



European  
Commission

# Annual Activity Report 2022

## Annexes

DG COMPETITION

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

***“I declare that in accordance with the Commission’s communication on the internal control framework <sup>(1)</sup>, 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 section 2 of the present Annual activity report and in its annexes is, to the best of my knowledge, accurate and complete.”***

***Brussels, 30 March 2023***

***(signed)***

***Maria Velentza, Director in charge of Risk Management and Internal Control***

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<sup>(1)</sup> C(2017)2373 of 19.04.2017.

## ANNEX 2: Performance tables

### 1. A European Green Deal

<b>General objective 1:</b> A European Green Deal			
<b>Impact indicator:</b> Share of renewable energy in gross final energy consumption			
<b>Source of the data:</b> Eurostat (Eurostat online <a href="https://ec.europa.eu/eurostat/databrowser/view/sdg_07_40/default/table?lang=en">https://ec.europa.eu/eurostat/databrowser/view/sdg_07_40/default/table?lang=en</a> data code: sdg_07_40)			
Baseline (2018)	Interim Milestone (2020)	Target (2030)	Latest known results (2021)
19.1%	20%	32%	21.8%

<b>Specific objective 1:</b> State aid control contributes to environmental protection, renewables and energy savings			
<i>Related to spending programme(s): Programme for single market, competitiveness of enterprises, including small and medium-sized enterprises, and European statistics</i>			
<b>Result indicator:</b> Total State aid expenditure for environmental protection, renewables and energy savings as a percentage of total State aid in the EU			
<b>Source of the data:</b> European Commission			
Baseline (2018)	Interim Milestone (2022)	Target (2024)	Latest known results (2021)
55.5%	Increasing trend (%)	Increasing trend (%)	20,5%

<b>Main outputs in 2022:</b>			
<b>Initiatives linked to regulatory simplification and burden reduction</b>			
Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Revision of the State Aid General Block Exemption Regulation (GBER) in light of the Green Deal 	Adoption	Q2 2022	Q2 2023 <sup>(2)</sup>

<sup>(2)</sup> See: [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_21\\_5027](https://ec.europa.eu/commission/presscorner/detail/en/ip_21_5027).

Enforcement actions			
Output	Indicator	Target	Latest known results (situation on 31/12/2022)
State aid expenditure to environmental protection, renewables and energy savings	Total State aid expenditure for environmental protection, renewables and energy savings as a percentage of total State aid in the EU	Increasing trend	20.5%
Enforcement of EU State aid control	Number of opening decisions per year	No target	2


## 2. A Europe fit for digital age

General objective 2: A Europe fit for digital age			
Impact indicator: Real GDP growth rate			
Source of the data: Eurostat ( <a href="https://ec.europa.eu/eurostat/databrowser/view/tec00115/default/table?lang=en">https://ec.europa.eu/eurostat/databrowser/view/tec00115/default/table?lang=en</a> online data code: TEC00115)			
Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2021)
1.8%	Increase	Increase	5.4%

Specific objective 2.1.: Updated rules and policy guidance in support of A Europe fit for the digital age, including tackling systemic competition in the platform economy and beyond <i>Related to spending programme(s): See above in 1.1</i>			
Result indicator: Ratio between adopted policy initiatives by the Commission in the area of EU competition policy to support A Europe fit for the digital age headline ambition and policy initiatives in the area of EU competition policy included in the Commission Work Programmes 2020-2024			
Source of the data: European Commission			
Baseline (2020)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
N/A	Increasing trend	100%	80% in 2022 (x45)

## Main outputs in 2022:

### New policy initiatives

Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Regulation on Digital Markets Act 	Adoption	Q2 2022	Q3 2022 <sup>(3)</sup>

### Initiatives linked to regulatory simplification and burden reduction

Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Revised State aid guidelines for broadband networks 	Adoption	Q2 2022	Q4 2022 <sup>(4)</sup>
Revision of the Vertical Block Exemption Regulation and of the vertical guidelines 	Adoption	Q2 2022	Q2 2022 <sup>(5)</sup>
Revision of the horizontal block exemption regulations and of the horizontal guidelines 	Adoption	Q4 2022	Q2 2023 <sup>(6)</sup>
Revision of certain procedural aspects of EU merger control 	Adoption	Q4 2022	Q2 2023 <sup>(7)</sup>

<sup>(3)</sup> See: <https://digital-strategy.ec.europa.eu/en/news/digital-markets-act-rules-digital-gatekeepers-ensure-open-markets-enter-force>.

<sup>(4)</sup> See: [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_22\\_7595](https://ec.europa.eu/commission/presscorner/detail/en/ip_22_7595).

<sup>(5)</sup> See: [https://cyprus.representation.ec.europa.eu/news/antitrust-commission-adopts-new-vertical-block-exemption-regulation-and-vertical-guidelines-2022-05-10\\_en](https://cyprus.representation.ec.europa.eu/news/antitrust-commission-adopts-new-vertical-block-exemption-regulation-and-vertical-guidelines-2022-05-10_en).

<sup>(6)</sup> On 8 December 2022, the European Commission adopted two regulations extending until 30 June 2023 the period of validity of the horizontal block exemption regulations on research and development and specialisation agreements (Commission Regulation (EU) 2022/2455 of 8 December 2022 amending Regulation (EU) No 1217/2010 on the application of Article 101(3) of the Treaty on the Functioning of the European Union to certain categories of research and development agreements, OJ L 321, 15.12.2022, p. 1–2; Commission Regulation (EU) 2022/2456 of 8 December 2022 amending Regulation (EU) No 1218/2010 on the application of Article 101(3) of the Treaty on the Functioning of the European Union to certain categories of specialisation agreements, OJ L 321, 15.12.2022, p. 3–4). See: [https://competition-policy.ec.europa.eu/public-consultations/2022-hbers\\_en](https://competition-policy.ec.europa.eu/public-consultations/2022-hbers_en).

<sup>(7)</sup> The Commission consulted stakeholders on the revised draft legal texts in two rounds of public consultation in 2022. The valuable feedback received led the Commission to take more time to process all input and delay the adoption to Q2 2023.

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results</b> (situation on 31/12/2022)
Revision of the Notice on market definition 	Adoption	Q4 2022	Q3 2023 <sup>(8)</sup>
Guidelines for State aid to the Agricultural and Forestry Sectors and in Rural Areas and Agricultural Block Exemption Regulations (ABER) 	Adoption	Q4 2022	Q4 2022 <sup>(9)</sup>
Fisheries Guidelines, Block Exemption Regulation (FIBER) and Regulation on de minimis 	Adoption	Q4 2022	Adopted on 14 December 2022 <sup>(10)</sup> : <ul style="list-style-type: none"> <li>• Prolongation of the fisheries de minimis Regulation 717/2014</li> <li>• FIBER</li> </ul> Endorsement of the Fisheries State aid Guidelines

<sup>(8)</sup> The Commission consulted various stakeholders during the review process, including through the European Competition Network and through a public consultation on the draft revised Notice. The valuable feedback received led the Commission to take more time to process all input and delay the adoption to Q3 2023. For more details, see: [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_22\\_6528](https://ec.europa.eu/commission/presscorner/detail/en/ip_22_6528).

<sup>(9)</sup> Commission Regulation (EU) 2022/2472 of 14 December 2022 declaring certain categories of aid in the agricultural and forestry sectors and in rural areas compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union, OJ L 327, 21.12.2022, p. 1–81; and Communication from the Commission, Guidelines for State aid in the agricultural and forestry sectors and in rural areas (2022/C 485/01), OJ C 485, 21.12.2022, p. 1–90.

<sup>(10)</sup> Commission Regulation (EU) 2022/2473 of 14 December 2022 declaring certain categories of aid to undertakings active in the production, processing and marketing of fishery and aquaculture products compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union, OJ L 327, 21.12.2022, p. 82–139; and [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_22\\_7670](https://ec.europa.eu/commission/presscorner/detail/en/ip_22_7670).

Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Council Regulation on the application of Articles 93, 107 and 108 of the Treaty on the Functioning of the European Union to certain categories of State aid in the rail, inland waterway and multimodal transport sector	Adoption	Q4 2022	Q4.2022 <sup>(11)</sup>
Informal Guidance Notice	Adoption	Q4 2022	Q4 2022 <sup>(12)</sup>
<b>Evaluations and fitness checks</b>			
Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Sector inquiry on Internet of Things (IoT)	Publication of final report	Q2 2022	Q1 2022 <sup>(13)</sup>
<b>Public consultations</b>			
Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Evaluation of Regulation 1/2003 and Implementing Regulation 773/2004	Public consultation	Q4 2022	Public consultation <sup>(14)</sup> (30.6.2022-6.10.2022)

**Specific objective 2.2.:** State aid control contributes to high performance broadband networks

*Related to spending programme(s): See above in 1.1*

**Result indicator:** Total State aid expenditure for broadband in the EU as a percentage of total State aid in the EU

**Source of the data:** Commission services

Baseline (2018)	Interim Milestone		Target (2024)	Latest known results (2021)
	(2019)	(2022)		
0.67%	0.46%	Increasing trend (%)	Increasing trend (%)	0,15%

<sup>(11)</sup> Council Regulation (EU) 2022/2586 of 19 December 2022 on the application of Articles 93, 107 and 108 of the Treaty on the Functioning of the European Union to certain categories of State aid in the rail, inland waterway and multimodal transport sector, OJ L 338, 30.12.2022, p. 35-39.

<sup>(12)</sup> See: [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_22\\_5887](https://ec.europa.eu/commission/presscorner/detail/en/ip_22_5887).

<sup>(13)</sup> See: [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_22\\_402](https://ec.europa.eu/commission/presscorner/detail/en/ip_22_402).

<sup>(14)</sup> See: [https://competition-policy.ec.europa.eu/antitrust/legislation/regulation-12003\\_en](https://competition-policy.ec.europa.eu/antitrust/legislation/regulation-12003_en).



