and other donors. The EU is the largest donor to the Eastern Europe Energy Efficiency and Environment Partnership, which is closely associated with the Eastern Partnership.	EBRD plays the role of Fund Manager.	EBRD will work with other IFIs to provide investment grants to projects implemented by municipalities. ESP is a EUR 243 million Fund that pools together contributions from the EU and a group of 24 countries. Since its establishment in 2009, the ESP has provided over €175 million in investment grants to EaP countries. This made possible to implement 42 projects benefiting 12 million people.

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416947	EU Support to COVID-19 Response in Bosnia and Herzegovina	IPA2	Bosnia and Herzegovina	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	23-03-2020	22-09-2020	2.000.000,00	Preparedness of UNDP to urgently procure medical equipment. BiH is not eligible for IMBC.	The envisaged entity has been selected using the following criteria: • presence in Bosnia and Herzegovina and in other Western Balkan countries. Sufficient administrative capacity. • capacity to respond quickly in crisis situations. • proven track record and expertise in medical field related programmes in Bosnia and Herzegovina, as well as in other Western Balkan countries. • experience with all tasks that are required under the special measure: logistical support, procurement, managing large and complex operations. • successfully completed the EU 'pillar assessment'.	UNDP was entrusted the procurement of emergency medical equipment to tackle the COVID-19 pandemic crisis
416967	Municipal Services Improvement Project	IPA2	Turkey	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	29-09-2020	30-06-2023	140.178.320,00	Use of indirect management with pillar-assessed entities as defined in the commission decision 5454 of 18/07/2019, due to nature and size of actions financed under the Facility for Refugees in Turkey, as well as technical expertise of the institutions in this priority area.	The organisation was selected following a call for expression of interest launched in December 2018 and open to pillar-assessed entities only to carry out projects in the priority area of municipal infrastructure for refugees and host communities in Turkey. Selection in line with Commission decision 5454 of 18/07/2019.	The objective of the project is to support the construction and/or rehabilitation of municipal infrastructure in the provinces in Turkey most affected by the influx of refugees following the Syria crisis. The priorities under this action are water supply and waste water systems and solid waste facilities

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416978	Implementing Palestine's Human Rights Treaty Obligations – Capacity building for implementation and accountability – Phase II	ENI	Palestine (occupied territory)	Contribution Agreement	UNITED NATIONS HIGH COMMISSIONER FOR HUMAN RIGHTS	01-05-2020	30-04-2023	1.800.000,00	The UNOHCHR is the sole international body suitable to manage the project and accomplish the results expected, due to its technical competence, high degree of specialisation, or administrative power. It presents specific sector expertise when it comes to the core human rights conventions adopted by the PA in 2014 for which support is envisaged by this grant.	Continuation of an existing programme: UNOHCHR is mandated as the principal UN Office to promote and protect human rights and provides assistance to governments in the form of expertise and technical training to help implement HR standards and liaise with Treaties Bodies	Overall objective: Human rights are increasingly enjoyed by Palestinian rights-holders. Specific objectives: 1. Human rights treaty reporting and follow up institutionalized to ensure accountability for human rights treaty implementation 2. Human rights protection related to civil society space, arbitrary arrest and detention, and torture and ill-treatment has increased to accelerate human rights accountability.
417065	Supporting a More Effective Administration of Justice in Corruption and Organised Crime Cases in the Western Balkans through Trial Monitoring	IPA2	Region IPA instrument	Contribution Agreement	ORGANIZATION FOR SECURITY AND COOPERATION IN EUROPE	01-01-2021	31-12-2023	5.850.905,76	The action is implemented in indirect management with the OSCE in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - technical expertise/presence	The envisaged entity has been selected using the following criteria: technical and financial capacity, and experience and presence in the region. OSCE has the required specific technical mandate, presence and knowledge of the Western Balkans region, and a strong track record of implementing trial monitoring in the region.	This implementation entails undertaking all necessary actions, including through direct implementation of activities and conducting budget implementation tasks (procurement award procedures as relevant), to support a more effective judicial response by the authorities on corruption and organised crime in the Western Balkans through trial monitoring

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417111	The DIGITAL RE4M Programme to foster COVID-19 recovery of SMEs	ENI	Georgia	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	23-07-2020	22-07-2022	600.000,00	This implementation is justified because the entrusted entity has the required capacities and expertise to implement part of the action. The EBRD is a reliable partner with a long standing experience in Georgia and the Eastern Partnership region, helping the EaP countries in the transition process towards market-oriented economies and promoting private and entrepreneurial initiatives.	This is justified by EBRD's proven experience in supporting Georgia's financial sector, backed also by the MoU signed in October 2016 with the Ministry of Finance and the National Bank of Georgia. The EBRD is well placed to deploy its expertise in the specific areas of preparing participants of capital markets to take advantage of the reforms of the financial sector. Access to finance, SME financing and trade facilitation programmes are the main pillars of EBRD's mandate in Georgia.	Budget-implementation tasks: grants, procurement and/or hiring external experts. Main purpose: Advice to private sector
417111	The DIGITAL RE4M Programme to foster COVID-19 recovery of SMEs	ENI_CBC	Georgia	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	23-07-2020	22-07-2022	1.250.000,00	This implementation is justified because the entrusted entity has the required capacities and expertise to implement part of the action. The EBRD is a reliable partner with a long standing experience in Georgia and the Eastern Partnership region, helping the EaP countries in the transition process towards market-oriented economies and promoting private and entrepreneurial initiatives.	This is justified by EBRD's proven experience in supporting Georgia's financial sector, backed also by the Memorandum of Understanding (MoU) signed in October 2016 with the Ministry of Finance and the National Bank of Georgia. The EBRD is well placed to deploy its expertise in the specific areas of preparing participants of capital markets to take advantage of the reforms of the financial sector. Access to finance, SME financing and trade facilitation programmes are the main pillars of EBRD's mandate in Georgia.	Budget-implementation tasks: grants, procurement and/or hiring external experts. Main purpose: Advice to private sector

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417180	Joint EU-UNDP Civil Society Support Programme II	ENI	Georgia	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01-07-2020	30-06-2023	2.000.000,00	Neither has the EU the human resources to award small grants nor would the grantees in the breakaway region fall under the EU eligibility rules.	UNDP is one of the few actors in the breakaway region Akhazia with the capacity to do a re-granting programme.	Capacity building of CSO, establishment of regional and thematic networks, sub-granting
417229	EU for improved border and migration management capabilities in the Republic of North Macedonia	IPAZ	The Republic of North Macedonia	Contribution Agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	01-10-2020	31-03-2022	4.000.000,00	Article 154 of the 2018 Financial Regulation	Professional capacity of the International Organisation for Migration's (IOM), possessing technical competence and high degree of specialisation on migration issues, including in the country. With its significant global footprint and mandate to facilitate dignified, orderly and safe migration, IOM is uniquely placed in the country to provide efficient and cost-effective technical support solutions for North Macedonia covering the full package of planned activities. The Commission signed an agreement with IOM on cooperation in addressing the challenges of the ongoing migration crisis. The 2020 action is complementary to all other EU funded interventions ensuring continuity and higher impact of the EU funds on the migration policy of the beneficiary country.	The entrusted tasks include: (1) Strengthened operational capacity of the border police authorities (including guest borders guards) in North Macedonia to carry out border control, in line with EU standards; (2) Improved management and capacity of the border control migration flows, including registration and identification of new arrivals, in line with EU standards, and (3). Improved border management capacities and assistance to migrants. The implementation of these tasks must achieve the objectives of 2020 Action "EU for improved border and migration management capabilities in North Macedonia".
417245	Evaluation de la concurrence et revue des pairs de la Tunisie	ENI_CBC	Tunisia	Contribution Agreement	ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT	07-12-2020	06-12-2022	1.867.315,58	Direct management by beneficiary not an option.	Specific expertise only available with this organisation (Competition law peer review methodology)	The proposed project is broken down in two components: (i) a competition assessment of laws and regulations in two sectors, to be agreed with the authorities, and (ii) a competition law and policy review (peer review).

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417278	Addendum 2 to Delegation Agreement No 2017/394-450 "Regional SME Competitiveness Support Programme"	IPA2	Region IPA instrument	Delegation agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	21-12-2017	20-12-2026	15.000.000,00	The action is implemented in indirect management with the EBRD in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - long standing partner	The envisaged entity has been selected using the following criteria: the institution has been long standing partner in the inception and implementation of the WB EDIF. In particular, EBRD has track record and expertise in development and management of the access to finance programmes in the Western Balkans and has proven to be reliable partner, managing EU funds according to sound financial management principles.	The implementation entails, among others, management of the EU funded incentive grants and the monitoring of a set of output indicators that will be agreed with the EBRD. It will contribute to the objectives of increasing investments for SMEs and innovative enterprises through financial intermediaries, increasing the competitiveness of SMEs in the Western Balkans and supporting a smooth and green recovery following the economic crisis caused by the COVID-19 pandemic.

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417305	Reform of National Disability Determination System	IPA2	Montenegro	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01-10-2020	30-09-2023	1.000.000,00	UNDP has a world recognised experience and efficiency in UNDP Office in global project management. UNDP has additionally a uniquely broad and all encompassing range of expertise and know how in certain sub sectors including those on working with people with disabilities. Reason - specific expertise.	UNDP has been selected using the following criteria: extensive experience in this particular area of support and is uniquely placed to ensure fast, effective and efficient support. It has established the necessary relationships with all relevant stakeholders at national, regional and local level in order to ensure implementation of the project. UNDP has presence on the ground and has privileged relationship with the authorities. In addition funded by the MNE Government UNDP is developing and implementing a project aimed at creating a social card, including its digital application. The EU funded project is closely linked to UNDP social card programme and, to ensure to ensure full compatibility with the digital applications UNDP is currently developing, contracting UNDP for its implementation was both rational and cost effective.	Development and initial roll out of a tailor made Disability Determination System in Montenegro.
417324	Euromed Trade Helpdesk - Trade and Investment Facilitation Mechanism (TIFM) Phase II	ENI	Mediterranean Region	Contribution Agreement	INTERNATIONAL TRADE CENTRE	01-09-2020	31-08-2024	2.500.000,00	The International Trade Centre (ITC) has unique expertise in analysis of trade data and transparency initiatives.	The ITC was the implementer of Phase I of the programme, which ended in 2017.	Expanding the scope of the Euromed Trade Helpdesk - Trade and Investment Facilitation Mechanism (TIFM), an on-line one-stop portal, to cover services and investment.

Contract Number	Contract Title	Programmes concerned (Investment)	Benefiting zone	Legal Commitment Type description	Complete Name of Legal Entity	Contract Start date	Contract End date	Contract Accepted Amount (EUR)	Justification of the recourse to indirect centralised management	Justification of the selection of the bodies	Summary description of the implementing tasks entrusted to these bodies
417328	Mainstreaming Employment into Trade and Investment in the Southern Neighbourhood	ENI	Mediterranean Region	Contribution Agreement	INTERNATIONAL LABOUR ORGANIZATION	01-09-2020	31-08-2024	4.492.414,00	The International Labour Organisation has developed significant expertise on the nexus between employment and economic policies (including trade and investment).	Level of thematic expertise. Development and utilisation of STED and TRAVERA methodologies, which assess skills and employment needs for value chains.	Capacity building for policy makers and private sector representatives in the Southern Neighbourhood to design and implement interventions related to trade and investment that ultimately optimise the quantity and quality of employment.
417332	Support to the investment climate in the South Mediterranean region for sustainable jobs and growth	ENI	Mediterranean Region	Contribution Agreement	ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT	01-06-2020	31-05-2024	4.000.000,00	The Organisation for Economic Cooperation and Development has considerable expertise in support to reforms of the investment climate and has considerable experience working with the European Commission (pillar assessed).	The OECD was the implementer of Phase I of the programme, which ended in August 2020.	Capacity building support to Southern Neighbourhood policy makers to self-assess, implement and improve investment climate reforms with a view to attract higher quality and more inclusive investment.
417356	Special Measure to support the response to the refugee and migrant situation in BiH Phase III	IPAZ	Bosnia and Herzegovina	Contribution Agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	01-04-2020	31-01-2022	45.000.000,00	BiH is not eligible for IMBC. As regards the indirect management, this was chosen in view of the specificity of the activities to be implemented under this programme, which could have been implemented by a highly specialised, trusted entity	The IOM has been selected using the following criteria: Presence in Bosnia and Herzegovina and in other Western Balkan countries. Sufficient administrative capacity. Capacity to respond quickly. Proven track record and expertise in border management related programmes in Bosnia and Herzegovina, as well as in other Western Balkan countries. Experience with all tasks that are required under the special measure: logistical support, procurement, managing large and complex operations. Successfully completed the EU 'pillar assessment'.	Implementation entails the operation of migration centres, including management of staff working at the centres, the provision of food and non-food items, the transportation of migrants, and support to local communities. In addition, the IOM coordinates the actions with other pillar-assessed entities, as well as with relevant government authorities and other donors.

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417373	European School in Georgia	ENI	Eastern Europe Region	Contribution Agreement	UNITED NATIONS OFFICE FOR PROJECT SERVICES	01-01-2021	31-12-2025	6.400.000,00	The recourse to indirect management is justified by the fact that the entrusted entity has an internationally recognised role and experience in the support, design, supervision and procurement of large infrastructure projects as well as in the provision of project supplies and delivery of services such as training, capacity building, organisational and logistical services, communication and outreach capacity, and also monitoring experience. The entity has a clear mandate for the implementation of international cooperation activities and is guided by international standards in project procurement and implementation, and has a network of technical experts deployed worldwide. The entity has demonstrated transparency, impartiality, and the absence of conflict of interest, in other cooperation programmes with the EU.	UNOPS has been implementing successfully the phase I (pilot phase) of the project "European School in Georgia" through a delegated agreement. UNOPS has established an office in Tbilisi. The Georgia Office is part of the Vienna Multi-Country Office (VIEMCO), which ensures that projects are executed to the highest standards, providing a shared knowledge base and ensuring that best practices and lessons learned are disseminated between business units and projects across the region. VIEMCO provides specialists in operations, infrastructure, project management and communications, as part of an effort to share resources at the sub-regional level to facilitate cost and time efficient and effective delivery.	UNOPS will support the establishment of a European School in Georgia: a full-fledged high school, operating under the aegis of the Government of Georgia and offering the full secondary cycle, through a two-track approach. The School would offer students the choice of obtaining a national diploma or an IB diploma, both of which will have a focus on European studies. The school will reach out to students in all Eastern Partnership countries, providing scholarship programme, funded by the EU, for students aged 16-17 from all EAP to obtain the International Baccalaureate Diploma with a focus on European Studies.
417449	Creating Better LLL Opportunities through Local Partnerships	ENI	Georgia	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	17-09-2020	16-03-2023	900.000,00	The proposal submitted by the IO was evaluated as one of the best by the evaluation committee of the Call for Proposals (CfP) 164732. The IOs were eligible applicants under this CfP (see section 2.1.1 of guidelines)	Competitive approach was applied; Selected via CFP	Skills provision and development; improving training opportunities and services; Life Long Learning (LLL)

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417450	Stability, Unity, Social Cohesion Project (SUSC) - an Integrated Approach to Boost Local Stability, National Unity and Social Cohesion in Libya	ENI	Libya	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01-07-2020	30-06-2022	10.000.000,00	Continuation of an existing programme	IcSP has made earlier contributions to UNDP for the same programme which has been taken over	Implementation of contribution agreement (incl. procurement)
417636	Diagnosis of the education systems in the Western Balkans 6	IPA2	Region IPA instrument	Contribution Agreement	UNITED NATIONS EDUCATIONAL SCIENTIFIC AND CULTURAL ORGANIZATION	24-10-2020	23-04-2023	1.000.000,00	NEAR A3 is managing the contract as the methodology for the diagnosis in the WB has been developed in liaison with NEAR A3 and partner organisation. Similar exercises using same approach are to be implemented in other NEAR regions. Results of the diagnosis will provide evidence for education reforms, feed policy dialogue on education (ERP, subcommittees, ministerial meetings) and for NEAR support to the sector, there is a strategic interest in the exercise for NEAR HQ.	The IIEP is specialised in the analysis of education systems with a particular focus on basic education, issues of governance and financing. IIEP has the capacity to assess the entire education system from early childhood through to life-long learning, including TVET.	1/ Diagnoses of the national education systems that identify the main obstacles and challenges related to the governance, financing, equity and quality of the education developed for each partner country (implemented in two waves of 3 countries, each wave to last 9 to 12 months), 2/ national workshops with ministerial team and with technical team of experts recruited by the implementer, 3/ 1 diagnosis per IPA beneficiary presenting main challenges and recommendations co-created with the national authorities, 4/ regional workshop to present final findings
417697	EU support to social housing and active inclusion - addendum no 2	IPA2	Serbia	Contribution Agreement	UNITED NATIONS OFFICE FOR PROJECT SERVICES	01-11-2019	31-10-2022	7.000.000,00	UNOPS has extensive experience in Serbia, from 2010 to 2018, as an implementing partner of three major EU funded actions, including Covid-19 response.	The selection process applied a number of criteria in order to identify the most suitable and qualified Entrusted Entity. The criteria included technical capacity, such as experience in the preparation and implementation of joint capacity building and similar projects; experience in managing programmes or projects related to the results (including grant schemes).	To contribute to increasing social inclusion of the women and men, girls and boys experiencing poverty and social exclusion enabling them to live in dignity and take an active part in society in response to the coronavirus disease SARS-CoV-2

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417701	EU4Schools (Phase II)	IPA2	Albania	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	04-11-2020	03-05-2024	50.000.000,00	The importance of the portfolio mobilised for the post-earthquake recovery and the absence of any additional resources in the Delegation prevented the recourse to direct management. The degree of technical specification needed for the interventions and sector competence required the recourse to organisation with solid experience and strong organisational structures.	An entity which is selected by the Commission services using the following criteria: (i) mandate of the entrusted entity covering the nature of the action; (ii) operational capacity, logistical & management capacities, technical expertise; (iii) impact, results, leverage effect of cooperation with other entities/donors, also covering effectiveness of the delegation of tasks, in Albania; (iv) reduced transaction costs; (v) transparency and absence of conflict of interest; (vi) and the capacity of the entity for possible co-financing. Experience of the potential entity in particular in the context of the European Union and in the Western Balkans, is an asset.	Implementation of the reconstruction and rehabilitation of the damages caused by the earthquake to selected public buildings. This will include design preparation or revision, finalisation of tender documents, award and completion of contracts, communication about the results of the actions. It will also be responsible for supervising the implementation on the ground, reporting to the EU Delegation and monitoring the activities
417736	Social Entrepreneurship, Empowerment and Cohesion in Refugee and Host Communities in Turkey Project (SEECO, P171456)	IPA2	Turkey	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	29-09-2020	30-06-2023	42.280.000,00	Use of indirect management with pillar-assessed entities as defined in the commission decision 5454 of 18/07/2019, due to nature and size of actions financed under the Facility for Refugees in Turkey, as well as technical expertise of the institutions in this priority area.	The organisation was selected following a call for expression of interest launched in December 2018 and open to pillar-assessed entities only to carry out projects in the priority area of socio-economic support for refugees and host communities in Turkey. Selection in line with Commission decision 5454 of 18/07/2019.	The organisation will carry out a project in the priority area of socio-economic support financed under the Facility for Refugees in Turkey.

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417740	Agricultural Employment Support for Refugees and Turkish Citizens through Enhanced Market Linkages Project	IPA2	Turkey	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	29-09-2020	30-06-2023	50.217.751,00	Use of indirect management with pillar-assessed entities as defined in the commission decision 5454 of 18/07/2019, due to nature and size of actions financed under the Facility for Refugees in Turkey, as well as technical expertise of the institutions in this priority area.	The organisation was selected following a call for expression of interest launched in December 2018 and open to pillar-assessed entities only to carry out projects in the priority area of socio-economic support for refugees and host communities in Turkey. Selection in line with Commission decision 5454 of 18/07/2019.	The organisation will carry out a project in the priority area of socio-economic support financed under the Facility for Refugees in Turkey.
417819	Ukraine Energy Efficiency in Small and Amalgamated Municipalities	ENI	Ukraine	Contribution Agreement	NORDIC ENVIRONMENT FINANCE CORPORATION	01-03-2020	29-02-2024	7.050.000,00	NIP financing and NEFCO's involvement are crucial to the Action, which cannot attract interest from commercial banks due to municipalities' weak financial standing and high borrowing costs on the local market.	The project (Action) awarded to NEFCO based on a positive opinion by the NIP's Board during its operational meeting 7/11/2019.	To support the implementation of reforms at municipal level in order to improve the energy efficiency measures that in turn will generate savings in local budgets.
417830	Support for Transition to Labor Market Project	IPA2	Turkey	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	29-09-2020	30-06-2023	80.000.000,00	Use of indirect management with pillar-assessed entities as defined in the commission decision 5454 of 18/07/2019, due to nature and size of actions financed under the Facility for Refugees in Turkey, as well as technical expertise of the institutions in this priority area.	The organisation was selected following a call for expression of interest launched in December 2018 and open to pillar-assessed entities only to carry out projects in the priority area of socio-economic support for refugees and host communities in Turkey. Selection in line with Commission decision 5454 of 18/07/2019.	The organisation will carry out a project in the priority area of socio-economic support financed under the Facility for Refugees in Turkey.

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417835	Formal Employment Creation Project	IPA2	Turkey	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	29-09-2020	30-06-2023	80.000.000,00	Use of indirect management with pillar-assessed entities as defined in the commission decision 5454 of 18/07/2019, due to nature and size of actions financed under the Facility for Refugees in Turkey, as well as technical expertise of the institutions in this priority area.	The organisation was selected following a call for expression of interest launched in December 2018 and open to pillar-assessed entities only to carry out projects in the priority area of socio-economic support for refugees and host communities in Turkey. Selection in line with Commission decision 5454 of 18/07/2019.	The organisation will carry out a project in the priority area of socio-economic support financed under the Facility for Refugees in Turkey.
417840	Strengthening Disaster Resilience in Agriculture	IPA2	Serbia	Contribution Agreement	THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS			2.500.000,00	Implementation of the result will require close cooperation and communication with local level actors as well as a tailored assistance, which requires a responsive expert team of people able to dedicate time and resources and act on an ad hoc basis, whenever the need occurs.	FAO was selected based on the fact that it has a worldwide reputation in advancing DRR in agriculture and follows high project management standards necessary to provide support to the introduction of a DRR Programme. The FAO provides strategic direction for countries frequently exposed to natural hazards.	To improve the capacities at national and local level for disaster risk reduction and climate resilient agriculture.
417906	Study and Research on Election Media Coverage for the 2020 Parliamentary Elections in Georgia (Short title: Media Monitoring for Parliamentary Elections of 2020)	ENI_CBC	Georgia	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	26-06-2020	31-01-2021	350.000,00	Very few organisations could provide support in this specialised field	Selection was done due to the competences and experience the UNDP possesses in media monitoring of elections during last 10 years	To promote a transparent, credible and balanced media environment during the 2020 Parliamentary Elections in the country.