## Main outputs in 2022:

### Enforcement actions

Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Commission decisions authorising State aid for broadband measures	Number of the Commission decisions per year	Stable trend	Stable: 8 decisions in 2022 (8 decisions in 2021)

### Other important outputs

Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Commission giving trainings within the Broadband Competence Offices (BCO) network.	Number of trainings given per year	Stable trend	Stable: 1 training in 2022 (1 training in 2021)

**Specific objective 2.3.:** Strengthening competition enforcement in support of A Europe fit for the digital age

*Related to spending programme(s): See above in 1.1*

**Result indicator:** Estimate of customer benefits resulting from cartel prohibition decisions

**Source of the data:** Commission services (OECD Guidance 2014)

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
EUR 1.5-2.3 bn	Stable (EUR x-y bn)	Stable (EUR x-y bn)	EUR 0.2-0.3 bn

**Result indicator:** Estimate of customer benefits resulting from non-cartel antitrust interventions <sup>(15)</sup>

**Source of the data:** Commission services (OECD Guidance 2014)

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
EUR 6.4-7.6 bn	Stable (EUR x-y bn)	Stable (EUR x-y bn)	EUR 5.6-11.2 bn

<sup>(15)</sup> The approach used to estimate customer benefits resulting from the Commission's non-cartel antitrust interventions (prohibition decisions based on Article 7 of Regulation 1/2003, commitment decisions based on Article 9 of Regulation 1/2003) consists in multiplying 1) the expected price increase avoided (with lower and upper bounds of 5% and 10%, respectively, unless case-specific information is available); 2) the total size of the affected markets, which is measured by the annual turnover of the companies under investigation in the affected markets; 3) the expected duration of the avoided price increase (1, 3 or 6 years), which is obtained through a questionnaire sent to the case teams responsible for the preparation of the relevant Commission decisions. The underlying assumptions are conservative and based on the economic literature and the OECD Guidance.

## Main outputs in 2022:

### Enforcement actions

Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Enforcement of antitrust rules	Number of the Commission decisions per year (intervention rate) <sup>(16)</sup>	No target	6
Effective support to NCAs on individual cases with a view to ensuring coherent and effective application of Articles 101 and 102 TFEU	Number of envisaged enforcement decisions and similar case consultations in the European Competition Network (ECN)	No target	69
	Implementation rate of comments on envisaged decisions received from the NCAs pursuant to article 11.4 of Regulation (EC) No 1/2003.	No target	In 100% of cases the comments on envisaged decisions have been completely or partially implemented
	Time to reply to NCAs pursuant to article 11.4 of Regulation (EC) No 1/2003	Within 30 days or as otherwise agreed with the NCA	In 100% of cases the reply has been provided within 30 days or as otherwise agreed with the NCAs

**Result indicator:** Estimate of customer benefits resulting from merger interventions

**Source of the data:** Commission services (OECD Guidance 2014)

Baseline (2019)	Interim Milestone (2021)	Target (2024)	Latest known results (2022)
EUR 5.7-9.4 bn	Stable (EUR x-y bn)	Stable (EUR x-y bn)	EUR 16.1- 26.8 bn

**Result indicator:** Ratio of merger decisions adopted in a simplified procedure

**Source of the data:** Commission services

Baseline (2019)	Interim Milestone (2021)	Target (2024)	Latest known results (2022)
78%	Stable	Stable	79%

<sup>(16)</sup> Intervention rate consists of antitrust interventions (decisions) by the Commission. In 2022, 6 interventions by the Commission included 4 antitrust decisions (3 commitment decisions, 1 readoption of a prohibition decision) and 2 cartel prohibition decisions (2 settlement decisions).

**Main outputs in 2022:****Enforcement actions**

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results</b> (situation on 31/12/2022)
Enforcement of EU merger control	Number of the Commission decisions per year	No target	368
	Number of the Commission decisions per year in a simplified procedure per year	No target	291
	Intervention rate <sup>(17)</sup>	No target	18

**Enforcement actions**

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results</b> (situation on 31/12/2022)
Enforcement of EU State aid control	Number of opening decisions per year	No target	7
	Adoption of Commission decisions in the field of State aid in accordance with EU State aid rules	No target	10
Monitoring of schemes in the field of State aid	Number of aid schemes subject to ex-post monitoring	Around 50	50
Prevention and recovery of incompatible aid	Adoption of recovery decisions in the field of State aid in accordance with EU State aid rules	No target	1

**External communication actions**

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results</b> (situation on 31/12/2022)
LinkedIn posts	Number of subscribers	10.000	10.750
Tweeter posts	Number of subscribers	23.000	23.000
External newsletter	Number of subscribers	10.000	10.694
ECN Advocacy and Communication Meeting Advocating for Competition in a Time of Transitions	Number of Member States participating in the meeting	27 Member States	20
Conference of Young Experts	Number of registered participants	400 registered participants	400 registered participants

<sup>(17)</sup> Intervention rate indicator includes the Commission's prohibition decisions and mergers approved subject to commitments, as well as withdrawals during second phase investigation (in-depth investigation by the Commission).

Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Conference on “Making markets work for people”	Number of registered participants	1000 registered participants	500 registered participants
Eurobarometer Surveys on citizens’ and businesses’ perception on the relevance of competition policy for the recovery and a vibrant EU economy	Uptake of the results publication	Q4 2022 3000 visits to the COMP and Eurobarometer website pages with the results of the surveys	2825 visits to the COMP and Eurobarometer website pages with the results of the surveys

### 3. An Economy that works for people

**General objective 3:** An economy that works for people

**Impact indicator:** Real GDP growth rate

**Source of the data:** Eurostat (Eurostat online

<https://ec.europa.eu/eurostat/databrowser/view/tec00115/default/table?lang=en> data code: [TEC00115](#))

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
2%	Increase	Increase	3.5%

**Specific objective 3.1.:** State aid control facilitates aid in the common interest

*Related to spending programme: See above in 1.1*

**Result indicator:** Total State aid expenditure falling under the General Block Exemption Regulation as a percentage of total State aid in the EU

**Source of the data:** Commission services

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2021)
37.0%	Increasing trend (%)	Increasing trend (%)	18,3 %

#### Main outputs in 2022:

##### Evaluations and fitness checks

Output	Indicator	Target	Latest known results (situation on 31/12/2022)
Evaluation SGEI Rules for health and social services	Publication of evaluation results Staff Working Document	Q1 2022	Q4 2022 <sup>(18)</sup>

<sup>(18)</sup> See: [State subsidy rules for health and social services of general economic interest \(evaluation\)](#) ([europa.eu](#)).

Enforcement actions			
Output	Indicator	Target	Latest known results (2021)
State aid falling under the GBER	State aid scoreboard value	Increasing trend	EUR 61,19 bn

**Specific objective 3.2.:** Banking aid necessary to safeguard financial stability, while protecting competition

*Related to spending programme: See above in 1.1*

**Result indicator:** Ratio of balance sheet growth of aided banks to balance sheet growth of unaided banks

**Source of the data:** Commission services and the European Central Bank

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
-2.19% (aided banks) vs +4.17% (banking sector) <sup>(19)</sup>	To remain below 90%	To remain below 90%	-0,4% (aided banks) vs 5,8% (banking sector) => i.e. a ratio of approximately -6.5%

**Result indicator:** Ratio of State aid to all banks in the EU in the form of liquidation aid (capital or liquidity) to Total Assets of banks being liquidated.

**Source of the data:** Commission services and the European Central Bank

Baseline (2019)	Interim Milestone (2022)	Target (2024)	Latest known results (2022)
42.4% <sup>(20)</sup>	To remain below 3%	To remain below 3%	4.1% <sup>(21)</sup>

<sup>(19)</sup> The aim of this indicator is to verify that aided banks do not grow as fast as the average of the European Banking sector. We monitor the balance sheet evolution of all aided banks that are still in their restructuring period at the end of the reporting year and compare with the balance sheet growth of the entire European banking sector (excluding aided banks) since 2019.

Sources of both datasets are Bloomberg and the ECB Statistical Site.

<sup>(20)</sup> The aim of this indicator is to put into context the amount of liquidation aid approved by comparing it to the size of the liquidated banks. The target of 3% is chosen to ensure that the State aid granted for an orderly exit from the market remains limited in relative terms.

<sup>(21)</sup> This is the first time that this result indicator is reported. The breach of the target and interim milestone is due to the liquidation aid approved for the Polish Getin Noble Bank. Due to this bank's size and the resulting aid amount, the outcome of the result indicator is higher than had been expected when the target and milestone were set.

## Main outputs in 2022:

### Public consultations

Output	Indicator	Target	Latest known results (situation on 31/12/2022)
State aid rules for banks in difficulty	Targeted consultation	Q3 2022	Targeted consultation (17.3.2022-15.7.2022) <sup>(22)</sup>
the Guarantee Notice	Public consultation	Q4 2022	Public consultation (29.8.2022-19.12.2022) <sup>(23)</sup>

### Enforcement actions

Output	Indicator	Target	Latest known results (situation on 31/12/2022)
State aid enforcement in the financial sector	Number of Commission decisions adopted	No target	5
State aid enforcement in the financial sector	Ratio of Total Balance Sheets of Banks provided with legal certainty through a no-aid decision to Total Balance Sheets of the EU banks.	No target	0.4%
State aid enforcement in the financial sector	Ratio of Amount of NPL transactions benefitting from the State guarantee of the year to Decrease of the stock of NPLs in the banks' books	No target	38.0%

### Specific objective 3.3.: Temporary support of the economy through COVID-19 aid

*Related to spending programme: See above in 1.1*

**Result indicator:** Total COVID-19 aid as a percentage of total State aid in the EU

**Source of the data:** Commission services

Baseline (2020)	Interim Milestone		Target (2024)	Latest known results (2021)
	(2021)	(2022)		
55.5%	Decreasing trend (%)	Decreasing trend (%)	Decreasing trend (%)	57.0%

<sup>(22)</sup> See: [https://competition-policy.ec.europa.eu/public-consultations/2022-sa-banking-rules\\_en](https://competition-policy.ec.europa.eu/public-consultations/2022-sa-banking-rules_en).

<sup>(23)</sup> See: [https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13466-State-aid-rules-for-assessing-State-guarantees-on-loans-evaluation\\_en](https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13466-State-aid-rules-for-assessing-State-guarantees-on-loans-evaluation_en).

**Main outputs in 2022:****Enforcement actions**

<b>Output</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results</b> (situation on 31/12/2022)
Commission decisions adopted based on the State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak, based on Article 107(3)(b) of the Treaty on the Functioning of the European Union	Number of Commission decisions adopted in 2022	No target	182 decisions
Commission guidance provided to the market participants in the field of antitrust in the context of the COVID-19 outbreak	Number of comfort letters adopted per year in 2022	No target	N/A <sup>(24)</sup>
Amount of COVID-19 aid	Aid approved under the Temporary Framework (Article 107(3)(b)) and Article 107(2)(b)	Decreasing (2022)	Decreasing <sup>(25)</sup>
Commission decisions related to reforms and investments included in Member States' recovery and resilience plans	Number of Commission decisions adopted	Increasing (2022)	Decisions on 79 RRF funded measures

<sup>(24)</sup> Antitrust COVID Temporary Framework withdrawn. See: [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_22\\_5887](https://ec.europa.eu/commission/presscorner/detail/en/ip_22_5887).

<sup>(25)</sup> As of the end of 2022, the cumulative aid approved since the start of the pandemic was around €3.04 trillion, which is lower than the cumulative aid approved at the end of 2021 due to budget reductions of large schemes.

## **ANNEX 3: Draft annual accounts and financial reports**

### **Annex 3 Financial Reports - DG COMP - Financial Year 2022**

**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**

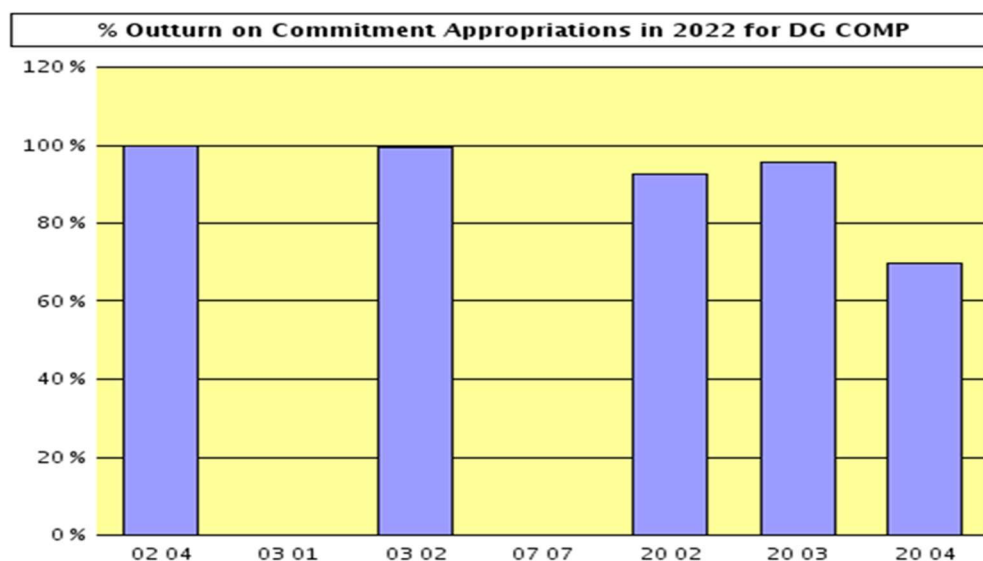
**Table 16 : Commitments co-delegation type 3 in 2022**



**Additional comments**

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2022 (in Mio €) for DG COMP					
			Commitment appropriations authorised*	Commitments made	%
			1	2	3=2/1
<b>Title 02 European Strategic Investments</b>					
02	02 04	Digital Europe programme	0,35	0,35	100,00 %
<b>Total Title 02</b>			<b>0,35</b>	<b>0,35</b>	<b>100,00 %</b>
<b>Title 03 Single Market</b>					
03	03 01	Support administrative expenditure of the 'Single Market' cluster	0,00	0,00	0,00 %
	03 02	Single Market Programme	18,32	18,20	99,31 %
<b>Total Title 03</b>			<b>18,32</b>	<b>18,20</b>	<b>99,31 %</b>
<b>Title 07 Investing in People, Social Cohesion and Values</b>					
07	07 07	Justice	0,00	0,00	0,00 %
<b>Total Title 07</b>			<b>0,00</b>	<b>0,00</b>	<b>0,00 %</b>
<b>Title 20 Administrative expenditure of the European Commission</b>					
20	20 02	Other staff and expenditure relating to persons	0,02	0,01	92,60 %
	20 03	Administrative Operating expenditure	1,99	1,90	95,76 %
	20 04	Information and communication technology related expenditure	0,82	0,58	69,89 %
<b>Total Title 20</b>			<b>2,83</b>	<b>2,49</b>	<b>88,19 %</b>
<b>Total Excluding NGEU</b>			<b>21,50</b>	<b>21,04</b>	<b>97,86 %</b>
<b>Total DG COMP</b>			<b>21,50</b>	<b>21,04</b>	<b>97,86 %</b>

\* 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).



<b>TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS in 2022 (in Mio €) for DG COMP</b>					
			Payment appropriations authorised *	Payments made	%
			1	2	3=2/1
<b>Title 02 European Strategic Investments</b>					
02	02 04	Digital Europe programme	0,50	0,50	100,00 %
<b>Total Title 02</b>			<b>0,50</b>	<b>0,50</b>	<b>100,00%</b>
<b>Title 03 Single Market</b>					
03	03 01	Support administrative expenditure of the 'Single Market' cluster	0,00	0,00	0,00 %
	03 02	Single Market Programme	13,70	13,58	99,07 %
<b>Total Title 03</b>			<b>13,70</b>	<b>13,58</b>	<b>99,07%</b>
<b>Title 07 Investing in People, Social Cohesion and Values</b>					
07	07 07	Justice	0,50	0,50	100,00 %
<b>Total Title 07</b>			<b>0,50</b>	<b>0,50</b>	<b>100,00%</b>
<b>Title 20 Administrative expenditure of the European Commission</b>					
20	20 02	Other staff and expenditure relating to persons	0,54	0,52	96,73 %
	20 03	Administrative Operating expenditure	2,16	2,04	94,59 %
	20 04	Information and communication technology related expenditure	1,24	0,92	74,56 %
<b>Total Title 20</b>			<b>3,93</b>	<b>3,48</b>	<b>88,58%</b>
<b>Total Excluding NGEU</b>			<b>18,64</b>	<b>18,06</b>	<b>96,91%</b>
<b>Total DG COMP</b>			<b>18,64</b>	<b>18,06</b>	<b>96,91 %</b>

\* 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).

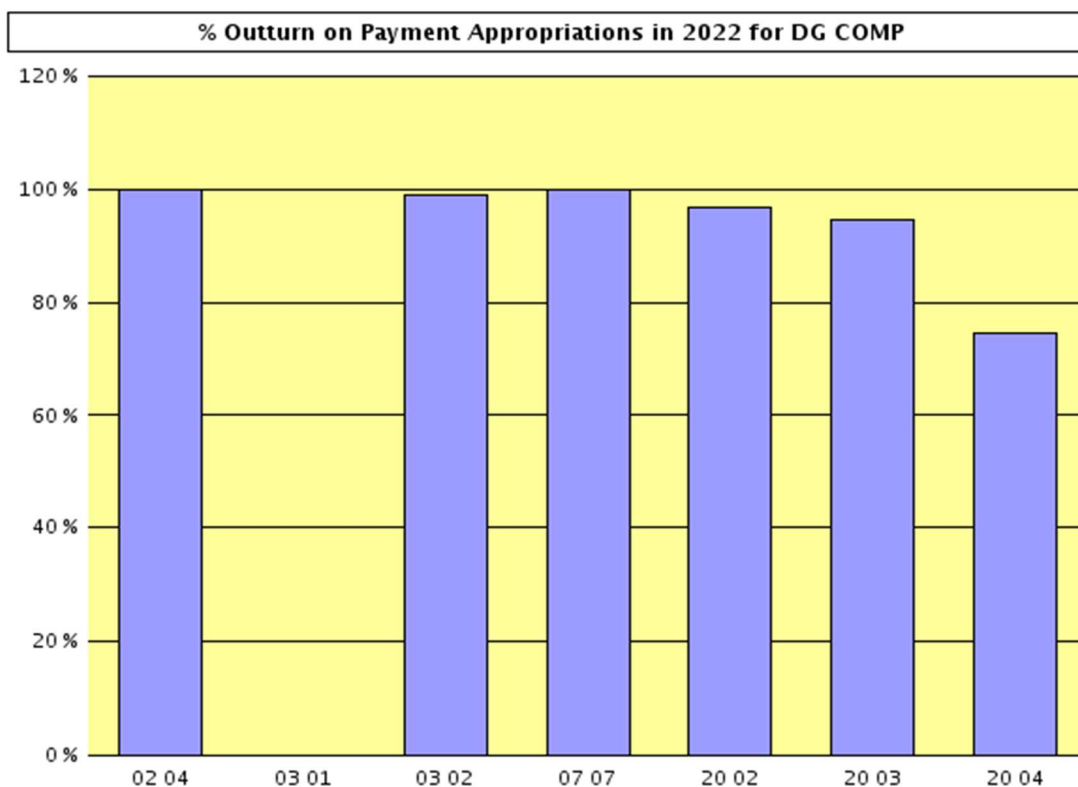
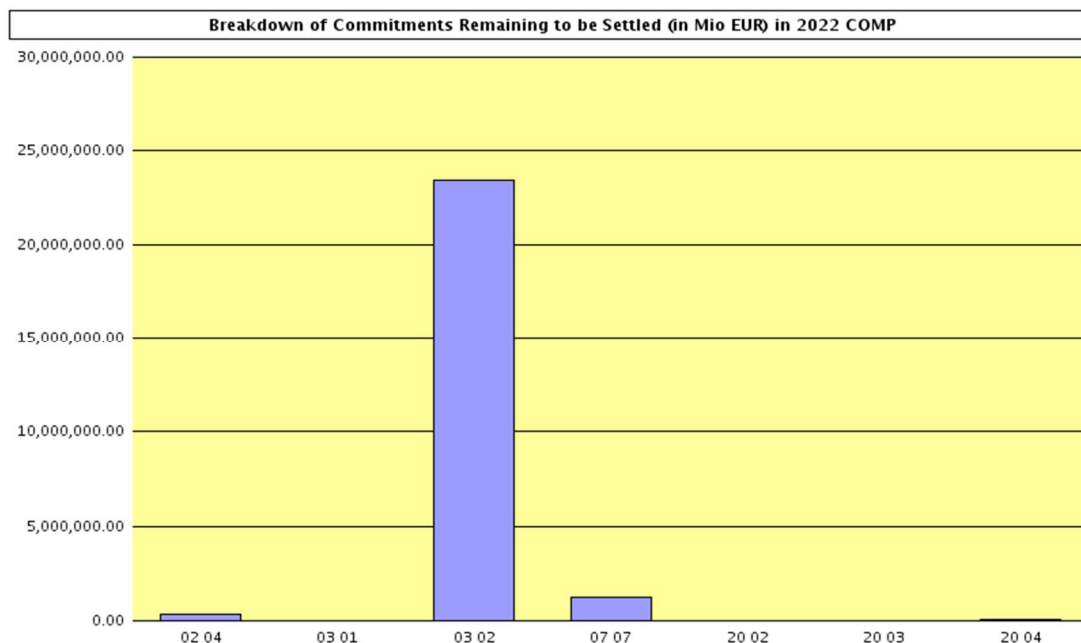


TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2022 (in Mio €) for DG COMP									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2021	Total of commitments to be settled at end of financial year 2022	Total of commitments to be settled at end of financial year 2021
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
02	02 04	Digital Europe programme	0,35	0,00	0,35	99,70%	0,00	0,35	0,50
<b>Total Title 02</b>			<b>0,35</b>	<b>0,00</b>	<b>0,35</b>	<b>99,70%</b>	<b>0,00</b>	<b>0,35</b>	<b>0,50</b>
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2022 (in Mio €) for DG COMP									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2021	Total of commitments to be settled at end of financial year 2022	Total of commitments to be settled at end of financial year 2021
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
03	03 01	Support administrative expenditure of the 'Single Market' cluster	0,00	0,00	0,00	0,00%	0,00	0,00	0,00
	03 02	Single Market Programme	18,20	1,73	16,46	90,47%	6,95	23,41	18,85
<b>Total Title 03</b>			<b>18,20</b>	<b>1,73</b>	<b>16,46</b>	<b>90,47%</b>	<b>6,95</b>	<b>23,41</b>	<b>18,85</b>
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2022 (in Mio €) for DG COMP									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2021	Total of commitments to be settled at end of financial year 2022	Total of commitments to be settled at end of financial year 2021
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
07	07 07	Justice	0,00	0,00	0,00	0,00%	1,21	1,21	1,71
<b>Total Title 07</b>			<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00%</b>	<b>1,21</b>	<b>1,21</b>	<b>1,71</b>
TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2022 (in Mio €) for DG COMP									
Chapter			Commitments to be settled				Commitments to be settled from financial years previous to 2021	Total of commitments to be settled at end of financial year 2022	Total of commitments to be settled at end of financial year 2021
			Commitments	Payments	RAL	% to be settled			
			1	2	3=1-2	4=1-2/1	5	6=3+5	7
20	20 02	Other staff and expenditure relating to persons	0,01	0,01	0,00	10,91%	0,00	0,00	0,52
	20 03	Administrative Operating expenditure	1,90	1,87	0,03	1,71%	0,00	0,03	0,17
	20 04	Information and communication technology related expenditure	0,58	0,51	0,07	11,50%	0,00	0,07	0,41
<b>Total Title 20</b>			<b>2,49</b>	<b>2,39</b>	<b>0,10</b>	<b>4,03%</b>	<b>0,00</b>	<b>0,10</b>	<b>1,11</b>
<b>Total Excluding NGEU</b>			<b>21,04</b>	<b>4,13</b>	<b>16,91</b>	<b>80,38%</b>	<b>8,16</b>	<b>25,07</b>	<b>22,17</b>
<b>Total for DG COMP</b>			<b>21,04</b>	<b>4,13</b>	<b>16,91</b>	<b>80,38 %</b>	<b>8,16</b>	<b>25,07</b>	<b>22,17</b>



**TABLE 4 : BALANCE SHEET for DG COMP**

<b>BALANCE SHEET</b>	<b>2022</b>	<b>2021</b>
<b>A.I. NON CURRENT ASSETS</b>	<b>23.055.198,90</b>	<b>25.034.723,26</b>
A.I.1. Intangible Assets	23.055.198,90	25.034.723,26
<b>A.II. CURRENT ASSETS</b>	<b>12.381.444.035,28</b>	<b>13.771.442.059,08</b>
A.II.2. Current Pre-Financing	981.148,79	794.890,03
A.II.3. Curr Exch Receiv & Non-Ex Recoverables	12.380.462.886,49	13.770.647.169,05
<b>ASSETS</b>	<b>12.404.499.234,18</b>	<b>13.796.476.782,34</b>
<b>P.I. NON CURRENT LIABILITIES</b>	<b>-665.333.478,83</b>	<b>-1.270.511,94</b>
P.I.2. Non-Current Provisions	-665.333.478,83	-1.270.511,94
<b>P.II. CURRENT LIABILITIES</b>	<b>-452.279,91</b>	<b>-1.756.697,01</b>
P.II.2. Current Provisions	-391.863,49	-1.756.697,01
P.II.4. Current Payables	-60.416,42	0,00
P.II.5. Current Accrued Charges & Defrd Income	0,00	0,00
<b>LIABILITIES</b>	<b>-665.785.758,74</b>	<b>-3.027.208,95</b>
<b>NET ASSETS (ASSETS less LIABILITIES)</b>	<b>11.738.713.475,44</b>	<b>13.793.449.573,39</b>

Non-allocated central (surplus)/deficit*	11.654.822.662,57	8.766.183.405,69
P.III.2. Accumulated Surplus/Deficit	-23.393.536.138,01	-22559632979
<b>TOTAL DG COMP</b>	<b>0,00</b>	<b>0,00</b>

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 COMP**

<b>STATEMENT OF FINANCIAL PERFORMANCE</b>	<b>2022</b>	<b>2021</b>
II.1 REVENUES	-486.726.876,09	-1.794.464.680,64
II.1.1. NON-EXCHANGE REVENUES	-379.656.510,00	-1.794.977.432,53
II.1.1.5. FINES	-379.406.407,00	-1.783.525.000,00
II.1.1.8. OTHER NON-EXCHANGE REVENUES	-250.103,00	-11.452.432,53
II.1.2. EXCHANGE REVENUES	-107.070.366,09	512.751,89
II.1.2.2. OTHER EXCHANGE REVENUE	-107.070.366,09	512.751,89
II.2. EXPENSES	2.068.477.823,21	960.561.521,71
II.2. EXPENSES	2.068.477.823,21	960.561.521,71
II.2.10. OTHER EXPENSES	2.065.499.259,54	21.753.215,14
II.2.2. EXP IMPLM BY COMMISS&EX.AGENC. (DM)	2.978.023,52	663.478,59
II.2.6. STAFF AND PENSION COSTS		-955.540,00
II.2.8. FINANCE COSTS	540,15	939.100.367,98
<b>STATEMENT OF FINANCIAL PERFORMANCE</b>	<b>1.581.750.947,12</b>	<b>-833.903.158,93</b>

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

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

**TABLE 5bis : OFF BALANCE SHEET for DG COMP**

<b>OFF BALANCE</b>	<b>2022</b>	<b>2021</b>
OB.2. Contingent Liabilities	-1.831.630.186,50	-734.976.556,34
OB.2.7. CL Legal cases OTHER	-1.831.630.186,50	-734.976.556,34
OB.4. Balancing Accounts	1.831.630.186,50	734.976.556,34
OB.4. Balancing Accounts	1.831.630.186,50	734.976.556,34
<b>OFF BALANCE</b>	<b>0,00</b>	<b>0,00</b>

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**

Legal Times									
Maximum Payment Time (Days)	Total Nbr of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)	Late Payments Amount	Percentage
1	2				2	100,00 %	26,00	1.757.237,16	100, %
30	651	623	95,70 %	14,84	28	4,30 %	31,36	781.543,64	5, %
60	19	19	100,00 %	31,53				0,00	0, %

<b>Total Number of Payments</b>	<b>672</b>	<b>642</b>	<b>95,54 %</b>		<b>30</b>	<b>4,46 %</b>		<b>2538780,8</b>	<b>14, %</b>
<b>Average Net Payment Time</b>	<b>16,03720238</b>			<b>15,34</b>			<b>31,00</b>		
<b>Average Gross Payment Time</b>	<b>17,05208333</b>			<b>16,400312</b>			<b>31</b>		

Suspensions							
Average Report Approval Suspension	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
0	34	20	2,98 %	672	739.824,24	4,10 %	18.047.424,35

**Late Interest paid in 2022**

DG	GL Account	Description	Amount (Eur)
COMP	65010100	Interest on late payment of charges New FR	540,15
			<b>540,15</b>

**TABLE 7 : SITUATION ON REVENUE AND INCOME in 2022 for DG COMP**

Chapter	Revenue and income recognized			Revenue and income cashed from			Outstanding balance
	Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total	
	1	2	3=1+2	4	5	6=4+5	
33	255.332,84	0,00	255.332,84	255.332,84	0,00	255.332,84	0,00
42	-788.855.739,09	14.924.941.710,88	14.136.085.971,79	-1.030.541.000,00	1.453.054.665,62	422.513.665,62	13.713.572.306,17
60	127.320,00	0,00	127.320,00	127.320,00	0,00	127.320,00	0,00
67	0,00	2.357.013,46	2.357.013,46	0,00	84.156,87	84.156,87	2.272.856,59
<b>Total DG COMP</b>	<b>-788.473.086,25</b>	<b>14.927.298.724,34</b>	<b>14.138.825.638,09</b>	<b>-1.030.158.347,16</b>	<b>1.453.138.822,49</b>	<b>422.980.475,33</b>	<b>13.715.845.162,76</b>

**TABLE 8 : FINANCIAL IMPACT OF EX-ANTE AND EX-POST CONTROLS in for DG COMP**

EX-ANTE CONTROLS	Total undue payments recovered
NON ELIGIBLE IN COST CLAIMS	
CREDIT NOTES	
RECOVERY ORDERS ON PRE-FINANCING	
<b>Sub-Total</b>	



<b>EX-POST CONTROLS</b>		<b>Total undue payments recovered</b>
INCOME LINES IN INVOICES		
RECOVERY ORDERS OTHER THAN ON PRE-FINANCING		
<b>Sub-Total</b>		
<b>GRAND TOTAL (EX-ANTE + EX-POST)</b>		

**TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 12/31/2022 for DG COMP**

	<b>Number at 1/1/2022 1</b>	<b>Number at 12/31/2022</b>	<b>Evolution</b>	<b>Open Amount (Eur) at 1/1/2022 1</b>	<b>Open Amount (Eur) at 12/31/2022</b>	<b>Evolution</b>
2003	1	1	0,00 %	1.060.000,00	1.060.000,00	0,00 %
2006	1	1	0,00 %	11.500.000,00	11.500.000,00	0,00 %
2009	4	4	0,00 %	1.068.632.013,46	1.068.547.856,59	-0,01 %
2010	9	8	-11,11 %	21.454.522,30	16.157.665,47	-24,69 %
2011	1	1	0,00 %	9.000.000,00	9.000.000,00	0,00 %
2013	4	2	-50,00 %	106.266.000,00	27.082.000,00	-74,51 %
2014	13	13	0,00 %	430.698.985,35	430.099.406,71	-0,14 %
2015	4	4	0,00 %	79.256.000,00	79.256.000,00	0,00 %
2016	4	3	-25,00 %	489.305.538,75	455.557.756,43	-6,90 %
2017	20	20	0,00 %	4.136.095.000,00	4.133.752.662,85	-0,06 %
2018	10	5	-50,00 %	5.748.749.000,00	4.715.255.000,00	-17,98 %
2019	10	10	0,00 %	1.802.516.977,74	1.796.515.413,80	-0,33 %
2020	5	5	0,00 %	165.210.000,00	165.210.000,00	0,00 %
2021	21	16	-23,81 %	896.770.546,74	604.382.000,00	-32,60 %
2022		17			299.718.407,00	
	<b>107</b>	<b>110</b>	<b>2,80 %</b>	<b>14.966.514.584,34</b>	<b>13.813.094.168,85</b>	<b>-7,71 %</b>

**TABLE 10 :Recovery Order Waivers >= 60 000 € in 2022 for DG COMP**

Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
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<b>Total DG COMP</b>	<b>-7.922.663,09</b>
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<b>Number of RO waivers</b>	<b>2</b>
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There are no waivers below 60 000 €

- 1) Commission decision of 5.8.2022 (C(2022) 5604 final) - partial waiver (-4,800,000.00 euro), impossible for Italian authorities to implement judgement during a certain number of days due to COVID-19 pandemic.
- 2) Commission decision of 5.10.2022 (C(2022) 6969 final) - partial waiver on a pro-rata basis (-3,122,663.09 euro), taking account of the period during which the implementation of the judgment was impossible for the beneficiaries to implement due to COVID-19 pandemic.