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417932	EUBAM Moldova/Ukraine Phase 12 (European Union Border Assistance Mission)	ENI	Moldova	Delegation agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	01-12-2020	30-11-2021	4.300.000,00	The EU Border Assistance Mission to Moldova and Ukraine is a large size project that requires (a) specific expertise (border management/migration/Transnistrian settlement process) and (b) an important number of resources to ensure its daily management. Combined, these two factors exceed the Delegation's current capabilities leading to the need to have it implemented for the EU Delegation by a partner through a contribution agreement.	Through its mandate in general and having implemented the EU Border Assistance Mission to Moldova and Ukraine previously, IOM (Moldova Office) has unique expertise related to border management and migration in the Moldova/Ukraine border area. In addition, IOM (Moldova Office) has the organisational capacity (resources) to manage the Mission on a daily basis.	<ul style="list-style-type: none"> - Daily management of the EU Border Assistance Mission's resources. This includes assets (e.g. building facilities in Moldova and Ukraine) and human resources (internationally contractd staff, seconded staff from EU MS and locally contracted personnel). - Managing the safety and security requirements towards the Mission and its staff (duty-of-care)
418025	VET for the future: development of VET providers' excellence in Azerbaijan	ENI	Azerbaijan	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	27-08-2020	26-08-2024	5.600.000,00	The specific nature of the action requires a particular type of implementing partner on account of its technical competence and its high degree of specialisation	Competitive approach was applied; three selected organisations were invited to present concept notes and UNDP was selected based on their proposal, which provided good understanding of the sector needs and ways to address them as well as positive approach of engaging with the beneficiary. UNDP has the required capacities and expertise to implement the action.	The project's main goal is to support the Government of Azerbaijan in strengthening the quality of the VET system by modernizing institutions to deliver competence-based training suited to the needs of the labour market. It is structured around three pillars: (i) introduction of innovation in the selected VET providers; (ii) infrastructure and equipment modernization in the target group of selected VET providers and (iii) capacity development for VET providers in Azerbaijan.

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418039	Regional Project to mitigate the impact of COVID-19 on the lives of children and families in the Western Balkans and Turkey	IPA2	Region IPA instrument	Contribution Agreement	UNITED NATIONS CHILDREN'S FUND	01-01-2021	31-12-2022	5.000.000,00	The action is implemented in indirect management with UNICEF in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - technical expertise	The envisaged entity has been selected using the following criteria: pillar-assessed international organisation demonstrating financial and operational capacity, technical expertise, and strong proven experience in implementing similar actions globally and in the Western Balkans. UNICEF is the world's leading advocate for children, with emergency, development and human rights mandates. Such implementation is justified, because of the scale of the project and because the scope of the intervention requires specific sector expertise, management capacities, and knowledge of the local context.	This implementation entails management and implementation of all aspects of the action, including conducting procurement and grant award procedures as relevant, to achieve the objectives of this multi-sector action – in particular, to address some of the most adverse impact of COVID-19 pandemic on children, young people and their families in the Western Balkans and Turkey, in particular the most vulnerable.
418044	EBRD Advice for Small Businesses, Team Europe EaP window	ENI	Eastern Europe Region	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	15-12-2020	14-06-2024	5.000.000,00	The action is implemented in indirect management with the EBRD in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - technical expertise/optimisation of donor coordination	The envisaged entities have been selected using the following criteria: demonstrated experience in implementing infrastructure projects and length of cooperation under the WBIF.	This implementation entails that the entrusted entities shall be responsible in particular for the contracting, implementation, information and visibility, monitoring and reporting of IPA II activities, and the evaluation thereof whenever relevant, in accordance with the principle of sound financial management, and for ensuring the legality and regularity of the expenditure incurred in the implementation of the programme.

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418070	Ending violence against women and girls in Georgia (EVAWGG)	ENI	Georgia	Contribution Agreement	UNITED NATIONS ENTITY FOR GENDER EQUALITY AND THE EMPOWERMENT OF WOMEN	01-11-2020	31-10-2023	1.500.000,00	The action is implemented in indirect management with the EBRD in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - technical expertise/optimisation of donor coordination	The envisaged entity has been selected using the following criteria: the institution has been long standing partner in the inception, realisation and implementation of the WBIF. In particular, they have undertaken the role of the WBIF Joint Fund management and have proven to be reliable partners, managing EU funds according to sound financial management principles.	This implementation entails, among others, channelling the IPA allocation to the lead IFIs of the projects (EIB, EBRD, Kreditanstalt für Wiederaufbau - KfW, Council of Europe Development Bank - CEB, World Bank Group - WBG, Agence Française de Développement - AFD) through the Joint Fund, managing IPA funds through the Joint Fund, disbursing funds from the Joint Fund to the lead IFIs, channelling funds recovered from lead IFIs.
418090	Joint EU-UNICEF project on strengthening systems and services for child protection in Georgia	ENI	Georgia	Contribution Agreement	UNITED NATIONS CHILDREN'S FUND	10-12-2020	09-12-2023	2.000.000,00	International organisations that are standard setting in the specific area of engagement are most suitable to advocate for the necessary progress.	A competitive approach was applied. However, after pre-assessing organisations capable to deliver desired results 2 organisations were invited to express their interest and their proposals were thoroughly assessed.	Overall objective: Children are effectively supported and protected by enhanced child protection and justice systems Specific objective(s): 1) Children benefit from improved capacity of Government authorities (MoDPLHSA and its subordinated Agency of State Care and Protection of Victims of Human Trafficking) to implement and monitor child support policies and programmes 2) Citizens, communities, professionals, parents and children are increasingly supportive of child rights approaches and non-violent methods of child disciplining. 3) Children in contact with the law access quality, child-friendly justice

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418100	Supporting Serbia to improve border management in the context of the European migration crisis Phase IV	IPA2	Serbia	Contribution Agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	27-11-2020	26-01-2022	1.200.000,00	Indirect management with the IOM is necessary to continue the provision of support to the operational capacity of the Serbian Border Police in conducting border management activities, in line with relevant EU and international standards. The closure of the borders in March 2020 due to the Covid-19 crisis placed a particular strain on these capacities, which required additional financial support.	IOM has been selected to implement one complementary assistance contract. IOM has been implementing this type of support under previous Special measures for migration financed from national and from multi-country IPA. It has established the necessary relationships with all relevant stakeholders at national, regional and local level.	IOM should ensure technical assistance to support the IBM reform, support to border management in relation to the Covid-19 crisis, and the assessment of the achievement of targets and indicators.

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418101	Human Rights for All II	ENI	Georgia	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01-12-2020	30-11-2023	2.300.000,00	International organisations that are standard setting in the specific area of engagement are most suitable to advocate for the necessary progress.	A competitive approach was applied. However, after pre-assessing organisations capable to deliver desired results 3 organisations were invited to express their interest and their proposals were thoroughly assessed.	The overall objective is that citizens of Georgia, and primarily those in vulnerable situations, enjoy better protection of their human rights. The Action has five specific objectives (SOs): • SO1: Relevant public bodies (duty-bearers) develop, implement and monitor national human rights policy and related frameworks • SO2: Law-enforcement and human rights protection bodies effectively implement their duties related to policymaking and enforcement with due oversight and transparency • SO3: The human rights of minority groups and persons in vulnerable situations are recognised in law and protected in practice • SO4: Local authorities more effectively protect human rights of all citizens, primarily those in vulnerable situations and minority groups • SO5: Citizens are informed on, favourable to and supportive of human rights for all and efforts to protect them.
418128	Health system development in Ukraine	ENI	Ukraine	Contribution Agreement	WORLD HEALTH ORGANIZATION	19-09-2020	18-09-2023	4.500.000,00	Financing decision 42381 aims at supporting Ukraine in implementing comprehensive reforms and the EU-Ukraine Association Agreement. The action will provide policy advice, advice on legal approximation process with the EU, and capacity building in priority reform areas	WHO possesses the necessary expertise and frontline experience in healthcare and COVID-related activities	The Action aims to improve the health status of the Ukrainian population by supporting the capacities of the Ministry of Health to implement result-oriented health reforms, develop public policy measures against high public health threats, and building response and resilient health systems during COVID-19 recovery

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418144	EU for Increasing Migrants' Potential to Act for Development of Armenia	ENI	Armenia	Contribution Agreement	THE INTERNATIONAL CENTRE FOR MIGRATION POLICY DEVELOPMENT	02-09-2020	01-09-2024	3.500.000,00	The recourse for indirect centralised management was made to ensure that piloting of "Migrants Return and Act 1+1" scheme for migrants' remittances mobilisation in Armenia is carried out by an organisation with strong track record in implementing similar projects in the region, significant operational capacity, value added expertise, and network which could be utilised for local economic development initiatives.	ICMPD was selected for its specific sector/thematic expertise. As a key player in the migration field, ICMPD has been working in Armenia since 2003 implementing projects in the area of border management, trafficking in human beings and migration management. Since 2009, ICMPD has been implementing several EU – funded projects. Together with UNDP, ICMPD provided expertise and supported development of the Integrated Border Management (IBM) concept and principles. ICMPD's expertise in the field of migration and over a decade of experience working with migrants and Government agencies working on migration policy were taken into account for identifying it as the best-suited implementing partner for the Project.	The Project intends to Contribute to empowerment of labour migrants, returnees and their family members through mobilising remittances for investing in local development and job creation. The Action will pilot a scheme to mobilise remittances for job creation and business development in the communities of Armenia be implemented. The pilot will provide lessons learned and will also support the establishment of an institutionalised remittance scheme by the Government.

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418150	Local Empowerment of Actors for Development (LEAD) in Lori and Tavush regions	ENI	Armenia	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01-10-2020	30-09-2024	6.603.283,00	<p>The recourse for indirect centralised management was made to ensure that piloting of the LEADER methodology in Armenia is done by an organisation with a proven capacity (including human resources and organisational set-up) of project implementation, data collection and analysis and reporting on results, matching the specific criteria of</p> <ul style="list-style-type: none"> • substantial experience in the local development through empowering communities by applying an integrated, bottom-up, citizen-driven, community-based approach • extensive experience in providing capacity development • solid experience in managing sub-granting schemes • a particular emphasis on agriculture sector. 	<p>UNDP was selected for its</p> <ol style="list-style-type: none"> a) specific sector/thematic expertise; and b) logistical and/or management capacities <p>UNDP has been implementing community development projects in Armenia for over two decades, applying community-based approaches for local development and citizen empowerment. UNDP's community development projects in Armenia focused on promotion of tourism, agriculture, small and medium businesses, as well as capacity building of local actors (specifically local authorities). UNDP's experience in implementation of community development projects and established networks and relations with local stakeholders in Tavush and Lori regions of Armenia, as well as its experience in localizing LEADER methodology in Eastern Partnership countries (Georgia and Moldova) were taken into account for identifying it as the best-suited implementing partner for the LEAD programme in Tavush and Lori regions.</p> <p>UNDP implements the Project with the Food and Agriculture Organisation of the United Nations. As a member of the UN family, FAO was identified as an implementing partner for UNDP for its specific sector/thematic expertise on agriculture sector</p>	<p>The Project focuses on overcoming complex place-based development challenges associated with the growing territorial disparities in Armenia. The Project aims at bolstering the participation of a wide range of local stakeholders in sustainable and inclusive socioeconomic development of their communities through pilot implementation of the European Union (EU) LEADER/ Community-Led Local Development (CLLD) approaches in Lori and Tavush Regions.</p> <p>Actions implemented in the framework of the programme will focus on selecting target communities/territories, forming Local Action Groups (LAG) to lead the process of developing area based territory/community driven strategies and offering financial support for implementation of grassroot initiatives in line with priorities of LAG strategies.</p> <p>Initiatives will have an impact on all or significant part of community members through job creation, provision of services or improvement of their overall living conditions. In addition, capacity building, active learning and individualised training will be provided to ensure that communities succeed, and the pilot is sustainable.</p>

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418207	Public Finance Management Support Programme for Ukraine (EU4PFM) – Component 2 ActivitiesTrust Fund	ENI	Ukraine	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	17-10-2020	30-11-2023	3.313.010,19	Financing decision ENI/2017/040-426 sets an objective to Contribute to the better management of public expenditures in the areas of public investments, fiscal risks and payroll management. Point 5.4.2.1 of the said decision foresees an Indirect management through the World Bank.	The current project is a continuation (Phase II) of the currently running contract ENI/2017/385-741 EU Programme for the Reform of Public Administration and Finances (EUroPAF).	To support Ukraine to better manage public resources in three specific areas of intervention including: (i) launching of a country-wide Human Resource Management Information System (HRMIS); (ii) reassessing and improving the efficiency of the Public Investment Management (PIM) system; and (iii) improving the governance of State-owned Enterprises (SOEs).
418207	Public Finance Management Support Programme for Ukraine (EU4PFM) – Component 2 ActivitiesTrust Fund	ENI_CBC	Ukraine	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	17-10-2020	30-11-2023	2.686.989,81	Financing decision ENI/2017/040-426 sets an objective to Contribute to the better management of public expenditures in the areas of public investments, fiscal risks and payroll management. Point 5.4.2.1 of the said decision foresees an Indirect management through the World Bank.	The current project is a continuation (Phase II) of the currently running contract ENI/2017/385-741 EU Programme for the Reform of Public Administration and Finances (EUroPAF).	To support Ukraine to better manage public resources in three specific areas of intervention including: (i) launching of a country-wide Human Resource Management Information System (HRMIS); (ii) reassessing and improving the efficiency of the Public Investment Management (PIM) system; and (iii) improving the governance of State-owned Enterprises (SOEs).