**TABLE 11 : Negotiated Procedures in 2022 for DG COMP**

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
<b>Total</b>		

**TABLE 12 : Summary of Procedures in 2022 for DG COMP**

**Internal Procedures > € 60,000**

Procedure Legal base	Number of Procedures	Amount (€)
Negotiated procedure middle value contract (Annex 1 - 14.2)	2	236.000,00
Open procedure (FR 164 (1)(a))	5	4.123.525,70
<b>Total</b>	<b>7</b>	<b>4.359.525,70</b>

**TABLE 13 : BUILDING CONTRACTS in 2022 for DG COMP**

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

**TABLE 14 : CONTRACTS DECLARED SECRET in 2022 for DG COMP**

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

**TABLE 15 : FPA duration exceeds 4 years - DG COMP**

**TABLE 16 : Commitments co-delegation type 3 in 2022 for DG COMP**

## ANNEX 4: Financial scorecard

### DG Competition

The Annex 4 of each Commission service summarises the annual result of the standard financial indicators measurement. Annexed to the Annual Activity Report 2022, 10 standard financial indicators are presented below, each with its objective and result for the Commission service and for the EC as a whole (for benchmarking purposes) <sup>(26)</sup>:

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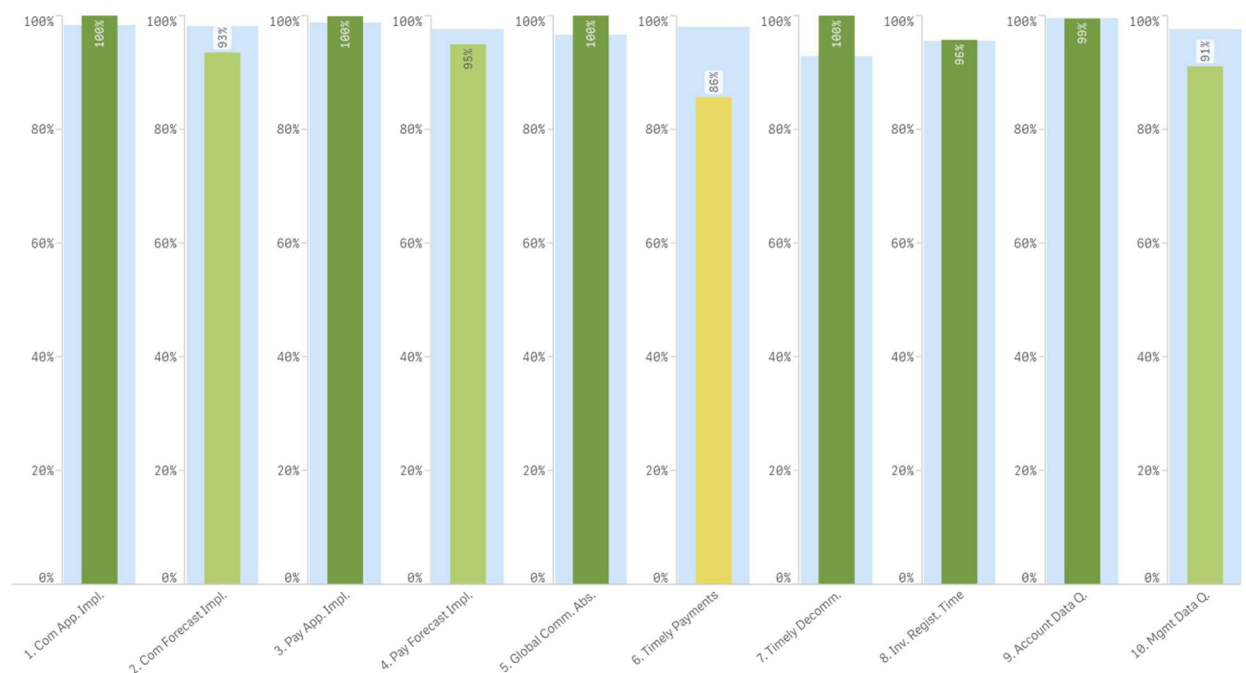
For each indicator, its value (in %) for the Commission service is compared to the common target (in %). The difference between the indicator's value and the target is colour coded as follows:

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

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

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

COMP Indicator Scores for 2022 12



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

<b>Indicator</b>	<b>Objective</b>	<b>Comment (27)</b>	<b>COMP Score</b>	<b>EC Score</b>
1. Commitment Appropriations Implementation	Ensure efficient use of commitment appropriations expiring at the end of Financial Year		100%	98%
2. Commitment Forecast Implementation	Ensure the cumulative alignment of the commitment implementation with the commitment forecast in a financial year		93%	98%
3. Payment Appropriations Implementation	Ensure efficient use of payment appropriations expiring at the end of Financial Year		100%	99%
4. Payment Forecast Implementation	Ensure the cumulative alignment of the payment implementation with the payment forecast in a financial year		95%	98%
5. Global Commitment Absorption (28)	Ensure efficient use of already earmarked commitment appropriations (at L1 level)		100%	97%
6. Timely Payments	Ensure efficient processing of payments within the legal deadlines	The average net payment time in 2022 was 16 days (29), which is slightly more than the average net payment time in 2021 (15.2 days). Furthermore, 96% of all payments were executed within the contractual limit, which is slightly lower than in 2021 (98%). The 86% rate is the result of two payments of interests on provisionally paid competition fines to Deutsche Telekom of €1,76 million end of February 2022 after court judgement mid of January (T-610/19), formally in average 26 days late (due to budgetary rules and constraints).	86%	98%

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

(28) Due to technical limitation: 1. 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. 2. It is technically not possible to exclude the decommitment of RAL (C8) which is subsequently re-committed for a new purpose. As a result, the actual Indicator score may be slightly higher than the one reported for DGs using the GF commitments.

(29) Cf. table 6 in Annex 3.

7. Timely Decommitments	Ensure efficient decommitment of outstanding RAL at the end of commitment life cycle		100%	93%
8. Invoice Registration Time	Monitor the accounting risk stemming from late registration of invoices in the central accounting system ABAC		96%	95%
9. Accounting Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the accounts		99%	100%
10. Management Data Quality	Ensure the good data quality of ABAC transactions with the focus on fields having a primary impact on the management decisions		91%	98%

## ANNEX 5: Materiality criteria

**Since 2019<sup>(30)</sup>, a 'de minimis' threshold for financial reservations has been introduced. Quantified annual activity report 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.**

In conformity with the current guidelines, DG Competition applies the following quantitative and qualitative materiality criteria, in order to assess the overall impact of a weakness and judge whether it is material enough to have an impact on the assurance.

### **Qualitative assessment**

Competition policy is implemented through enforcement and involves predominantly procedural (case-handling) and advocacy activities, involving a very modest level of financial management.

Qualitative criteria cover significant reputational risks for the DG or the Commission and significant weaknesses in the internal control systems. For assessing the significance of the weakness, the nature and scope, duration, existence of mitigating controls and/or remedial actions are taken into account.

For weaknesses, which are considered significant in qualitative terms but not in quantitative terms, DG Competition takes into account the possible reputational impact they may entail to the image of DG Competition and the Commission. They will be assessed according to the context and nature of the impact, awareness and duration.

### **Quantitative assessment**

As regards legality and regularity, the proposed standard quantitative materiality threshold of 2% of the residual error rate of the executed payments is applied. DG Competition considers it an appropriate threshold above which weaknesses detected should be considered "material".

In DG Competition, this applies to all non-compliance events detected throughout the year and with a quantifiable impact on legality and regularity.

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<sup>(30)</sup> Agreement of the Corporate Management Board of 30/4/2019.

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

### *Management of operational and administrative expenditures*

**Main internal control objectives:** Ensuring that the implementation of the contract is in compliance with the signed contract before payment.

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
<p>The goods/services/ 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.</p> <p>DG unable to meet some objectives and priorities because contractor unable to deliver.</p>	<p>Operational and financial checks in accordance with the financial circuits.</p> <p>Operation authorisation by the AO.</p> <p>Network in place for co-ordination, monitoring and follow-up of contracts.</p>	<p>100% of the contracts are controlled</p> <p>Depth: All underlying documents</p>	<p>Error rate &lt; 2%</p> <p>Payment times</p> <p>Deterrents &amp; systematic weaknesses corrected.</p> <p>Benefits: Controls performed comply with the base line requirements of the Financial Regulation.</p>

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



Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
An error or non-compliance with regulatory and contractual provisions, including technical specifications, or a fraud, is not detected by ex-ante control, prior to payment.	Review of procurements and financial transactions through ex-post audits performed by the ICC. Review of reported exceptions.	Representative coverage.  Depth: all underlying documents.	Amounts detected associated with fraud & error.  Potential irregularities, errors and overpayments prevented.  Benefits: Controls performed comply with the base line requirements of the Financial Regulation.  Potential irregularities, errors and overpayments prevented.  Number of cases referred to OLAF.  Number of instances of overriding controls or deviations from established procedure

### ***Prevention, detection and correction of fraud and irregularities***

**Main control objectives:** Ensuring that staff behaves according to the highest professional standards.

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
The reputation of the Commission is damaged due staff misconduct.	Controls put in place in addition to the existing controls at central level (ethics declarations and training): • Ethics guide for DG COMP staff approved by DG HR and endorsed by senior management. • Training and awareness sessions on ethics for staff. Systematic training of newcomers, including trainees and visiting staff.	Coverage: 100% Relevant staff receives yearly and specific conflict of interests declarations, and is invited to training sessions.	Economy: estimate of cost of staff involved.  Efficiency: staff awareness about the ethical rules, no reports of unethical behaviour, number of IDOC/OLAF investigations.

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
	<ul style="list-style-type: none"> <li>• Conflict of interest checks in Case Management applications</li> <li>• Yearly declaration of awareness of conflict of interest and confidentiality rules.</li> <li>• Two staff members supporting DG HR in information to staff on ethics rules.</li> </ul>		

### ***Safeguard of information and IT-systems***

**Main control objectives:** Ensure that confidential and/or sensitive information is not disclosed or its integrity breached (data altered) due to security of IT systems and/or information processes not being fully effective.