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418226	Women's Empowerment and Financial and Economic Inclusion in Rural Egypt: COVID-19 Response	ENI	Egypt	Contribution Agreement	UNITED NATIONS ENTITY FOR GENDER EQUALITY AND THE EMPOWERMENT OF WOMEN	14-09-2020	13-09-2023	3.000.000,00	Given the specialised nature of the services to be delivered and the COVID situation in the country, this is the only organisation, which has the requisite specialist knowledge and could operate and deliver in the midst of the crisis.	Policy and technical expertise and mandate in Gender Equality and Women's empowerment <ul style="list-style-type: none"> Ongoing partnerships with NCW and CBE, CSOs and CBOs, and with key line ministries and entities needed to facilitate implementation Experience in implementing initiatives and programmes based on which this action will capitalise, including the VSLAs, citizen rights initiatives, and programmes addressing VAW and FGM, and economic empowerment UN Women coordinates UN's gender related response to COVID 19 and has a key role in the UN Crisis Response Plan in Egypt Operational capacity to ensure successful implementation and monitoring of progress. 	Output 3.1: Capacities of the National Council for Women (NCW) and community representatives to ensure that women have uninterrupted and increased access to information and to assistance / support services are strengthened. Output 3.2: Women have increased awareness about their rights and access to direct support and services for the prevention and protection from violence. Output 4.1: Operational framework for financial inclusion and the expansion of Saving Groups (SGs) is developed and functional Output 4.2: Saving Groups capacities are scaled-up through digital and non-digital means Output 4.3: Women have increased access to rapid finance and financial services Output 4.4: Rural women led clusters/enterprises are better integrated into existing value chains and markets

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418228	EU Support to COVID-19 Response in Bosnia and Herzegovina (second contribution)	IPA2	Bosnia and Herzegovina	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	03-04-2020	02-04-2021	5.000.000,00	Preparedness of UNDP to urgently procure medical equipment. BiH is not eligible for IMBC	The envisaged entity has been selected using the following criteria: <ul style="list-style-type: none"> • presence in Bosnia and Herzegovina and in other Western Balkan countries. Sufficient administrative capacity. • capacity to respond quickly in crisis situations. • proven track record and expertise in medical field related programmes in Bosnia and Herzegovina, as well as in other Western Balkan countries. • experience with all tasks that are required under the special measure: logistical support, procurement, managing large and complex operations. • successfully completed the EU 'pillar assessment'. 	UNDP was entrusted the procurement of emergency medical equipment to tackle the COVID-19 pandemic crisis

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418249	EUROMED MIGRATION V	ENI	Mediterranean Region	Contribution Agreement	THE INTERNATIONAL CENTRE FOR MIGRATION POLICY DEVELOPMENT	01-10-2020	30-09-2023	5.000.000,00	The action requires a high degree of coordination between European Neighbourhood Instrument South Partner Countries (ENI SPCs) and European Union Member States (EU MS) as well as among ENI SPCs themselves, while also providing sustained quality communication and knowledge management. For this reason, this action needs a centralised management by a competent and specialised implementing organisation that has demonstrated to be managing the previous phases of the programme successfully.	International Centre for Migration Policy Development (ICMPD), an inter-governmental organisation with extensive experience in migration governance. ICMPD's work focuses on fostering intergovernmental dialogue on international migration, building national and regional capacities to effectively address current migration issues and challenges, and conducting empirical, policy-oriented interdisciplinary research to strengthen migration governance. This includes implementing high-level migration dialogues encompassing a range of stakeholders, institutions and thematic priorities. ICMPD's expertise and experience in the region, including strong track record in implementing previous phases of the EUROMED Migration Programme, uniquely situates it among international organizations to develop and implement EUROMED Migration V (EMMS).	ICMPD will contribute to achieving the objectives of the programme Euromed Migration V that will foster cooperation and dialogue on migration related activities between EU MS and Southern Partner Countries. This overall objective will be achieved through the following results: Component 1: Dialogue and Cooperation Enhanced dialogue/ exchange of experiences between relevant actors at local/ regional/ national/ international level in consultation with DG NEAR Component 2: Knowledge management and development Increased migration-related knowledge in all relevant areas. Component 3: Communications and Narrative on migration Enhanced awareness/sensitivity of general public regarding all aspects of migration.

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418263	Appui au mécanisme national de prévention de la torture et au développement du rôle du Parlement au Maroc	ENI	Morocco	Contribution Agreement	CONSEIL DE L' EUROPE	14-11-2020	13-11-2023	2.200.000,00	The recourse to indirect centralised management is justified by the expression of interest by the national beneficiary institution to deepen its partnership with the Council of Europe, as Morocco has already ratified six Council of Europe Conventions, signed two conventions and participates in the work of many Council of Europe bodies.	Since 2012, the European Union and the Council of Europe have decided to strengthen their partnership by jointly accompanying democratic reforms in the Southern Mediterranean.	The Council of Europe supports the development of the new National Preventive Mechanism against Torture (NPM) and promotes Morocco's legislative approximation to the main conventions of the Council of Europe in the field of human rights.
418551	Bridging Digital Divide in Serbia for the Most Vulnerable Children	IPA2	Serbia	Contribution Agreement	UNITED NATIONS CHILDREN'S FUND	01-11-2020	30-04-2023	1.801.661,00	Existence of a body with extensive experience in the relevant policy area coupled with sound implementation capacities.	UNICEF has been selected using the following criteria: extensive experience in this particular area of support and is uniquely placed to ensure effective and efficient support. It has established the necessary relationships with all relevant stakeholders at national, regional and local level in order to ensure implementation of the project.	The implementation entails one complementary assistance contract, which will strengthen the resilience of the education system in Serbia in relation to the COVID-19 crisis, with particular focus on Roma children
418590	Strengthening Institutional and Human Resources Capacities of the Ministry of Social Solidarity - Support to COVID-19 Response	ENI	Egypt	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01-12-2020	30-11-2023	6.000.000,00	Given the specialised nature of the services to be delivered and the COVID situation in the country, this is the only organisation, which has the requisite specialist knowledge, established relationship with the Ministry of Social Solidarity (MoSS) and could operate and deliver in the midst of the crisis.	In partnership with other UN Agencies, UNDP is the lead implementing partner for the UN response plan to the COVID-19 crisis in Egypt. UNDP has the logistical and management capacities required to deliver this urgent COVID response with the Ministry of Social Solidarity. Ongoing partnership with the MoSS for similar activities, which this action will capitalise on.	UNDP will implement the COVID-19 response spearheaded by the Government in order to promote an immediate response to the crisis and pave the way for early recovery. Outcome 1: Social protection mechanisms targeting vulnerable and marginalised groups are enhanced. Outcome 2: Groups and communities most at risk (including persons with disabilities and elderly) are in a position to take protective measures and implement social distancing

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418592	Developing innovation-driven and sustainable civil society in Azerbaijan	ENI	Eastern Europe Region	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01-12-2020	30-11-2023	3.000.000,00	The specific nature of the action requires a particular type of implementing partner on account of its technical competence and its high degree of specialisation.	UNDP has a long experience working with CSOs in Azerbaijan and also expertise in social innovation through its Accelerator Labs. UNDP is referred in the Action Document of the Eastern Partnership Civil Society Facility 2019 – 2020 , that states "In Azerbaijan, UNDP has proven a useful and competent partner for the EU in continuing support to civil society"	The project's overall long-term objective is to contribute to building conducive environment for a vibrant, sustainable and innovation-driven civil society in Azerbaijan. The project's specific objectives (SOs) are the following: SO 1. To increase CSOs capacities to engage in the policy-making processes and foster local development; SO 2. To build an enabling ecosystem and capacities for social entrepreneurship and social innovation. The action will focus on boosting CSOs capacities by pursuing twin-track approach: i) capacity building in cross-cutting areas such as policy research, advocacy and communication, networking, organizational development, and social entrepreneurship and innovation. ii) capacity building in issue-based areas such as gender, climate change and COVID-19 pandemic. The CSOs will deepen their skills in conducting gender-responsive policy analysis, climate proofing of development policies and COVID-19 impact assessment.

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418596	Development and Implementation of NTCS system of Georgia Revenue Service	ENI	Georgia	Contribution Agreement	UNITED NATIONS OFFICE AT GENEVA	03-12-2020	02-12-2022	1.000.000,00	UNCTAD is the only international agency with specific expertise to provide TA for the Revenue Service to develop a National Transit Application (NCTS-NTA) based on Web technologies aligned with the NCTS-P5 specifications and national requirements, including country specific deviations. ENI/2018/041-415 names UNCTAD as the implementer of the envisaged project	UNCTAD demonstrated proven knowledge and expertise in the areas of intervention and has long-standing cooperation with the Revenue Service	The aim of this project is to increase the GRS operational capacity, in the context of implementation of the EU - Georgia Association Agreement and the Strategic Framework for EU-Georgia Customs Cooperation, through the development and implementation of Web based, independent NTCS transit application for GRS. The specific objectives of the project are: <ul style="list-style-type: none"> • To develop a National Transit Application (NCTS-NTA) based on Web technologies aligned with the NCTS-P5 specifications and national requirements, including country specific deviations; • To train the end-users of the system, both Customs officers and trade community, accordingly; • To further strengthen the trade facilitation by simplifying the trading environment in terms of customs procedures and documentation, while improving the customs supervision and monitoring.

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418609	Contribution Arrangement with respect to the European Western Balkans Joint Fund under the Western Balkans Investment Framework	IPA2	Region IPA instrument	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	08-12-2020	26-11-2028	12.564.292,00	The action is implemented in indirect management with the EBRD in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - technical expertise/optimisation of donor coordination	The envisaged entities have been selected using the following criteria: demonstrated experience in implementing infrastructure projects and length of cooperation under the WBIF.	This implementation entails that the entrusted entities shall be responsible in particular for the contracting, implementation, information and visibility, monitoring and reporting of IPA II activities, and the evaluation thereof whenever relevant, in accordance with the principle of sound financial management, and for ensuring the legality and regularity of the expenditure incurred in the implementation of the programme.
418612	Contribution Arrangement with respect to the European Western Balkans Joint Fund under the Western Balkans Investment Framework	IPA2	Region IPA instrument	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	11-12-2020	28-06-2026	19.000.000,00	The action is implemented in indirect management with the EBRD in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - technical expertise/optimisation of donor coordination	The envisaged entity has been selected using the following criteria: the institution has been long standing partner in the inception, realisation and implementation of the WBIF. In particular, they have undertaken the role of the WBIF Joint Fund management and have proven to be reliable partners, managing EU funds according to sound financial management principles.	This implementation entails, among others, channelling the IPA allocation to the lead IFIs of the projects (EIB, EBRD, Kreditanstalt für Wiederaufbau - KfW, Council of Europe Development Bank - CEB, World Bank Group - WBG, Agence Française de Développement - AFD) through the Joint Fund, managing IPA funds through the Joint Fund, disbursing funds from the Joint Fund to the lead IFIs, channelling funds recovered from lead IFIs.