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
<p>Sensitive information is disclosed or its integrity breached (data altered) due to security of IT systems and/or information processes not being fully effective.</p>	<ul style="list-style-type: none"> <li>• Security of IT systems and information safeguarding 'culture': appropriate design of IT systems and/or information processes;</li> <li>• Yearly update of the IT Risk Register</li> <li>• Formal procedures to add, manage and remove user access rights to IT applications.</li> <li>• Detailed manuals of procedures, specific guidance by LISO and LSO.</li> <li>• Application of corporate policy on job functions that handle high volumes of sensitive information</li> <li>• Use of marking system.</li> <li>• Reporting, risk assessment and follow-up of incidents.</li> <li>• Physical access controls.</li> </ul>	<p>Security rules and culture to be adjusted in view of latest technical developments and 'possibilities'. DG's IT governance body to evaluate the probability and impact of IT risks at least once per year and to discuss mitigation actions.</p> <p>Continuous risk management of each project according to the PM2 methodology;</p> <p>Daily access rights management of the case management applications and related applications</p> <p>Systematic (access controls, training sessions for newcomers, reporting and follow-up of disclosures), and ad-hoc (update of internal guidance documents, communication of events and policies, information sessions)</p>	<p>Efficiency: Reaction to security incidents and adaptation to prevent future events.</p> <p>Economy: estimate of cost of staff involved.</p> <p>Effectiveness: staff awareness of security rules and best practices.</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost-Effectiveness indicators (three E's)
	<ul style="list-style-type: none"> <li>• LISO's prior approval of, and timely follow up reporting by, DG DIGIT's investigation of suspicious activities on COMP workstations</li> <li>• Staff awareness actions</li> </ul>		

### **Enforcement and policy action taken in the area of EU competition policy and enforcement**

**Main internal control objectives:** Ensuring that EU competition policy and enforcement actions are of high quality

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost- Effectiveness indicators (three E's)
Challenges before courts potentially leading to significant reputational risks, excessive legal costs, annulments of decisions and (monetary) compensation claims of high value.	<ul style="list-style-type: none"> <li>• A dedicated team in DG Competition continuously updates instrument specific Manuals of Procedures (ManProc) for antitrust/cartels, mergers and State aid.</li> <li>• Instrument-based ManProcs and the Working Arrangements with the Commissioner provide guidance to the staff of DG Competition about the different roles, procedures, required consultations and procedural steps to be followed in the daily operations.</li> <li>• The case support Units contribute to ensuring policy consistency and high quality of draft decisions in terms of substance and clarity. They participate in the weekly meetings with the Commissioner and instrument management meetings contributing to the uniform application of the rules and regulations by the case teams.</li> <li>• Chief Economist Team (CET) offers an expert economic view for policy development and provides independent guidance in individual cases in all 3 instruments (anti-trust, mergers and State aid) throughout the investigation process and a final written advice on a formal proposal which is to be submitted for decision to the Commissioner.</li> <li>• Peer review panel assures internal scrutiny organised for major antitrust, merger and State aid cases, covering all or certain aspects of the case (factual basis, legal reasoning and economic analysis).</li> <li>• Legal Service (an independent Commission service operating under the control and authority of the President of the Commission) ensures high quality output in</li> </ul>	Coverage: 100%	<p>Number of control failures</p> <p>Number of annulments of competition decisions by the EU courts and reductions of fines</p>

Main risks It may happen (again) that...	Mitigating controls	Coverage, frequency and depth of controls	Cost- Effectiveness indicators (three E's)
	<p>terms of theory of harm and legal reasoning in enforcement cases and policy documents.</p> <ul style="list-style-type: none"> <li>• Independent Hearing Officers chair oral hearings and oversee the procedural fairness of competition proceedings in the field of antitrust, cartels and mergers and provide a final opinion published in the Official Journal when the Commission decision is taken.</li> <li>• The Principal Adviser strengthens the capacity of DG Competition to carry out economic evaluations of the EU's competition policy.</li> <li>• Senior Management Meeting (SMM) chaired by the Director General discusses inter alia major developments in on-going cases and jurisprudence of the General Court and the Court of Justice.</li> <li>• Director-General and Deputy Director-General of the instrument in close cooperation with the Commissioner discuss major on-going cases and decide on the granting of priority in a case.</li> <li>• Weekly instruments management meetings review and decide on the planning of ongoing cases and horizontal policy initiatives and ensure adequate staffing of cases.</li> <li>• Knowledge Management and information sharing tools like 'COMPWiki' allow staff to share knowledge and best practices within the DG.</li> <li>• Document Management and Case Management Applications support key business processes.</li> <li>• Important developments in competition cases and horizontal policy initiatives are discussed in weekly meetings between the Competition Commissioner, the Cabinet and DG Competition. In this way, the Commissioner is kept up to date and alerted in a timely manner of any developments likely to be relevant for him/her or the College.</li> <li>• The Commissioner is regularly updated on the progress in the most important enforcement cases in all instruments (quarterly meetings or ad-hoc multiannual meetings as appropriate) as well as strategic meetings with the Senior Management and Directorates of DG Competition.</li> </ul>		

## **Fines imposed in the area of competition**

**Main control objectives:** Ensuring that the Commission establishes its revenue entitlements and correctly registers its revenue entitlements, reliable reporting (true and fair)

<b>Main risks It may happen (again) that...</b>	<b>Mitigating controls</b>	<b>Coverage, frequency and depth of controls</b>	<b>Cost-Effectiveness indicators (three E's)</b>
The Commission decision embeds weaknesses that would undermine the Commission's legal rights in terms of revenue entitlements such as decision not addressed to the correct legal entity.	<ul style="list-style-type: none"> <li>• Main parameters of the fines are discussed before the SO is finalised in a meeting chaired by the DDG Antitrust in which A1, CET, LS and CAB participate</li> <li>• Experienced case handlers verify calculations (fresh pair of eyes)</li> </ul>	<b>Coverage:</b> 100% in-depth panel review for draft COMP-decisions on fines	<p><b>Effectiveness:</b> Value of the rights concerned (e.g. decision on fine overruled by Court of Justice)</p> <p><b>Benefits:</b> The (average annual) total value of the significant errors detected/avoided - and thus prevented in terms of the Commission's rights</p>
EU accounting rules are not respected and that the accounts do not reflect the reality.	Commission Decisions being followed-up by concerned services	<b>Coverage:</b> 100% * monthly for new decisions quarterly for follow-up of fines before Court of Justice	<p><b>Effectiveness:</b> Value of the rights concerned</p> <p><b>Benefits:</b> The accounts at year-end give a true and fair view.</p> <p><b>Economy (costs):</b> estimation of cost of staff involved in the controls.</p>

## ANNEX 7: Specific annexes related to "financial management"

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

NB. The absolute values are presented in million EUR.

- Overview of COMP's estimated cost of controls at Commission (EC) level								
EXPENDITURE								
The absolute values are presented in EUR								
COMP	Ex ante controls***			Ex post controls			Total	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Relevant Control System (RCS) / Other as defined in Annex 6 of the AAR*	EC total costs	related payments Made	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)
Financial management – administrative and operational expenditure	1,105,484.00 €	18,062,733.40 €	6.12%	112,749.00 €	24,484,813.43 €	0.46%	1,218,233.00 €	6.74%
EU competition policy and enforcement actions*****	9,802,200.00 €	161,200,000.00 €	6.08%	- €	- €	0.00%	9,802,200.00 €	6.08%
	- €	- €	0.00%	- €	- €	0.00%	- €	0.00%
	- €	- €	0.00%	- €	- €	0.00%	- €	0.00%
	- €	- €	0.00%	- €	- €	0.00%	- €	0.00%
	- €	- €	0.00%	- €	- €	0.00%	- €	0.00%
	- €	- €	0.00%	- €	- €	0.00%	- €	0.00%
	- €	- €	0.00%	- €	- €	0.00%	- €	0.00%
	- €	- €	0.00%	- €	- €	0.00%	- €	0.00%
	- €	- €	0.00%	- €	- €	0.00%	- €	0.00%
	- €	- €	0.00%	- €	- €	0.00%	- €	0.00%
	- €	- €	0.00%	- €	- €	0.00%	- €	0.00%
	- €	- €	0.00%	- €	- €	0.00%	- €	0.00%
	- €	- €	0.00%	- €	- €	0.00%	- €	0.00%
	- €	- €	0.00%	- €	- €	0.00%	- €	0.00%
<b>OVERALL total estimated cost of control at EC level for expenditure</b>	<b>10,907,684.00 €</b>	<b>179,262,733.40 €</b>	<b>6.08%</b>	<b>112,749.00 €</b>	<b>24,484,813.43 €</b>	<b>0.46%</b>	<b>11,020,433.00 €</b>	<b>6.15%</b>

NON-EXPENDITURE ITEMS ****								
COMP	Ex ante controls***			Ex post controls			Total	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Relevant Control System (RCS) / Other as defined in Annex 6 of the AAR*	EC total costs	related amounts	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)
<b>Only applicable for DGs with non-expenditure items</b>								
Prevention, detection and correction of fraud and irregularities	65,701.00 €	NA	N/A	- €	NA	N/A	65,701.00 €	N/A
Safeguard of information and IT systems	616,852.00 €	NA	N/A	- €	NA	N/A	616,852.00 €	N/A
Fines imposed in the area of competition *****	- €	NA	N/A	- €	NA	N/A	- €	N/A
	- €	- €	N/A	- €	N/A	N/A	- €	N/A

\* if the control costs are not attributable to a single RCS and may relate to a 'mix' of expenditure, revenue, assets/liabilities, etc, they may be grouped

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

\*\*\* any 'holistic' control elements (e.g. with 'combined' ex-ante & ex-post characteristics) can be reported in the ex-ante column provided that a footnote clarifies this (their nature + their cost). Example: MS system audits in shared management.

\*\*\*\* These include revenue operations (e.g. assigned revenue, fines, interest); assets (e.g. (in) tangible or financial assets, inventories, treasury) and financial liabilities or 'off balance sheet' items (e.g. employee benefits, guarantees offered or other commitments)

\*\*\*\*\* Ratio is based on the total allocated budget of DG Competition. This allows for correct ratio of cost of controls as competition policy is implemented through human resources rather than through financial resources. Expected high quality of policy proposals and decisions under scrutiny of stakeholders and courts justifies relatively high (6.08%) cost of controls ratio.

\*\*\*\*\* Once the decision is adopted, the cost of controls to ensure a correct registration of a fine decision corresponds to less than 10% of a full time equivalent as the number of fines decisions in a year is limited.