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418654	Supporting Transparent Land Governance in Ukraine	ENI_CBC	Ukraine	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	20-09-2020	30-04-2026	10.000.000,00	Financing decision ENI/2019/042-119 sets an objective to support the Land Reform and notably the improvement in Ukraine of land governance and management tools and institutions. Point 5.3.3.1 of the said decision foresees an Indirect management through the World Bank.	The considered project is a continuation of the currently running contract ENI/2017/387-093 Supporting Transparent Land governance in Ukraine and the Association Agreement tops up the World Bank (WB) ongoing Bank-Executed Trust Fund (BETF). Since 2003, the WB has taken a leading role in supporting the Government of Ukraine in the design and implementation of the Land Reform.	To support Ukraine's land reform implementation in two specific areas of intervention including: (i) support the development and implementation of a roadmap to clearly define in a consistent way rights to all types of land, and which ensures interoperability and allows transfer of rights at low transaction cost; and (ii) to support the definition and implementation of an institutional framework to manage land rights, plan land use and use land-based revenue for public goods that enhance smallholder competitiveness in Ukraine.
418857	EU4Culture	IPA2	Albania	Contribution Agreement	UNITED NATIONS OFFICE FOR PROJECT SERVICES	01-10-2020	30-06-2024	40.000.000,00	The importance of the portfolio mobilised for the post-earthquake recovery and the absence of any additional resources in the Delegation prevented the recourse to direct management. The degree of technical specification needed for the interventions and sector competence required the recourse to organisation with solid experience and strong organisational structures.	An entity is selected by the Commission services using the following criteria: (i) mandate of the entrusted entity covering the nature of the action; (ii) operational capacity, logistical & management capacities, technical expertise; (iii) impact, results, leverage effect of cooperation with other entities/donors, also covering effectiveness of the delegation of tasks, in Albania; (iv) reduced transaction costs; (v) transparency and absence of conflict of interest; (vi) and the capacity of the entity for possible cofinancing. Experience of the potential entity in particular in the context of the European Union and in the Western Balkans, is an asset.	Implementation of the reconstruction and rehabilitation of the damages caused by the earthquake to selected public buildings and cultural sites in line with relevant international standards. This will include design preparation or revision, finalisation of tender documents, award and completion of contracts, communication about the results of the actions. It will also be responsible for development of management plans where relevant, and supervising the implementation on the ground, reporting to the EU Delegation and monitoring the activities.

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418895	Programme pour la mise en œuvre de la Stratégie Nationale d'Inclusion Financière en Tunisie	ENI	Tunisia	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	10-11-2020	31-12-2021	2.000.000,00	Indirect centralised management was deemed to be the most efficient and effective manner to provide assistance in the domain of financial inclusion.	The funding will take the form of a contribution to the Moussanada Trust Fund managed by the WB. The Moussanada Trust Fund has a specific window on financial sector reform, and is already active. It has provided extensive support already in the domain of micro-credit, and will therefore be able to implement further support as of the signing of the delegation agreement. As the WB Moussanada fund receives funding from different agencies involved in the finance sector and financial inclusion reform, it also offers a useful platform for coordinated donor action in these fields.	The purpose of the indirect management with WB will be the provision of technical assistance in the field of financial inclusion and in particular, the technical assistance foreseen in the decision to different entities involved in micro-credit and micro-finance.
419114	EU4Dialogue: Support to Conflict Transformation in the South Caucasus and the Republic of Moldova	ENI	Eastern Europe Region	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	03-12-2020	02-12-2024	9.000.000,00	The specific nature of the action requires a particular type of implementing partner on account of its technical competence and its high degree of specialisation	UNDP has demonstrated proven knowledge and expertise in the areas of intervention, as well as a track record and the capacity to develop good working relations with government partners and demonstrated capacity to deliver work in a conflict sensitive manner across the region. UNDP has the necessary operational and technical capacities required for this action (it is able to sub-grant and to ensure that envelopes dealing with works and supplies can be handled flexibly and efficiently).	The programme aims to improve the socio economic development and human security of conflict-affected communities; focusing on the identification of conflict transformation opportunities in different sectors, healthcare, human rights, environment, inclusion of women and support them through a sub-granting scheme. Additionally, the conflict transformation activities will be supported through related works and supplies when deemed useful.

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419165	Leaving no children behind in Libya	ENI	Libya		UNITED NATIONS DEVELOPMENT PROGRAMME			3.500.000,00	Optimisation of donor coordination	The collaboration of UNDP, UNICEF and UNODC is expected to lead to a coordinated and stronger juvenile justice system in Libya	Implementation of contribution agreement (incl. procurement)
419307	Protecting human rights of vulnerable groups in Azerbaijan	EIDHR	Azerbaijan	Contribution Agreement	UNITED NATIONS HIGH COMMISSIONER FOR HUMAN RIGHTS	01-01-2021	31-12-2023	2.000.000,00	The specific nature of the action focusing on Human Rights requires a particular type of implementing partner on account of its technical competence and its high degree of specialisation	OHCHR is the UN organization specialized in the protection and promotion of human rights. As such, the organization is a strategic EU partner for the implementation of EIDHR and it is specifically mentioned in the EIDHR Multiannual Indicative Programme (2018-2020) that in specific objective 5 states: "Strengthening international human rights mechanisms through continuous support the Office of the United Nations High Commissioner for Human Rights (OHCHR)". Azerbaijan has a very restrictive civil society environment that does not allow launching a call for proposals on this sensitive and other multilateral organizations based in the country don't have the same level of expertise on human rights promotion.	The overall objective of the project is ensuring the protection of human rights of vulnerable groups in Azerbaijan, including in the context of COVID-19. This will be achieved through delivering free legal aid to vulnerable groups and capacity building to CSOs and HRD, as well as financial support.

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419362	Just(ice) Children: EU for juvenile and child-friendly justice	IPA2	The Republic of North Macedonia	Contribution Agreement	UNITED NATIONS CHILDREN'S FUND	01-11-2020	31-10-2022	500.000,00	Article 195(f) of the 2018 Financing Regulation, allowing the contracting authority to award a grant without a call for proposals for activities with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative powers, on condition that the activities concerned do not fall within the scope of a call for proposals. UNICEF draws on decades of experience in child protection policy to over 120 countries, including North Macedonia since 1993, when UNICEF was the first United Nations (UN) agency to open an office in the country after declaring independence) and has a proven standard-setting role in this area. With its 13 significant global footprint and mandate to ensure the effective protection of children, UNICEF is uniquely placed in the country to provide efficient and cost-effective technical support solutions covering the full package of planned activities (capacity building of the national authorities particularly in the rule of law area, advocacy for and promotion of the rights of the children, monitoring of the child protection standards, developing and realisation of specific child protection measures). There is no other donor/development partner in the country that covers the complete list of activities and has the leverage to influence the policy making. The transfer	Professional capacity of UNICEF, which draws on decades of experience in child protection policy to over 120 countries, including North Macedonia since 1993, when UNICEF was the first United Nations (UN) agency to open an office in the country after declaring independence) and has a proven standard-setting role in this area. With its significant global footprint and mandate to ensure the effective protection of children, UNICEF is uniquely placed in the country to provide efficient and cost-effective technical support solutions covering the full package of planned activities (capacity building of the national authorities particularly in the rule of law area, advocacy for and promotion of the rights of the children, monitoring of the child protection standards, developing and realisation of specific child protection measures). There is no other donor/development partner in the country that covers the complete list of activities and has the leverage to influence the policy making. The transfer of know-how as regards protection of children, including children victims and children in conflict with law is an integral part of UNICEF's mandate. The UNICEF has developed an undeniable capacity to offer expert advice, technical cooperation and operational assistance to states, intergovernmental, non-governmental organisations as well as directly to children, civil society	The entrusted tasks involve developing capacities for working with children in contact with law and children exposed to violence, and include: (1) support for the full implementation of the juvenile justice law (offenders, victims, witnesses); (2) developing alternative measures for children in conflict with the law and building the capacities of prosecutors, police, lawyers and mediators to implement these alternative measures; (3) strengthening the access of children to justice. The implementation of these tasks must support the achievement of Output 4: Enhanced protection of human rights, under 2020 Action "EU For Rule of Law".

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419607	Support to the capacity of the Office of the Quartet: Promoting Palestinian Authority (PA) fiscal sustainability	ENI	Palestine (occupied territory)	Contribution Agreement	UNITED NATIONS OFFICE FOR PROJECT SERVICES	23-12-2020	22-12-2022	1.000.000,00	International mandate	Absence of alternatives: UNOPS's implementation partner, the Office of the Quartet, is the only accepted body having a mediation role between the PA and the Government of Israel on a range of issues, including strengthening the security and justice sectors; and enhancing fiscal and financial stability. The OQ is the only accepted to triangulate between the Parties and the Development Partners to support ongoing dialogue between the PA and Gol ministries of finance and works to develop bridging proposals to address fiscal leakages and to improve implementation of the Paris Protocol.	The project seeks to contribute to predictability and stability of the PA's budget as a main source of financing of the PA's development objectives. The expected outcome of the action is improved dialogue on and resolution of fiscal leakages issue between the two sides based on the Paris Protocol (economic) agreements.
419897	European Union for Local Development Programme - EU PRO Plus	IPAZ	Serbia	Contribution Agreement	UNITED NATIONS OFFICE FOR PROJECT SERVICES	01-01-2021	31-12-2023	30.000.000,00	UNOPS has extensive experience in Serbia, from 2010 to 2018, as an implementing partner of three major EU funded regional and local development area-based actions worth over EUR 60 million.	UNOPS has extensive knowledge and experience with area-based development and demonstrated efficiency and effectiveness of its approaches.	Improved development planning in targeted municipalities and introduction of the Integrated Territorial Investment (ITI) concept, enhanced economic growth in targeted municipalities, improved social infrastructure and social cohesion in targeted municipalities.

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419938	Programme pour la mise en oeuvre de la stratégie nationale de l'amélioration de l'intermédiation sur le marché de l'emploi	ENI	Tunisia	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	08-12-2020	31-12-2021	500.000,00	Direct management by beneficiary not an option.	Identified as possible implementing partner in Financing Agreement 041-142. It has succeeded in developing, through the various programs carried out in Tunisia, a good knowledge and understanding of the employment market and in particular, the employment of young people has a long track record of collaboration with the beneficiary.	The project is broken down in three components: 1 –Improving the governance and the quality of the educational system 2– Developing high-quality services for enterprises for more jobs and placement 3- digitization process in line with the needs of both job seekers and enterprises, user management and the new nomenclature for jobs.
420065	Joint EU-UNDP Programme for Rural Development, Phase II (ENPARD III Abkhazia Component) – Complementary Covid-19 support	ENI	Georgia	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01-01-2021	31-10-2021	507.087,00	There are limited partners operating in the breakaway region.	This complementary support was added to an ongoing project to capitalise on existing structures and resources.	The overall objective is to contribute to the promotion of inclusive and sustainable growth, creating employment and livelihoods for the poor and excluded in Abkhazia as part of the response to the COVID crisis. This is done through 1. strengthening Abkhazia-wide agriculture development in the aftermath of the COVID-19 pandemic; and 2. enhancing competitiveness of agriculture and improve rural economic diversification service provision in key sectors affected by the COVID-19 pandemic.

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420117	Addendum 1: Ending violence against women in the Western Balkans and Turkey, Phase II. Implementing Norms, Changing Minds	IPA2	Region IPA instrument	Contribution Agreement	UNITED NATIONS ENTITY FOR GENDER EQUALITY AND THE EMPOWERMENT OF WOMEN	01-02-2020	31-07-2023	3.763.734,00	The action is implemented in indirect management with the UN WOMEN in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - technical expertise	The envisaged entity has been selected using the following criteria: the specific technical knowledge of the UN Women, who is the United Nations' entity dedicated to gender equality and the empowerment of women. UN Women has proven its operational capacity in this area through previous interventions, and the foreseen activities build on previous work carried out by the organisation. Working with a UN Agency such a UN Women is furthermore expected to provide additional leverage in ensuring full participation of governments in this area.	The implementation entails: reinforcing an enabling legislative and policy environment in line with international standards on eliminating violence against women and all forms of discrimination; promoting favourable social norms and attitudes and prevent discrimination and violence against women; contributing to the empowerment of women and girls (including women from minority groups) who have experienced discrimination or violence to advocate for and use available, accessible and quality services, including livelihood support.
420119	Addendum 1 to Additional Support to the Regional Housing Programme (RHP) - NB: Technical Assistance and Partners' Implementing Structures	IPA2	Region IPA instrument	Delegation agreement	BANQUE DE DEVELOPPEMENT DU CONSEIL DE L'EUROPE 9	01-01-2018	31-12-2022	1.049.890,00	The action is implemented in indirect management with the CEB in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - continuation of existing programme	At the outset of the RHP, the management of the RHP Fund and the Technical Assistance to the partner countries was assigned to the Council of Europe Development Bank (CEB). Over the past 5 years, the CEB has implemented the programme in a manner, which is leading to the achievement of the expected results. The RHP was set up in line with an agreed division of labour between the four involved partner countries and their institutions, the fund manager CEB, the key international agencies (UNHCR and OSCE) involved in monitoring the beneficiary selection, and the participating donors.	The CEB carries out several tasks in relation to the RHP: as Secretariat, it facilitates coordination between stakeholders and reports on operational activities; as Fund Manager, it manages Donor contributions and reports on financial activities; as Finance Institution, it assists Partner Countries in implementing the Programme, including overseeing Technical Assistance.

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420223	Addendum 1 - 4th EU Contribution to the Regional Housing Programme Fund	IPA2	Region IPA instrument	Delegation agreement	BANQUE DE DEVELOPPEMENT DU CONSEIL DE L'EUROPE 9	01-01-2018	31-12-2022	750.110,00	The action is implemented in indirect management with the CEB in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - continuation of existing programme	At the outset of the RHP, the management of the RHP Fund and the Technical Assistance to the partner countries was assigned to the Council of Europe Development Bank (CEB). Over the past 5 years, the CEB has implemented the programme in a manner which is leading to the achievement of the expected results. The RHP was set up in line with an agreed division of labour between the four involved partner countries and their institutions, the fund manager CEB, the key international agencies (UNHCR and OSCE) involved in monitoring the beneficiary selection, and the participating donors.	The CEB carries out several tasks in relation to the RHP: as Secretariat, it facilitates coordination between stakeholders and reports on operational activities; as Fund Manager, it manages Donor contributions and reports on financial activities; as Finance Institution, it assists Partner Countries in implementing the Programme, including overseeing Technical Assistance.
420412	Part II Europe 2020 Programmatic Single-Donor Trust Fund -> Strengthening Financial Sectors and Analysing Gaps of Social Protection Systems in the Western Balkans.	IPA2	Region IPA instrument	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	22-12-2020	30-09-2022	1.165.000,00	The action is implemented in indirect management with the WBG in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - technical expertise	The envisaged entity has been selected using the following criteria: its specific expertise in the financial market field, and building on the grounds set by the previous EU-funded World Bank Group project on investments in the region, as well as its partnership in the region and in the context of the Regional Economic Area Multi-Annual Action Plan .	This implementation entails coordinating and providing expertise in the areas of financial markets and impact on most vulnerable. Close partnership and cooperation with the RCC and its relevant regional platform will be ensured and are an integral part of the action, given RCC's important role of a conveying power in the Western Balkans, for the monitoring and implementation of the Regional Economic Area Multi-Annual Action Plan, which enables the commitment, feedback and validation from both public and private stakeholders across all economies and development partners.

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420437	Advancing justice and human rights in Syria	EIDHR	Syria	Contribution Agreement	UNITED NATIONS HIGH COMMISSIONER FOR HUMAN RIGHTS	01-05-2021	31-12-2021	1.166.000,00	Top-up to previous contract (411-671). Indirect management in accordance with Article 58(1)(c) of the Regulation (EU, Euratom) No 966/2012.	The implementation entails strengthening Syrian CSOs capacities on justice and human rights issues, with a view to engage refugees, IDP communities and all those affected by the conflict in platforms dealing with transitional justice and related obstacles to peace and reconciliation. This implementation is justified, as the issues to be dealt with are the core mandate of OHCHR.	CSO support: strengthen Syrian CSOs' capacities for services provision and support to local resilience, social cohesion and confidence building, justice, accountability and human rights issues, specifically inside Syria, but also with a view to engage refugees, IDP communities and all those affected by the conflict in platforms dealing with transitional justice and related obstacles to peace and reconciliation.
420468	Mise en œuvre du programme ECOVERTEC – Résultats 1 et 2	ENI	Algeria	Contribution Agreement	UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION	22-12-2020	21-10-2024	9.771.600,00	Existing effective cooperation of Algeria within the UN system	Presence in Algeria; Lead role on economic diversification within the Algeria UN setting; Successful implementation in Algeria of specific methodology on the reduction of environmental impact of small business	Tenders, calls for proposals, contract management
420501	Justice Dashboard EaP	ENI	Eastern Europe Region	Contribution Agreement	CONSEIL DE L' EUROPE	15-01-2021	14-01-2024	2.000.000,00	The specific nature of the action requires a particular type of implementing partner on account of its technical competence and its high degree of specialisation	OGP has proven expertise and experience in the region in building civic spaces and open government mechanisms to facilitate a meaningful engagement of CSOs and promote an engaged citizenry.	The overall objective of the 'EU for Integrity Action for the Eastern Partnership' Programme is to provide assistance to the EaP countries to prevent and combat threats to the rule of law, and to support justice and public administration reform. This Action focuses on the 'supply and demand-side' of the necessary reforms, to foster evidence-based anti-corruption policy implementation through regional analysis and experience-sharing, to support stepping-up the enforcement of legislation.

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420517	Strengthen national and local systems to support the effective socio-economic integration of returnees in the Western Balkans	IPAZ	Region IPA instrument	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	15-10-2020	30-06-2024	4.500.000,00	The action is implemented in indirect management with UNDP in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - experience/expertise	The envisaged entity has been selected using the following criteria: (1) experience with previous actions in Western Balkans related to objectives of the intervention; (2) experience in Western Balkans in general; (3) capacities of the institutions; (4) presence in the region; and (5) absence of conflict of interest.	This implementation entails the relevant tasks to enhance the capacity of Western Balkan authorities at central and local level to implement successful returnee reintegration policies and respond effectively to the needs of vulnerable returnees, in coordination with the World Bank
420518	Supporting the Effective Reintegration of Returnees in the Western Balkans Phase II	IPAZ	Region IPA instrument	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	15-01-2021	30-11-2023	2.200.000,00	The action is implemented in indirect management with the World Bank in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - experience/expertise	The envisaged entity has been selected using the following criteria: (1) experience with previous actions in Western Balkans related to objectives of the intervention; (2) experience in Western Balkans in general; (3) capacities of the institutions; (4) presence in the region; and (5) absence of conflict of interest.	This implementation entails the relevant tasks to enhance the capacity of Western Balkan authorities at central and local level to implement successful returnee reintegration policies and respond effectively to the needs of vulnerable returnees, in coordination with UNDP
420526	Réponse solidaire Européenne à la COVID-19 en Algérie	ENI	Algeria	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	26-11-2020	25-05-2022	43.000.000,00	Existing effective cooperation of Algeria within the UN system	Presence in Algeria; Access to world-wide procurement hub, Collaboration with WHO, UNICEF and other agencies working on the pandemic	Tenders, calls for proposals, contract management

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420550	"Strengthening civil society capacities and multi-stakeholder partnerships to advance women's rights and gender equality in Turkey"	IPA2	Region IPA instrument	Contribution Agreement	UNITED NATIONS ENTITY FOR GENDER EQUALITY AND THE EMPOWERMENT OF WOMEN	01-04-2021	31-03-2024	4.300.000,00	Use of indirect management with a pillar assessed entity as defined in the Commission Implementing Decision 6599 of 22/09/2020. The implementation of the activity requires specific expertise possessed by this organisation in the in the field of women and gender equality in Turkey.	The envisaged entity has been selected using the following criteria: the unique mandate of UN Women, its dedication to gender equality and the empowerment of women, its operational capacity to manage sub-granting schemes, its unique position for promoting networking and solidarity among women-dedicated NGOs. Besides, UN Women has proven its operational capacity in this area through previous interventions in Turkey, and the foreseen activities build on previous work carried out by the organisation.	The selected organisation will carry out all activities foreseen under this project.

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420610	ROMACTED phase II: Promoting good governance and Roma empowerment at local level	IPA2	Region IPA instrument	Contribution Agreement	CONSEIL DE L' EUROPE	01-01-2021	31-12-2024	5.700.000,00	The action is implemented in indirect management with the Council of Europe in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - continuation of an existing programme	The envisaged entity has been selected using the following criteria: (1) previous experience and knowledge gained through the implementation of the ROMACTED phase I, ROMACT and ROMED, as well overall experience and knowledge of the Council of Europe relevant for the objectives and results of the action, including experience of mitigating the impact of the COVID 19 pandemic within Western Balkan Roma communities; (2) development of methodology that will be used in the action within the ROMACTED phase I; (3) implementation of the action that will be followed up within this component; (4) administrative capacities and presence in the region; and (5) absence of conflict of interest.	This implementation entails the relevant tasks to enhance effective participation of local Roma communities in the design and implementation of local policies;
420725	Support to Priority Actions for Gender Equality in Serbia II	IPA2	Serbia	Contribution Agreement	UNITED NATIONS ENTITY FOR GENDER EQUALITY AND THE EMPOWERMENT OF WOMEN	01-03-2021	29-02-2024	2.000.000,00	The proposed action is a continuation of a project implemented in partnership with the Coordination Body for Gender Equality and the Ministry of European Integration of the Government of the Republic of Serbia, implemented by UN Women.	UN Women has been selected using the following criteria: their proven experience, reputation and high project management standards in performing various technical assistance projects; a demonstrated firm commitment to supporting gender equality mechanisms at all levels, as well as women's CSOs in promoting gender equality and women's rights	The entrusted entity should strengthen Serbian public administration capacities for integrating and implementing EU and national gender equality commitments in strategies, plans, budgets and EU funds management.

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420726	Inclusive, competitive and sustainable value chain development in agriculture, fisheries and forestry	ENI	Ukraine	Contribution Agreement	THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS	01-01-2021	31-12-2024	4.500.000,00	Financing decision ENI/2020/042-345 sets an objective to strengthen agricultural value chains in Ukraine and support small farms. Point 5.3.2.1 of the said decision foresees an Indirect management with an entrusted entity.	The project was awarded to FAO because this organisation meets all criteria identifying the entrusted entity in the decision. Furthermore, FAO has been implementing projects in a wide range of the sectors covered by this decision: agriculture (matching grant schemes, agriculture research, information and knowledge), forestry (wood tracking system and institutional training) and fisheries (fisheries sector reform, stock monitoring, fishing vessel control system, Secretariat of the GFCM).	Two major components: - Support of sectoral and institutional reforms in the area of forestry and fisheries (improvement of the wood e-tracking system, fish stock monitoring and fishing vessels control tools etc.). - strengthen agricultural value chains and support small farms: (i) identification and strengthening of target value chains in geographical clusters, (ii) support small farmers to access finance and improved business support and extension services, (iii) acquire new technology and good agricultural practices and establishment of functioning agricultural producer organisations / co-operatives or other farmer groups.

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420726	Inclusive, competitive and sustainable value chain development in agriculture, fisheries and forestry	ENI_CBC	Ukraine	Contribution Agreement	THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS	01-01-2021	31-12-2024	8.500.000,00	Financing decision ENI/2019/042-119 sets an objective to strengthen agricultural value chains in Ukraine and support small farms. Point 5.3.2.1 of the said decision foresees an Indirect management with an entrusted entity.	The project was awarded to FAO because this organisation meets all criteria identifying the entrusted entity in the decision. Furthermore, FAO has been implementing projects in a wide range of the sectors covered by this decision: agriculture (matching grant schemes, agriculture research, information and knowledge), forestry (wood tracking system and institutional training) and fisheries (fisheries sector reform, stock monitoring, fishing vessel control system, Secretariat of the GFCM).	Two major components: - Support of sectoral and institutional reforms in the area of forestry and fisheries (improvement of the wood e-tracking system, fish stock monitoring and fishing vessels control tools etc.). - strengthen agricultural value chains and support small farms: (i) identification and strengthening of target value chains in geographical clusters, (ii) support small farmers to access finance and improved business support and extension services, (iii) acquire new technology and good agricultural practices and establishment of functioning agricultural producer organisations / co-operatives or other farmer groups.