**ANNEX 8: Specific annexes related to "assessment of the effectiveness of the internal control systems" (Not applicable)**

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

### 1. Annex related to "Control results" - Table X: Estimated risk at payment and at closure

#### - Estimated risk at payment and at closure

DG COMP -1	Payments made (2022;MEUR) -2	minus new prefinancing [plus retentions made] (in 2022;MEUR) -3	plus cleared prefinancing [minus retentions released and deductions of expenditure made by MS] (in 2022;MEUR) -4	Relevant expenditure (for 2022;MEUR) -5	Detected error rate or equivalent estimates -6	Estimated risk at payment (2022;MEUR) -7	Adjusted Average Recoveries and Corrections (adjusted ARC; %) -8	Estimated future corrections [and deductions] (for 2022;MEUR) -9	Estimated risk at Closure (2022;MEUR) -10
Administrative expenditure	3.48	0.00	0.00	3.48	0.50% - 0.50%	0.02 - 0.02	0.00% - 0.00%	0.00 - 0.00	0.02 - 0.02
Operational expenditure - Competition Programme (Single Market Programme)	13.58	-0.42	0.00	13.16	0.50% - 0.50%	0.07 - 0.07	0.00% - 0.00%	0.00 - 0.00	0.07 - 0.07
Operational expenditure - IT expenditure (Digital Europe Programme)	0.50	0.00	0.00	0.50	0.50% - 0.50%	0.00 - 0.00	0.00% - 0.00%	0.00 - 0.00	0.00 - 0.00
Operational expenditure - Training of judges (Justice Programme)	0.50	0.00	0.23	0.74	0.50% - 0.50%	0.00 - 0.00	0.00% - 0.00%	0.00 - 0.00	0.00 - 0.00
<b>DG total</b>	<b>18.06</b>	<b>-0.42</b>	<b>0.23</b>	<b>17.88</b>	<b>Overall risk at payment in %</b>	<b>0.09 - 0.09</b> (7) / (5)	<b>0.00% - 0.00%</b>	<b>0.00 - 0.00</b>	<b>0.09 - 0.09</b> (10) / (5)

#### Notes to the table X

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

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

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



(3) New pre-financing actually paid by out by the department itself during the financial year (i.e. excluding any pre-financing received as a transfer from another department). As per note 2.5.1 to the Commission annual accounts thus excluding "Other advances to Member States" which are covered on a purely payment-made basis (note 2.5.2). Pre-financing paid/cleared" are always covered by the Delegated DGs, even for Cross-SubDelegations.

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

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

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

(8) The adjusted average recovery and corrections percentage is to some extent based on the 7 years historic Average of Recoveries and financial Corrections (ARC), which is the best available indication of the corrective capacity of the ex-post control systems implemented by the DG over the past years as a result of ex-post controls. The AOD *has not adjusted or replaced* this historic average. Any ex-ante elements, one-off events, (partially) cancelled or waived Recovery Orders, and other factors from the past years that would no longer be relevant for the current programmes (e.g. higher ex-post corrections of previously higher errors in earlier generations of grant programmes, current programmes with entirely ex-ante control systems) or that corresponded to exceptional situations in order to come to the best and most conservative estimate of the ex-post future corrections to be applied to the reporting year's relevant expenditure for the current programmes. The DG has strong ex-ante and ex-post controls, the observed error rate is 0.5% and recoveries and corrections are assumed to be close to zero. The DG had no corrections in 2022 (same as in the previous 3 years).

(9) For some programmes with no set *closure* point (e.g. EAGF) and for some multiannual programmes for which corrections are still possible afterwards (e.g. EAFRD and ESIF), all corrections that remain possible are considered for this estimate.

## 2. Reservations

Not applicable

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

### Human Resource management

**Objective 1:** DG Competition 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:** Commission Decision SEC(2020)146 of 1 April 2020

Baseline (01/12/2019)	Target	Latest known results (31/12/2022)
45%, 20 out of 44	2022: 2 first female appointments by 2022. 2024: target still to be defined	One additional female appointment to middle management was made in 2022, reaching 46% female middle managers (21 out of 46)

### Main outputs in 2022:

Description	Indicator	Target	Latest known results
Entrance, career development and exit interviews	Percentage of the respective staff invited to interviews	100%	100%.
180° feedback development exercise for DG Competition's senior management	Participation level of senior managers	93%	In October 2022, a new round of the 180° feedback-based development exercise for DG COMP's Senior Management has been launched. At the end of the exercise, each participating Senior Manager received 1–1,5 hours individual, face-to-face feedback with a senior certified debriefer on their results and the conclusions they draw from them. Moreover, some targeted development courses will be offered to the Senior Managers.

Description	Indicator	Target	Latest known results
Implementation of initiatives aimed at increasing the number of female candidates to middle management position	First female appointments to middle management	DG Competition was assigned a quota of two first female appointments by 2022. Baseline: 20 women out of 44 middle managers (45%) on 1 December 2019	On 31/12/2022 the target of two first female appointments had been met and there was a female representation of 46% (21 women out of 46 middle managers).
.	Own talent development programme for female colleagues who aspire to move to a managerial position at some time in their career	ECFIN, FISMA, GROW and COMP started a cross DG talent development programme for female colleagues who aspire to move to a managerial position at some time in their career	In 2022, 24 colleagues (6 colleagues from each DG) participated in the talent development programme

**Indicator 2:** DG Competition's staff engagement index

**Source of data:** Commission staff surveys 2018 and 2021 <sup>(31)</sup>

Baseline (2018)	Target (2024)	Latest known results (31/12/2021)
76%	At least 76% and maintain above the Commission average (72% in 2021)	77% compared to the Commission average of 72%

**Objective 2:** Motivate, train and retain highly qualified staff and promote equal opportunities with DG Competition

**Indicator 1:** Turnover (% of statutory staff leaving DG Competition before three years in the DG)

**Source of data:** Sysper

Baseline (2019)	Target (2024)	Latest known results (01/01/2022 - 31/12/2022)
3.1% <sup>(32)</sup>	Keep the turnover at less than 4%	5,45% (for Officials, Temporary Agents and Contract Agents, and thus also staff with contracts of limited duration)

<sup>(31)</sup> There was no Staff Survey in 2022.

<sup>(32)</sup> This figure includes all statutory staff, i.e. Officials, Temporary agents and Contract agents, and thus also staff with contracts of limited duration. If only AD and AST officials are considered, the percentage of staff leaving DG Competition before three years reaches 2.5% in 2019.

**Objective 3:** Information flows effectively throughout DG Competition so that staff understand Commission and DG Competition's objectives and how their individual work relates to these objectives

**Indicator 1:** Understanding by the staff of DG Competition's priorities

**Source of data:** Commission staff surveys 2018 and 2021 <sup>(33)</sup>

Baseline (2018)	Target (2024)	Latest known results (31/12/2021)
73%	Improve level of staff understanding	70%

**Indicator 2:** Understanding by the staff of DG Competition of their objectives and tasks

**Source of data:** Commission staff surveys 2018 and 2021 <sup>(34)</sup>

Baseline (2018)	Target (2024)	Latest known results (31/12/2021)
93%	At least 91% and maintain above the Commission average (87% in 2021)	91% compared to the Commission average of 87%

## Digital Transformation and information management

**Objective:** DG Competition is using innovative, trusted digital solutions for better competition enforcement, information management and administrative processes to forge a truly digitally transformed, user-focused and data-driven Commission in the competition domain and beyond.

**Indicator 1:** Degree of implementation of the digital solutions modernisation plan: - the three most important aggregated IT solutions: case management solutions (CASE@EC), exchanges with external stakeholders and data analytics/artificial intelligence (see ANNEX 15 on digital transformation for calculation details)

**Source of data:** Yearly DG Competition IT strategy

Baseline (2019)	Interim milestone (2023)	Target (2024)	Latest known results (31/12/2022)
25% Support for horizontal projects at DG COMP	81,25% Support for State Aid/Antitrust/Cartel/Foreign Subsidies Regulation/Digital Markets Act cases at DG COMP	95% Support for case management at EC (participating DGs) and enabling re-use by EUIs (e.g. EPPO).	68,75% Support for State Aid case management, Digital Markets Act and document registration and management for all competition instruments

<sup>(33)</sup> There was no Staff Survey in 2022.

<sup>(34)</sup> Ibid.

<b>Baseline (2019)</b>	<b>Interim milestone (2023)</b>	<b>Target (2024)</b>	<b>Latest known results (31/12/2022)</b>
50% Support for State Aid digital exchanges, collaboration within the European Competition Network and leniency applications	81,8% Publication of competition data on the Open Data and Case Search portal. All tools support for DMA and Foreign Subsidies.	100% Digital notification of cases via eNotification portal (starting with Mergers)	73% Support for negotiations on confidentiality claims, revamped State Aid reporting tool, support for Requests for Information in full operation
18,75% Results of proofs of concept using machine learning	66,7% eDiscovery as a service. Selection next-gen eDiscovery with Technology Assisted Review and AI. Consolidated ML Platform. QlikSense dashboards. Decisions content search tool for all instruments.	100% Cutting-edge AI/TAR solutions to boost document review. State-of-the-art tools to efficiently crunch big data. Data solutions for all users. Secure and sovereign data infrastructure (cloud) enabling all the above.	62.5% Revamped eDiscovery. Ad-hoc data services for non-standard submissions. Advanced content search tool to support complex M/AT cases. Pilot Machine Learning platform. State aid decisions content search tool.

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

**Source of data:** Local Data Correspondent

<b>Baseline (2019)</b>	<b>Interim milestone (2023)</b>	<b>Target (2024)</b>	<b>Latest known results (31/12/2022)</b>
10%	66,7% 5 out of 6 instruments (incl. HPs) supported by CASE@EC and modern data management practises. Pilot with State aid to improve data management roles and tools.	100% All COMP instruments (incl. HPs) supported by CASE@EC and supports modern data management practises. Complementing with data management roles and tools.	25% 2 out of 6 DG Competition instruments supported by CASE@EC and supports modern data management practises.

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

**Source of data:** DPC activities

<b>Baseline (2018)</b>	<b>Interim milestone (2019--2024)</b>	<b>Target (2024)</b>	<b>Latest known results (31/12/2022)</b>
90%, information sessions, interventions from the DPCs in the management meetings, directorate house meetings or unit meetings took place in 2018. There was a large demand for that following the entry into force of the GDPR in May 2018.	2020: 100% of senior and middle management; 100% of new comers Gradually, until 2024, all remaining 10% of COMP staff and 100% of the newcomers will be reached by the awareness raising activities.  DG COMP staff has been largely sensibilised to data protection issues. Regular information sessions and activities will continue to be organised by the DPC in order to maintain awareness at a high level.	100% of staff	100%

**Objective:** DG Competition is using innovative, trusted digital solutions for better competition enforcement, information management and administrative processes to forge a truly digitally transformed, user-focused and data-driven Commission in the competition domain and beyond

**Main outputs in 2022:**

<b>Description</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results</b>
CASE@EC: digital solution for State Aid, Horizontal Projects, Digital Market Act and Foreign subsidies cases	Degree of implementation of the digital solutions modernisation plan: case management solutions (CASE@EC)	68,75%	68,75% Support for State Aid case management, Digital Markets Act and document registration and management for all competition instruments

<b>Description</b>	<b>Indicator</b>	<b>Target</b>	<b>Latest known results</b>
Solutions for confidentiality claims (eConfidentiality) and requests for information (eRFI) Improvements to State Aid solutions, secure exchange platform for Mergers and Antitrust and Leniency statements solution	Degree of implementation of the digital solutions modernisation plan: exchanges with external stakeholders (aggregated)	73%	73% Support for negotiations on confidentiality claims, revamped State Aid reporting tool, support for Requests for Information in full operation
Data tools and support for case teams to speed up investigations and proceedings, Enhanced eDiscovery solutions: advanced search and document review (NLP, machine learning), Dashboards for management, Basic data space for competition enforcement	Degree of implementation of the digital solutions modernisation plan: data analytics/artificial intelligence (aggregated)	62,5%	62,5% Revamped eDiscovery. Ad-hoc data services for non-standard submissions. Advanced content search tool to support complex M/AT cases. Pilot Machine Learning platform. State aid decisions content search tool.
Data governance	Percentage of DG Competition key data assets for which corporate principles for data governance have been implemented	25%	2 out of 6 COMP instruments supported by CASE@EC and supports modern data management practises
New information systems (going into production in a given year) have a security plan and/or a security risk assessment to safeguard information <sup>(35)</sup>	Percentage of new information systems (going into production in a given year) having a security plan and/or a security risk assessment	100%	100%
All newcomers follow data protection training	Percentage of newcomers attending awareness raising activities on data protection compliance	100%	100%

<sup>(35)</sup> Contained in IT Risk file. IT Risks and mitigating actions are discussed by the DG Competition governance body for IT (DIT) and documented in the IT Risk Register.



Description	Indicator	Target	Latest known results
Implementation of the corporate principles for data governance for (the service's) key data assets	Percentage of implementation of the corporate principles for data governance for (the service's) key data assets	Interim milestone by 2022: 25%	25%

## Environmental management

**Objective:** DG Competition 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 2022:

#### DG Competition specific actions

Description	Indicator	Target	Latest known results
Functional DG Competition EMAS Team.	Further fostering of the DG Competition EMAS Green Team with volunteers and ambassadors in the DG Competition ecosystem	(1) Two meetings per year (2) Defining responsibilities and fields of action of the team members	(1) 100% (2) 100%
Promote the EMAS corporate campaigns – Development and implementation of a DG Competition EMAS action plan.	(1) Adoption of the DG Competition EMAS plan (2) Implementation of the DG Competition EMAS plan by the volunteers and ambassadors	(1) Adoption of the plan: Q1 2022 (2) Implementation of at least 50% of the defined actions by the end of 2022	(1) 100% (2) 100%

#### I. More efficient use of resources (energy, water, paper)

Description	Indicator	Target	Latest known results
Staff awareness actions to reduce energy use in the framework of EMAS corporate campaigns and/or awareness actions about DG's total energy consumption.	Number of actions <sup>(36)</sup>	2	100% - Note to the DG on Reducing Heating, Air-conditioning and Ventilation (HVAC) working time; - Participation in the end of year Commission buildings' closing down campaign

<sup>(36)</sup> Indicative actions include local staff awareness actions (e.g. info-fairs) and messages by senior management.

## I. More efficient use of resources (energy, water, paper)

Description	Indicator	Target	Latest known results
Participation in the end of the year energy saving action, by closing down DG's buildings during the Christmas and New Year's holiday period.	% of buildings participating	80%	90%
Paperless working methods at DG level (such as paperless working: e-signatories, financial circuits, collaborative working tools) and staff awareness actions to reduce office paper use in the framework of EMAS corporate campaigns and/or raise awareness about DG's office paper use.	Number of actions	2	100% Promoted: - Best-practice workshop on: ICT assets, digital mindfulness & e-waste management - DG COMP has adopted e-signed e-signatories (also outside ARES) as standard procedure, also in post-Covid-19 environment.
	Number or % of staff informed	100%	100%
	Number of new actions introduced	2	100% - DG COMP gradually encourages MS Teams capabilities for the units/ working groups dealing with low sensitivity information - Case@EC was extensively tested to become the one stop platform for horizontal Projects in all the DG's Instruments.
	Reducing the prints per person	40%	N/A <sup>(37)</sup>

<sup>(37)</sup> Data not available in time for this publication.

## II. Reducing CO<sub>2</sub>, equivalent CO<sub>2</sub> and other atmospheric emissions

Description	Indicator	Target	Latest known results
Staff awareness actions on reducing GHG emissions (such as actions on sustainable commuting during EU Mobility week and VeloWalk corporate events) and raise staff awareness on sustainable commuting in collaboration with OIB (e.g. availability of bike parking facilities, lockers and showers, promote the reduction of parking spaces' use amongst staff).	Number or % of staff informed	100%	100% Promoted: - Best-practice workshop on sustainable commuting - VeloMay - European Week of Sports - Walking Challenge
	% of staff participating in VeloWalk <sup>(38)</sup>	100% increase of staff participating in VeloWalk	Not met 0,13% - 2021 0,09% - 2022
Gradual increased use (and number of) VC <sup>(39)</sup> meeting rooms for meetings with stakeholders (avoiding business trips) in the DG, in collaboration with DG SCIC and OIB.	Number of VC meeting rooms	14	16
Staff awareness on digital pollution and gradual change of behaviours avoiding heavy emails, encouraging the use of ICT platforms, avoiding unnecessary storage of data.	Number of events promoted/organised	1	1 Promoted: - Best-practice workshop on: ICT assets, digital mindfulness & e-waste management

<sup>(38)</sup> Scope of the indicator changed in 2021 (new baseline 2021).

<sup>(39)</sup> VC (Videoconferencing) room

III. Reducing and management of waste			
Description	Indicator	Target	Latest known results
Staff awareness actions about waste reduction and sorting in the framework of EMAS corporate campaigns and staff awareness actions about DG's waste generation. In collaboration with OIB issuing a satisfactory survey for staff, analysing its results and reflecting on them.	% of staff informed	100%	100%
	Reduce waste generation	40%	10% <sup>(40)</sup>
	Number of actions promoted/organised	2	Organised: - Cyreo electrical items collection event Promoted: - Plogging – Trash picking action at Park Cinquantaire - Plogging – Trash picking action at Park Royal - River clean-up during the 2022 EC Volunteering 'Week'

<sup>(40)</sup> Changes in the teleworking patterns in recent years strongly impact annual on-site waste generation developments.

#### IV. Supporting biodiversity

Description	Indicator	Target	Latest known results
Staff awareness actions on supporting biodiversity (for example for urban sites, sponsor the creation and maintenance of urban gardens, insect hotels and green roofs within EC-premises with the support of volunteers)	Number of actions promoted/organised	1	<p>Organised:</p> <ul style="list-style-type: none"> <li>- In cooperation with IAS, DG Competition has approached OIB to explore possibilities to green the internal and external terrace on the 7th floor.</li> </ul> <p>Promoted:</p> <ul style="list-style-type: none"> <li>- Best-practice workshop “Building Greener buildings and work space”</li> <li>- RC Living Lab workshop: Gamification session on environmental sustainability</li> <li>- Best-practice workshop on biodiversity</li> </ul>
	Assess feasibility for such action in the premises of DG Competition	Defined feasibility and scope in dialog with OIB and IAS	100%

**ANNEX 11: Implementation through national or international public-sector bodies and bodies governed by private law with a public sector mission (Not applicable)**

**ANNEX 12: EAMR of the Union Delegations (Not applicable)**

**ANNEX 13: Decentralised agencies and/or EU Trust Funds (Not applicable)**

**ANNEX 14: Reporting on the Recovery and Resilience Facility (Not applicable)**

## ANNEX 15: Digital Transformation indicators calculation

### 1. Calculation for Case management solutions (CASE@EC)

ID	Principle	Baseline 2019	2021	2022	Interim milestone 2023	Target 2024
5.3	Agile	0	0	1	1	1
5.2	Data driven	0	1	1	2	2
5.1	User centric	1	1	1	1	2
4.2	Cross border	N/A	N/A	N/A	N/A	N/A
4.1	Interoperability	0	1	2	2	2
3.2	Transparency	N/A	N/A	N/A	N/A	N/A
3.1	Openness	N/A	N/A	N/A	N/A	N/A
2.2	Privacy	1	1	2	2	2
2.1	Security	1	1	2	2	2
1.2	Once only	0	1	1	1	2
1.1	Digital by default	0	1	1	2	2
	<b>Average</b>	<b>18,75%</b>	<b>43,75%</b>	<b>68,75%</b>	<b>81,25%</b>	<b>95%</b>

## 2. Calculation for Digital interactions with external stakeholders

ID	Principle	Baseline 2019	2021	2022	Interim milestone 2023	Target 2024
5.3	Agile	1	1	1	2	2
5.2	Data driven	1	1	1	1	2
5.1	User centric	1	2	2	2	2
4.2	Cross border	1	1	1	2	2
4.1	Interoperability	1	1	2	2	2
3.2	Transparency	1	1	1	1	2
3.1	Openness	1	1	1	1	2
2.2	Privacy	1	1	2	2	2
2.1	Security	1	2	2	2	2
1.2	Once only	1	1	1	1	2
1.1	Digital by default	1	2	2	2	2
	<b>Average</b>	<b>50%</b>	<b>68%</b>	<b>73%</b>	<b>81,8%</b>	<b>100%</b>



### 3. Calculation for data and artificial intelligence for competition enforcement

ID	Principle	Baseline 2019	2021	2022	Interim milestone 2023	Target 2024
5.3	Agile	0	11	1	2	2
5.2	Data driven	1	1	1	1	2
5.1	User centric	0	1	1	1	2
4.2	Cross border	N/A	N/A	N/A	N/A	N/A
4.1	Interoperability	0	0	1	1	2
3.2	Transparency	N/A	N/A	N/A	N/A	N/A
3.1	Openness	N/A	N/A	N/A	N/A	N/A
2.2	Privacy	1	1	2	2	2
2.1	Security	1	1	2	2	2
1.2	Once only	0	0	1	1	2
1.1	Digital by default	0	0	1	2	2
	<b>Average</b>	<b>18,75%</b>	<b>37,5%</b>	<b>62,5%</b>	<b>66,7%</b>	<b>100%</b>