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420784	Enhancing War Crimes Accountability in the Western Balkans	IPA2	Region IPA instrument	Contribution Agreement	THE INTERNATIONAL RESIDUAL MECHANISM FOR CRIMINAL TRIBUNALS	01-01-2021	31-12-2023	3.000.000,00	The action is implemented in indirect management with the IRMCT in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - mandate	The envisaged entity has been selected using the following criteria: unique core mandate, and sound expertise and strong practical experience from the region in the prosecution of international crimes and outreach of fact-based narratives of past crimes. The IRMCT is the successor of the International Tribunal for the former Yugoslavia, which was responsible for the prosecution and trial of those responsible for serious violations of international humanitarian law committed in the territory of the former Yugoslavia since 1991. The IRMCT is the only competent authority able to transfer cases from its files to domestic authorities. It is uniquely placed to provide direct case assistance to domestic authorities due to its in-depth expert knowledge of the concrete war crimes cases and access to the IRMCT evidence collection. It has specific expertise in a number of legal issues key to prosecution at domestic level. The IRMCT has a leading experience in conducting outreach. It has a unique position in awareness raising as to the ICTY's achievements and dissemination of fact-based narratives of past crimes.	This implementation entails undertaking all necessary actions, including through direct implementation of activities and conducting tasks as relevant, to achieve the action's specific objectives in order to enhance prosecution of war crimes at domestic level; and to increase public knowledge and understanding of the facts established in ICTY cases regarding crimes committed during conflicts in the former Yugoslavia since 1991. Tasks may include inter alia: the provision of legal and other expert support, capacity building / training/ seminars / conferences / events /visits and carrying out networking and awareness raising activities.

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420800	Support to Electoral Reforms in the Western Balkans	IPA2	Region IPA instrument	Contribution Agreement	ORGANIZATION FOR SECURITY AND COOPERATION IN EUROPE	01-01-2021	31-12-2023	1.500.000,00	The action is implemented in indirect management with the OSCE in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - mandate	The envisaged entity has been selected using the following criteria: core mandate, operational and financial capacity, and experience in the region. ODIHR is a regional inter-governmental human rights body with the specific mandate to promote democratic elections. In this respect, ODIHR carries out election observation in OSCE participating States and supports authorities to improve electoral processes and to follow up on recommendations by ODIHR election observation missions.	This implementation entails undertaking all necessary actions, including through direct implementation of activities and conducting budget implementation tasks to improve the implementation of electoral recommendations in five thematic areas in IPA II beneficiaries. Tasks may include inter alia: the provision of technical/legal assistance, capacity building, seminars/events/visits/joint regional activities and carrying out monitoring and analysis.
420822	Strengthening Health Care Infrastructure for All (SHIFA)	IPA2	Turkey	Contribution Agreement	BANQUE DE DEVELOPPEMENT DU CONSEIL DE L'EUROPE 9	01-03-2021	28-02-2025	90.000.000,00	Use of indirect management with pillar-assessed entities as defined in the commission decision 5454 of 18/07/2019, due to nature and size of actions financed under the Facility for Refugees in Turkey, as well as technical expertise of the institutions in this priority area.	The organisation was selected following a Call for proposals to pillar assessed institutions to carry out construction of new Migrant health centres and rehabilitation of the existing ones and purchase of medical equipment and consumables, in the framework of the support to the health priority area within the Facility for Refugees in Turkey. The selection of the organisation is in line with conditions defined in Commission decision 5454 of 18/07/2019	The organisation is in charge of the financial administration and management of the component II of the action under <i>health</i> defined in the Commission Decision 5454 of 2019 for the construction and rehabilitation of migrant health centres and supply of equipment. Tasks of the organisation include supervision, setting up and operating management and control systems, monitoring of implementation and reporting of its programme

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420998	European Union Support to Covid-19 Recovery and Resilience of Agriculture and Rural Development in Bosnia and Herzegovina (EU4AGRI-Recovery)	IPA2	Bosnia and Herzegovina	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01-01-2021	30-06-2023	5.000.000,00	eu4agri 'top up' i.e. preparedness of UNDP and its partner, Czech Development Agency (CzDA), to deliver the support under the implementation (eu4agri) system already well in place, as a fast track grants delivery mechanism. BiH is not eligible for IMBC.	<p>The entity was entrusted due to the reasons that UNDP with its partner, CzDA, has been already implementing EU funded indirect management projects, like "EU4Flood recovery" and particularly ongoing "EU4Agri" project. The system is already well in place and functioning for the grants management and channelling assistance in form of Covid-19 recovery adequate support measures to the sector beneficiaries/farmers, agri-food operators and rural operators, including unemployed, women etc. This includes the assistance in business continuity services. The selection was therefore based on the fact that they have demonstrated their well-experienced entrustments with budget implementing tasks and that they comply with the selection criteria specified in the CiD as follows:</p> <ul style="list-style-type: none"> • they have long standing presence in Bosnia and Herzegovina and in other Western Balkan countries, with developed and adequate administrative capacities; • they are experienced in managing grant schemes in Bosnia and Herzegovina, including large-scale EU funded projects under indirect management and recovery programmes, like those indicated above; • they are experienced with all tasks that are required under the special measure: logistical support, procurement, managing large and complex operations, including both the EU aligned systems in line for grants channelling and the technical support to ensure sound grants management, which includes monitoring and evaluation; • they are experienced in providing financial and legal services in Bosnia and Herzegovina in the field of company law; • and that they successfully completed the EU 'pillar assessment'. 	The implementation entails channelling and management of recovery and resilience grants, business continuity support measures to the sector beneficiaries

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421065	Improving the Effectiveness of Family Courts: Better Protection of the Rights of Family Members	IPA2	Turkey	Contribution Agreement	CONSEIL DE L' EUROPE	20-03-2021	19-12-2023	2.000.000,00	Following the negative opinion of the Twinning Inter-service group on the implementation in IMBC via a twinning to a member state, and considering the sensitivity of the activities, it was decided to resort to indirect centralised management.	The Council of Europe can bring distinctive added value to the specific nature of the project, being the reference point in Europe for standard setting in the field of justice.	The selected organisation will carry out all activities foreseen under this project.
421088	STEG Reform and Restructuring Project	ENI	Tunisia	Contribution Agreement	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT			22.960.000,00	Implied by the NIP mechanism.	The selected body submitted the project. In addition, it has a long track record of collaboration with the beneficiary.	Preparation and implementation of a new Enterprise Resource Planning system in the utility, plus TA on financial management.
421254	Demining and Increasing the Border Surveillance Capacity at the Eastern Borders of Turkey - Phase 3	IPA2	Turkey	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01-01-2021	31-12-2022	18.550.000,00	Use of IMEE with UNDP as defined in the amendment no 2 to the Financing Agreement on the AAP to Turkey for the Year 2016 (Ares(2020)312372 - 17/01/2020) and annex 5 of revised HA AD 2016. As per PRAG, a direct award to UNDP is justified "for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power".	UNDP was selected based on its previous cooperation with the Government of Turkey, and the high level of trust developed with end beneficiary (Turkish Mine Action Centre of the Ministry of National Defence) in a particularly sensitive area of assistance during the implementation of Phase I and II projects.	UNDP will manage the entire contract (Contribution Agreement) encompassing the following three components: capacity building for end beneficiary (TURMAC), awareness raising on the dangers of land mines and physical demining of contaminated territory.

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421307	EU4Business: From Policies to Action – Phase 2	ENI	Eastern Europe Region	Contribution Agreement	ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT	01-05-2021	30-04-2024	2.900.000,00	The specific nature of the action requires a particular type of implementing partner on account of its technical competence and its high degree of specialisation	OECD has demonstrated proven knowledge and expertise in the areas of intervention in particular through the implementation of the 1st phase.	The overall objective of the Action is to support competitiveness and SME policy reforms in the Eastern partner (EaP) countries, with a focus on digitalisation. OECD will assist EaP countries by providing support for better policy planning, delivery, monitoring and evaluation while, at the same time, providing guidance to policy makers on how to strengthen digitalisation of SMEs to build more resilient and competitive economies. Main activities: 1/ Regional peer reviews of country-level policies and 2/ SBA assessment, regional benchmarking and policy seminars
421363	Communicating Gender Equality	IPA2	Montenegro	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01-02-2021	31-07-2022	200.000,00	UNDP has a world recognised experience and efficiency in UNDP Office in global project management. UNDP has additionally a uniquely broad and all encompassing range of expertise and know how in certain sub sectors including those focused on gender. Reason - specific expertise.	UNDP has been selected using the following criteria: extensive experience in this particular area of support and is uniquely placed to ensure fast, effective and efficient support. It has established the necessary relationships with all relevant stakeholders at national, regional and local level in order to ensure implementation of the project. UNDP has presence on the ground and has privileged relationship with the authorities.	Development and implementation of a number of focused activities in gender within the national administration in Montenegro.

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421435	E-services and digital infrastructure as COVID-19 response measure	IPA2	Montenegro	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	18-01-2021	17-01-2023	1.900.000,00	UNDP has a world recognised experience and efficiency in UNDP Office in global project management. UNDP is able to rapidly mobilise efficient procurement and project management procedures while Montenegro has limited capacities. Reason - Optimisation of donor coordination.	UNDP has been selected using the following criteria: extensive experience in this particular area of support and is uniquely placed to ensure fast, effective and efficient support. It has established the necessary relationships with all relevant stakeholders at national, regional and local level in order to ensure implementation of the project. UNDP has presence on the ground and has privileged relationship with the authorities. The action would build up on the results already achieved by the UNDP in the creation of a Single Information System, by maximizing the efficacy and efficiency of the activities to be implemented. A direct grant will ensure a alignment with the work already undertaken and the achievement of the maximum efficiency by using and reinforcing the technical expertise, the administrative knowledge and tools already developed.	Development and initial roll out of special IT focused tools linked to the COVID-19 recovery within the Montenegrin national administration.

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421449	EU4Environment - Ecosystems and Livelihoods - Result 4	ENI	Eastern Europe Region	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	18-12-2020	31-12-2024	6.000.000,00	The World Bank has extensive technical expertise related to sustainable forest management and biodiversity protection. Furthermore, working with local communities required a partner that has a long-lasting presence on the ground and experience in poverty reduction and job creation.	The selection criteria included technical competence and high degree of specialisation. World Bank's extensive country engagement in the region allows cross-sectoral coordination of both financing and advisory services. The World Bank was leading the implementation consortium for the ENPI-FLEG Programme (European Neighbourhood and Partnership Instrument East Countries Forest Law Enforcement and Governance Program; two phases, 2008-2016).	The World Bank will support the EU's Eastern Partnership countries: Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova (Moldova) and Ukraine (the "EaP countries") in their implementation of the "Result Area 4: Ecosystem services and livelihoods of the European Union for Environment Action" (hereinafter "EU4Environment Program") through technical assistance and advisory services to support EaP countries in building capacity on four topics: (i) protecting biodiversity and natural ecosystems (Emerald Network); (ii) promoting sustainable natural resources management, economic development and participation at local community level; (iii) promoting legal trade and preventing illegal trade in wood products; and, (iv) enhancing strategic financing to the forest sector, in order to contribute to better conserving countries' natural capital and ensuring more resilient livelihoods.

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421525	EU4Moldova: Facility to support the health response to the COVID-crisis	ENI	Moldova	Contribution Agreement	WORLD HEALTH ORGANIZATION	17-12-2020	16-04-2024	5.000.000,00	<p>The recourse to indirect management is justified by the fact that the entrusted entity has an outstanding expertise in the health sector, the organisation would carry out the following budget-implementation tasks: organising the public procurement, grant award procedures; concluding and managing the resulting contracts, including making of the related payments.</p>	<p>a) The entity has strong expertise and knowledge of the health sector in the Republic of Moldova. The entity has internationally recognised role and experience in the health sector.</p> <p>b) The entity has a clear mandate for the implementation of health related activities and is guided by international standards in project procurement and implementation, and has a network of technical experts deployed worldwide and specifically in the Republic of Moldova.</p> <p>c) Health security is a key element of WHO responsibility in the Republic of Moldova, in particular as concerns the management of the regime for controlling the spread of communicable diseases. The International Health Regulations, administered by WHO provide the legal instrument for doing so.</p> <p>d) The entity has demonstrated transparency, impartiality, and the absence of conflict of interest, in other cooperation programmes with the European Union.</p>	<ul style="list-style-type: none"> • Health and first-line workers have received qualitative protective gears in line with WHO's disease commodity package (Infection prevention & control). • Relevant personnel have been trained to use personal protective equipment, and on case management (infection prevention and control, case management and equipment & logistics). • Capacity for COVID-19 detection scaled up in line with optimal strategies (national laboratories and operational support and logistics). • Management of essential health services delivery (vaccination, services related to reproductive health, including care during pregnancy and childbirth, care of vulnerable populations, management of emergency health conditions, auxiliary services, such as basic diagnostic imaging, laboratory services etc.) and their resilience strengthened and improved. • Citizens have received timely and high-quality information to act at individual level (risk communications and community engagement).

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421713	Technical Support to the Eastern Partnership Transport Panel - Phase 2	ENI_CBC	Eastern Europe Region	Contribution Agreement	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	19-12-2020	31-12-2022	2.800.000,00	The World Bank's extensive experience in the area of road safety and continuous presence in the region will ensure achieving the objectives of the Eastern Partnership Panel that requires coordination among member countries to monitor progress in the implementation of the different initiatives.	WB experience in the area of road safety, TEN-T and in the EaP region	The World Bank will provide technical support and advisory services to the Eastern Partnership Panel on Transport and will continue to assist in updating the project pipeline for the TEN-T Investment Action Plan, defining the TEN-T corridor and impact measurement, improving of the corridor performance approach and focus on digital development, supporting the implementation of the key road safety priorities, organising the work of the 3 regional working groups on road safety and facilitating the establishment of the EaP Road Safety Observatory, particularly during its inception phase.

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421753	EU Support to Local Employment Partnerships - Phase II (LEP II)	IPA2	Bosnia and Herzegovina	Contribution Agreement	INTERNATIONAL LABOUR ORGANIZATION	01-01-2021	31-12-2023	4.000.000,00	The indirect management was chosen due to specificity of the programme, which could have been implemented by a highly specialised, trusted entity. Especially as the action stipulates large number of subgrants to be contracted (20 LEPs) in the action implementation aimed at raising employment.	The essential criteria for selection of ILO for the implementation of this action was its optimal financial and operational capacity linked with the fact that ILO is the UN agency which sets international labour standards, promotes rights at work, encourages decent employment opportunities, enhances social protections and strengthen dialogue on work-related issues. Its unique structure brings together governments, employers' and workers' representatives. ILO has its file offices in more than 40 states all around the world. Its expertise in the sector and its experience in implementing employment projects in Bosnia and Herzegovina make it a unique partner for the implementation of the Action at hand, especially taking into account that they have successfully implemented the pilot LEPs project.	Outcome: To contribute to better employability in local communities Principal Output: To foster sustainable, partnership-driven labour market frameworks at the local level for an increased access to formal employment Output 1.1.: Key stakeholders recognize LEPs as a partnership-driven labour market mechanism for an increased access to formal employment at the local level: (i) At least 200 representatives of local communities, private companies, educational institutions, NGOs, development agencies and public employment services that participate in the knowledge and promotional activities about LEPs Output 1.2.: Local employment partnerships successfully design and implement active labour market measures: (i) at least 160 representatives of target group (at least 40% women) participate in the training on concept note and full project proposals for partnership-based interventions on employment; (ii) 20 LEPs successfully developed local employment development initiatives for EU funding and local resources; (iii) up to 1600 final beneficiaries trained to meet local labour market needs and to increase competitiveness; (iv) up to 600 final beneficiaries employed after participating in the LEPs' interventions; (v) at least 38 enterprises actively engaged in LEPs; (vi) at least 10 programs and services provided to the hard-to-employ categories (including vulnerable youth and women, long-term unemployed, people with disabilities and minorities); (vii) up to 300 unemployed persons (out of 1600) trained to start own enterprises (Generate Your Idea

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421849	Supporting Removal Centres' Capacities and Fostering Alternatives to Administrative Detention	IPA2	Turkey	Contribution Agreement	INTERNATIONAL ORGANIZATION FOR MIGRATION	01-02-2021	31-01-2024	3.500.000,00	Use of indirect management with a pillar assessed entity as defined in the Commission Implementing Decision 2019/042-259. The implementation of the activity requires specific expertise possessed by international organisations operating in the field of migration in Turkey.	IOM (lead contractor) and UNHCR (partner) were selected based on the following criteria, as stipulated in the Annex to the Commission Implementing Decision 2019/042-259: proven competence and mandate on provision of capacity building support on management of immigration detention facilities; operational and technical capacity to effectively implement the activity; prior working experience with the main beneficiary.	The IOM (lead contractor), jointly with the UNHCR (partner), will be in charge of the implementation, monitoring and evaluation, as well as financial and narrative reporting of the activity. In doing so the two UN agencies will provide capacity building assistance under this activity, which aims at: (i) improving institutional capacities of removal centres, (ii) strengthening procedural safeguards in accessing rights and services in removal centres (iii) fostering the implementation of alternatives to detention.

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421902	Response to COVID-19 - Emergency and early recovery support	IPA2	Kosovo (under UNSCR 1244/99)	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	25-12-2020	24-12-2022	4.999.961,00	In accordance with regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 Article 62 (1)(c)(ii) and Article 156 that refer to the Implementation of external actions through indirect management with International Organisations	Experience in building resilience to crisis and eradicating poverty, including its established partnerships, spans global, regional and local levels. Over the past 20 years in Kosovo, UNDP has established and supports services to address the needs of women, minorities, and other disenfranchised groups in partnerships with central and municipal institutions, including Civil Society Organisations (CSOs)/Nongovernmental Organisations (NGOs) and grass-root/community level organisations. Furthermore, UNDP has built important working relations with stakeholders engaged in dealing with the past as means of addressing the needs of families of the missing persons irrespective of their ethnicity. Continuous work in emergency reconstruction and rehabilitation, assistance to disadvantaged communities, governance, rule of law, and promotion of employment generation. Currently the international organisation is implementing several European Union (EU) funded operations contributing to achieve sustainable development of local communities through governance projects and enhanced cooperation between municipalities and civil society, Regional Programme on Local Democracy in the Western Balkans (ReLOaD). Moreover, the work on improving interethnic dialogue and cooperation through cultural	Improved service provision for the most vulnerable groups amidst the COVID-19 pandemic and its aftermath

Contract Number	Contract Title	Programmes concerned (Instrument)	Benefiting zone	Legal Commitment Type description	Complete Name of Legal Entity	Contract Start date	Contract End date	Contract Accepted Amount (EUR)	Justification of the recourse to indirect centralised management	Justification of the selection of the bodies	Summary description of the implementing tasks entrusted to these bodies
421932	Strengthening health system resilience and response to the COVID-19 pandemic and epidemiological treats	IPAZ	Montenegro	Contribution Agreement	UNITED NATIONS CHILDREN'S FUND	11-01-2021	10-01-2023	1.120.000,00	UNICEF has a globally recognised expertise, know how and reputation on the subject of young people and education. It is also skilled in building and running campaigns. Reason - specific expertise.	UNICEF has been selected using the following criteria: extensive experience in this particular area of support (young people) and is uniquely placed to ensure effective and efficient support. It has established the necessary relationships with all relevant stakeholders at national, regional and local level in order to ensure implementation of the project.	Implementation of a risk communication campaign throughout the country including in schools, places of works and in wider society.
421955	Strengthening National Capacities Against COVID-19	IPAZ	Turkey	Contribution Agreement	WORLD HEALTH ORGANIZATION	13-01-2021	12-01-2023	5.300.000,00	Use of Indirect management with international organisation as defined in the amendment no 4 to the Financing Agreement on the AAP to Turkey for the Year 2016. As per PRAG, a direct award to WHO is justified "for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power".	The WHO is the world reference point in the field of health and has a recognised international mandate for improving public health.	The WHO, in close cooperation with the Ministry of Health, will be responsible for initiating the project and carrying out all project activities, monitoring the proper implementation of activities and reporting to the Steering Committee, mobilizing and coordinating with other institutions involved in the project.

Contract Number	Contract Title	Programmes concerned (Instrument)	Benefiting zone	Legal Commitment Type description	Complete Name of Legal Entity	Contract Start date	Contract End date	Contract Accepted Amount (EUR)	Justification of the recourse to indirect centralised management	Justification of the selection of the bodies	Summary description of the implementing tasks entrusted to these bodies
421996	Regional Programme on Local Democracy in the Western Balkans 2 (ReLOaD2)	IPA2	Region IPA instrument	Contribution Agreement	UNITED NATIONS DEVELOPMENT PROGRAMME	01-01-2021	31-12-2024	11.350.000,00	The action is implemented in indirect management with UNDP in accordance with Article 62.1(c) of Regulation (EU, Euratom) No 1046/2018, in conjunction with Article 154(3) of the same regulation - Pillar assessed IO - continuation of an existing programme	The entity has been selected using the following criteria: UNDP has relevant extensive technical experience in working with local authorities and local civil society organisations (it implemented the first phases of the activity in the region); and it has demonstrated operational capacity to manage a project of this size, and to ensure a large component of financial support to third parties.	The implementation by this entity entails implementation and management of all aspects of the contract, including budget implementation tasks (procurement and grant award procedures as relevant), to assist the IPA beneficiaries in strengthening local authorities' capacities, reinvigorating the partnership between local authorities and civil society organisations and improving the decision making process at local level.
422069	Promoting the Clean Energy Transition in the Eastern Partnership countries: EU4Energy Phase II - Components 3 - 6	ENI	Eastern Europe Region	Contribution Agreement	INTERNATIONAL ENERGY AGENCY	01-07-2021	30-06-2025	3.700.000,00	The recourse to an award of a grant without call for proposals is justified by IEA's competence, high degree of specialization, strong proven experience in the field, and its unique experience and knowledge of the energy policy frameworks in the beneficiary countries.	IEA has the necessary expertise notably in the field of energy statistics but also a broad range of other energy policy areas, to lead the proposed components of the action. They are leading the same analyses for OECD countries (which include many EU Member States). The similarity in approach would allow for better harmonisation and easier implementation of the acquis for partner countries in line with their obligations under the Energy Community Treaty, DFCTAs, CEPA, or other relevant frameworks.	The IEA will implement the following components: • Result 3: Increased capacity in energy data management • Result 4: Increased access to energy information and awareness raising • Result 5: Development of concrete measures to remove investment barriers and mobilise clean energy finance • Result 6: Further promoting regional cooperation on energy security and trade
134							Sum:	1.552.016.187,62			

ANNEX 11: EAMR of the Union Delegations

22⁷⁷ DG NEAR Delegations have submitted an EAMR report for the year 2020:

NEAR A	TR	Turkey	IPA
NEAR B	DZ	Algeria	ENI
NEAR B	EG	Egypt	ENI
NEAR B	PS	West Bank and Gaza Strip	ENI
NEAR B	IL	Israel	ENI
NEAR B	JO	Jordan	ENI
NEAR B	LB	Lebanon	ENI
NEAR B	MA	Morocco	ENI
NEAR B	SY	Syria	ENI
NEAR B	TN	Tunisia	ENI
NEAR C	AM	Armenia	ENI
NEAR C	AZ	Azerbaijan	ENI
NEAR C	BY	Belarus	ENI
NEAR C	GE	Georgia	ENI
NEAR C	MD	Moldova	ENI
SGUA	UA	Ukraine	ENI
NEAR D	AL	Albania	IPA
NEAR D	BA	Bosnia and Herzegovina	IPA
NEAR D	XK	Kosovo*	IPA
NEAR D	ME	Montenegro	IPA
NEAR D	MK	The Republic of North Macedonia	IPA
NEAR D	RS	Serbia	IPA

⁷⁷ For 2 countries (Libya and Russia) out of 24 countries in which DG NEAR operates the authorizing officer functions are performed at HQ.

ANNEX 12: EU Trust Funds

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Annexes to EU Trust Fund Syria

Annex 1



Annex 1_MADAD
2020.xlsx

Annex 2



Annex 2_KPIs.pdf

Annex 3



Annex
3_7th_results_reportir

Annex 4



Annex
4_Non-substantial mc

Annex 5



Annex
5_EAMR_Projects mor